CENTRALRETAIL

STRENGTH& RESILIENCE

Annual Registration Statement I Annual Report 2020 (Form 56-1 One-Report)

Content

Vision and Mission, Principles, and Purpose	2
Core Values	3
Central Retail Ecosystem	4
Financial Highlights	8
Message from Chairman of the Board of Directors	10
Message from Chief Executive Officer	11
Board of Directors	12
Managements	13
Awards and Recognitions	14

Part

Business Overview and Performance

1	Business Structure and Operations	17
2	Risk Management	115
3	Sustainability	126
4	Management Discussion and Analysis: MD&A	160
5	General Information	181

Part

Corporate Governance

6	Corporate Governance Policy	208
7	Management Structure / Director, Sub-committee,	225
	Management, Employee and other information	
8	Report on Corporate Governance	260
9	Internal Control and Connected Transactions	283

Part 03	Financial Statements	316
	Enclosure	
	Enclosure 1 Details of Directors, Executive, Controlling Person, Person in charge of Finance and Accounting, Head of Controller and Company Secretary	382
	Enclosure 2 Details of the Directors of the Subsidiaries	420
	Enclosure 3 Details of Head of Internal Audit and Head of Compliance	423
	Enclosure 4 Operating Assets and Details of Asset Assessment	425
	Enclosure 5 Corporate Governance Policy, Code of Business Ethics and Charters	442
	Enclosure 6 Audit Committee's Report	467
	Glossary of Terms and Retailing Terms	470

RETAIL

ala

CENTRAL Vision and Mission

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

Principles Honesty, Diligence, and Commitment to Customers

Purpose Central to Life

REDIAURANTS

Enjoy Your free touch-up every Friday Lanuary 2020 - 31 December 2020

% TELOP - MEN 15% off new collections, 30 - 50% off selected items

Y CAROCHE - MEN soft all items. 4 - 5 Dec '20: 30% off selected ite. **Financial Statements** Enclosure

Core Values Because we care.. I-CARE

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

Innovation

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

The Company stands ready to encourage and support all personnel in facing changes without prejudgement, in overcoming all limitations and achieving all possibilities, in consistently examining and exchanging knowledge, and in fearlessly innovating with readiness to modify and improve in the turning of ideas into real practice.



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.

Alliance Work as a team for the progress of the business group

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



Relationship

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

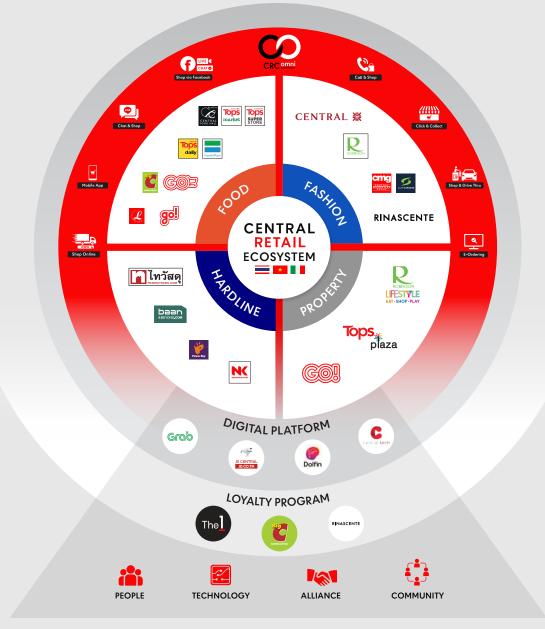
The Company recognizes the importance of valuing and respecting differences and diversity in age, culture, and gender to promote a workplace where care, sincerity, flexibility and

> consideration of colleagues, business partners and society are key factors. The Company emphasizes the keeping of promises to foster confidence and trust in its work, as well as creating an awareness of social responsibility for sustainable growth.

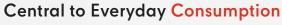
Ethic Respect of ethics in business operations

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

Central Retail Ecosystem



Multi Category



Keeping up with food trends and changing tastes, Central Retail offers an extensive range of groceries and consumer goods under retail banners Central Food Hall, Tops, FamilyMart, Big C / GO! Vietnam, Lanchi Mart, and go!.

Central to Everyday Style

Within fashion segment, Central Retail's retail banners house an extensive range of products, from world-renowned luxury brands to everyday labels. Customers can complete all their fashion needs at the store, including Central Department Store, Robinson Department Store, Supersports, and Central Marketing Group, and Rinascente.



CENTRAL 淡



RINASCENTE

HARDLINE SEGMENT

PROPERTY

SEGMENT

FOOD

SEGMENT

FASHION

SEGMENT

Central to Everyday Living

Central Retail serves your home improvement needs. Hardline segment carries electronics, construction materials and DIY products under retail banners Thai Watsadu, Baan & Beyond, Power Buy, and Nguyen Kim.





Central to Everyday Life

Central Retail oversees property management under retail banners Robinson Lifestyle Center, Tops Plaza, and Big C / GO! Vietnam.



Multi Format





Specialty Store





Supermarket

SUPERMARKET

Physical Platform (Offline) Department Store



Hypermarket



Convenience Store



Retail Plaza



Sales Counter

Digital Platform (Omnichannel)



Webstore



Mobile Application



Social Commerce

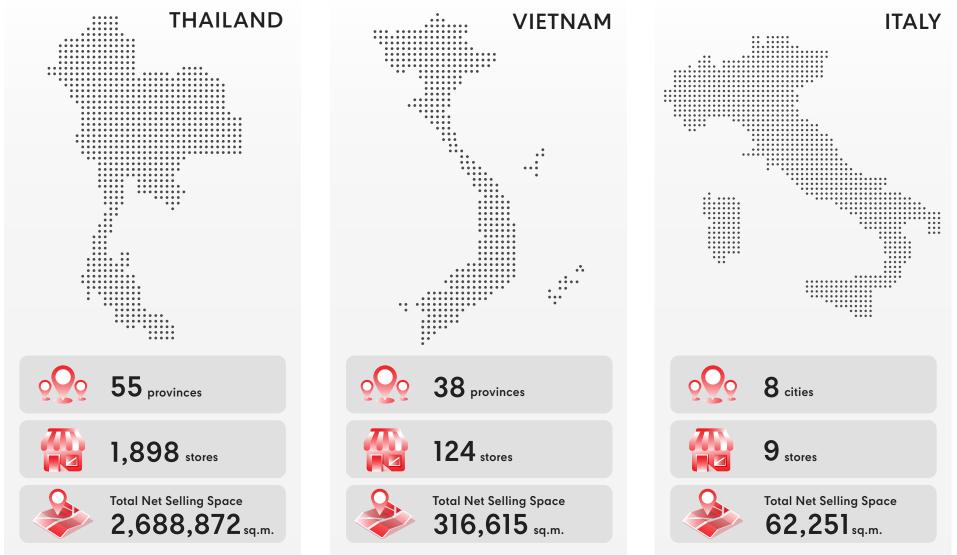


e-Ordering

atements Enclosure

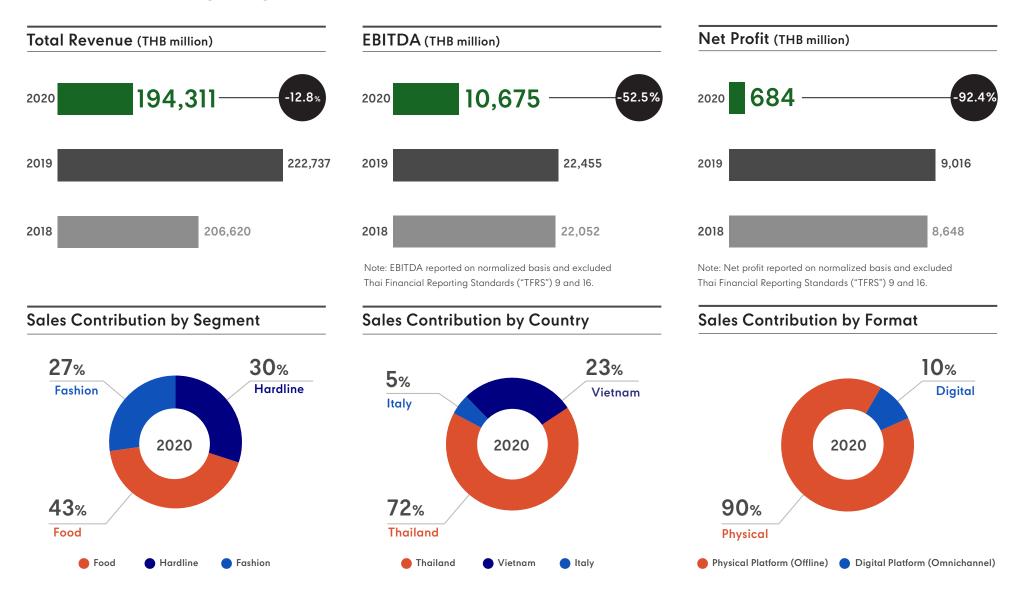
Multi Market

As of 31 December 2020



Note: Central Retail also has 7 brandshops in Malaysia.

Financial Highlights



Financial Statements Enclosure

Financial Highlights

Statement of Comprehensive Income (THB million)	2018	2019	2020
Total revenue	206,620	222,737	194,311
Total cost of sales of goods ⁽¹⁾	131,868	144,856	134,948
Gross profit ⁽²⁾	56,574	59,153	44,999
Selling and administrative expenses	60,160	62,332	57,088
EBITDA from continuing operations	25,123	25,814	18,965
Normalized $EBITDA^{\scriptscriptstyle{(3)}}$	22,052	22,455	10,675
Net profit from continuing operations	11,105	12,359	341
Normalized net profit ⁽³⁾	8,648	9,016	684
Profit attributable to owners of the parent	10,931	10,633	46

Statement of Financial Position (THB million)	2018	2019	2020
Total assets	177,357	183,505	239,180
Total liabilities	110,030	145,986	183,465
Total equity	67,327	37,519	55,715

Financial Ratios	2018	2019	2020
Gross profit margin ⁽²⁾ (%)	30.0	29.0	25.0
Normalized EBITDA margin (%)	10.7	10.1	5.5
Net profit margin from continuing operations (%)	5.4	5.5	0.2
Normalized net profit margin (%)	4.2	4.0	0.4
Return on total assets (ROA) ⁽⁴⁾ (%)	5.1	6.8	0.2
Return on equity (ROE) ⁽⁵⁾ (%)	16.6	23.6	0.7
Net interest-bearing debt / Equity (times)	0.5	1.4	0.9
Earnings per share (THB / share)	3.78	2.26	0.01

Notes:

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

⁽²⁾ Gross profit and gross profit margin from sale of goods, rental services, and rendering of services.

⁽³⁾ EBITDA and net profit reported on normalized basis and excluded Thai Financial Reporting Standards ("TFRS") 9 and 16.

⁽⁴⁾ ROA = Net profit margin from continuing operations / Average total assets.

⁽⁵⁾ ROE = Net profit margin from continuing operations / Average total equity.

As of 31 December 2020



Sales Location (1)

Retail Plaza

66 Stores

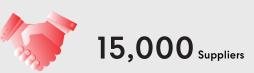


3,771_{Stores}









Loyalty Program

Million members across 3 countries

Note: ⁽¹⁾ Included 7 brandshops in Malaysia.

Message from Chairman of the Board of Directors



Dear Shareholders,

Central Retail is the country's leading retailer for more than 73 years. We are committed to becoming a role model for sustainable retail and service businesses from internally to externally under 3 major concepts - focus on long-term results, give priority to public interest over self-interest, and determine to embody quality over quantity. The heart of business from now on is creating shared values (CSV) with all stakeholders to achieve sustainable growth by adhering to environmental, social, and governance (ESG) central factors in driving our business.

Our scope of operations has been clearly determined according to the 17 Sustainable Development Goals of the United Nations (SDGs) with emphasis on 4 major aspects that can lead to lifestyle and well-being changes of the people and the community, namely 1) PEOPLE 2) PROSPERITY 3) PLANET 4) PEACE & PARTNERSHIPS. With an aim to be the top retailer in parallel with robust growth and people in the long run, Central Retail has promoted an integration between sustainability and business process throughout 2020 and further in 2021 by dividing into different projects in a concrete manner according to the principles of Environment, Social and Governance (ESG).

The key projects included the use of resources and business knowledge and expertise which are built upon to create mutual value and benefits for the community by emphasizing the development of well-being of the community and persons with disabilities, the educational support, and the income generation for the community, e.g. the partnership school project conducted with the Vocational Education Institution to produce students whose qualifications respond to the market needs, the promotion of occupations for the persons with disabilities to expand equal opportunities to everyone by establishing the Contact Center with the Redemptorist Foundation for People with Disabilities to develop the persons with disabilities. Moreover, Central Retail conducted the income generation project for the community through the development of local products and supported funds for the farmers and villagers, from the origin to the destination in a sustainable manner, e.a. the Farmer's Market project that offered sales areas for community products inside Central Group's department stores, the Say No to Plastic Bags project as well as the community arts and cultural promotion project such as the improvement of the Na Muen Sri Community's Textile Museum in Trang Province, which has become a conservative tourist attraction to attract the number of tourists and develop the community's economy. In addition, amid the COVID-19 crisis, Central Retail cooperated and strictly performed according to the government's public health policy by keeping cleanliness, safety, and occupational health of employees and customers at the heart of its operations as well as maintained employment of more than 19 million labors, especially, in retail and service sectors.

Meanwhile, we laid a sustainable business foundation by ensuring the most efficient supply chain management, monitored suppliers to comply with relevant rules and regulations and supported supply chain operations to be accountable and transparent, and recognized customer satisfaction and pleasant customer experience as well as the development of innovation and technology facilitating various activities.

Central Retail is determined to operate business with good corporate governance. In 2020, the Company elevated its corporate governance system in different areas to ensure more consistency with the international principles, for example, the appointment of the sub-committee, e.g. the Corporate Governance and Sustainability Committee, to develop corporate governance and sustainable operations, the establishment of a Compliance Unit to oversee personnel and internal units of the Company to ensure their compliance with relevant rules and regulations and consistency with the principles of good corporate governance. The Board of Directors also resolved to approve that the Company shall start carrying out operations to join Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) by assigning the Audit Committee to be responsible for such matter. It is expected that the Company will be able to declare an intent to join the project in 2021.

From now on, Central Retail will continue to provide assistance to the society, uplift the quality of the environment, and increase management efficiency by focusing on sustainable corporate governance principles as well as build upon on more results both in terms of quantity and quality continuously.

Prasarn Trairatvorakul

(Dr. Prasarn Trairatvorakul) Chairman of the Board of Directors

Message from Chief Executive Officer



Dear Shareholders,

2020 was a challenging year for the Company's operations inevitably affected by the Coronavirus Disease 2019 (COVID-19) pandemic. Over the past year, the Company emphasized and gave priority to health and safety of customers, employees, suppliers, and communities by strictly implementing preventive health-control measures in all the Company's business premises and office in the early stage of the outbreak to reduce the transmission of the virus, and complying with the government's disease control measures. The Company temporarily closed non-food stores in Thailand, Vietnam, and Italy at the end of March to mid-May, thus causing a sharp decline in revenue in the second quarter.

However, with its commitment to delivering consistently great customer service and shopping experience, the Company turned crisis into opportunity by stepping up our capabilities of omnichannel platforms pioneered by the Company since the past three years, rolling out new sales channels and new types of services, e.g. Call & Shop, Chat & Shop, social commerce channels, and Drive Thru pick up services to provide customers a convenient and worry-free shopping experience and adopt new retail business trends to satisfy the customer's needs. Meanwhile, the Company operated business with due care while adapting itself by cutting operating costs and expenses to ensure continuous efficiency, maintaining liquidity and profitability, and continuing investments for the Company's long-term growth, for instance, store and property expansion and renovation both in Thailand and overseas, investments in personnel skill development, technology, and continued seeking partnership with alliances in fulfillment of the Company's strategies.

For the Company's 2020 operating results, the Company recorded total revenue of 194,311 million Baht, decreased by 13 percent, and net profit of 341 million Baht, decreased by 97 percent from 2019 operating results. Despite the overall decline in operating results, the Company v-shaped its business adaptation since the third and fourth quarters, thus resulting in the rapid recovery in operating results in the third quarter and profits similar to the period before the occurrence of COVID-19 pandemic.

Adaptability and resilience are two key success factors that lie at the heart of the Company that have contributed to crisis survival and robust business continuity. The COVID-19 pandemic situation can prove that the Company has a corporate culture for change readiness and quick adaptability, that all employees have exerted their maximum efforts, and that robust business platforms are in place amid the crisis which can still respond to the changing customer's needs and create new experiences while having good Central Retail Ecosystem and receiving great support from the customers and business alliances. Moreover, with its commitment to providing assistance to the communities, farmers, and SMEs amid the COVID-19 pandemic, the Company provided free sales areas nationwide and online sales channels, increased purchase volumes of agricultural products and community products as well as added new sales areas at all branches of Tops, Central Food Hall, and Jing Jai Farmers' Market.

From now on, we are in the midst of an era of uncertainty. There are still many challenges facing the retail business in 2021, however, our purpose to respond to the customer needs at our best and to become a central to life of all stakeholders, remains unchanged. We believe that our strengths in Central Retail & Service Platform and strategies can lead to continuous and long-term business growth.

I would like to take this opportunity to express my sincere gratitude to all employees for their hard work and dedication to achieve great success at their best as well as all stakeholders, shareholders, alliances, suppliers, and customers. We are still keeping up with all changes in a timely manner for the utmost benefits of all stakeholders and the Company's sustainable growth.

Yol Phokasub

(Mr. Yol Phokasub) Chief Executive Officer

Board of Directors



1. Dr. Prasarn Trairatvorakul 2. Mr. Suthichai Chirathivat 3. Mr. Suthikiati Chirathivat 4. Mrs. Patareeya Benjapolchai

5. Dr. Atchaka Sibunruang

6. Mr. Sompong Tantapart

7. Mrs. Pratana Mongkolkul 8. Mr. Kanchit Bunajinda

Chairman Vice Chairman Vice Chairman Independent Director, Chairman of Corporate Governance and Sustainability Committee, Member of the Audit Committee and Member of the Risk Policy Committee Independent Director, Chairman of the Nomination & Remuneration Committee and Member of Corporate Governance and Sustainability Committee Independent Director, Member of the Audit Committee and Member of the Nomination & Remuneration Committee Independent Director and Chairman of the Audit Committee

Independent Director and Chairman of the Risk Policy Committee

10. Mrs. Yuwadee Chirathivat 11. Mr. Suthilaksh Chirathivat 12. Mr. Prin Chirathivat 13. Mr. Tos Chirathivat 14. Mr. Pichai Chirathivat

15. Mr. Yol Phokasub

9. Prof.Dr. Suthiphand Chirathivat Director and Member of the Nomination & Remuneration Committee

Director and Member of the Executive Committee Director

Director and Member of the Risk Policy Committee Director, Chairman of the Executive Committee and Member of Nomination & Remuneration Committee Director and Member of Corporate Governance and Sustainability Committee Director, Member of the Executive Committee, Member of the Risk Policy Committee, Member of Corporate

Governance and Sustainability Committee and Chief Executive Officer

Managements





Mr. Yol Phokasub

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





Mr. Nicolo Galante

Member of the Executive Committee and President



03

Mr. Piya Nguiakaramahawongse

Member of the Executive Committee and Chief Financial Officer



04

Mr. Philippe Jean Broianigo

Chief Executive Officer Central Retail Vietnam



05

Mr. Pierluigi Cocchini President

Central Retail Italy

Awards and Recognitions

Ol Corporate Achievement Awards



Best Equity Deal of The Year

Central Retail received Best Equity Deal of The Year Award from the 14th Annual Deal & Solution Awards 2020 event, organized by Alpha Southeast Asia. This can be deemed as the best deal of the year as the award criteria were considered based on the difficulty, complexity and benefits of transactions.

2 Achievement Awards for Business Excellence

The 2020 GIA Global Honoree for Excellence in Retail



Central Department Store won the prestigious title of 'The 2020 GIA Global Honoree for Excellence in Retail at the 2020 GIA Awards from United States of America, which was the only department store in Southeast Asia to be on this year's list.

FSSC 22000 certification (Food Safety System Certification)

		TUV NOR	0
CER	TIFICAT	10. IL	
Nonsparte Non Detto	ret typinet- int just Thereine The Physical Control	tion in	
CENTRAL OF	PORTO BELLAS CON LIVE	CENTRAL MOOD	
Patterd			
Floor Report and Personal Floor Report	in heart of the line of the second se	Bar Lands Asses	
took 5			
201010	printer		
6			

Central Food Hall and Tops market were awarded FSSC 22000 (Food Safety System Certification 22000), the food safety management standards of retail stores at international level. Such standards highlight the confidence in the quality and safety of food produced and distributed. Presently, there are 11 branches that passed the standards, which can represent Central Retail's highest number of stores certified by the FSSC 22000 standards in Southeast Asia. This was a great success for Central Retail's commitment to deliver its quality products and services.

PLMA's 2020 International "Salute to Excellence Awards"



Central Food Retail recognized for outstanding private label products with PLMA's 2020 International "Salute to Excellence Awards" in three categories from Private Label Manufacturers Association International Council (PLMA), including healthy snacks and eco-friendly household and garbage bags with much dedication to quality and innovation, Central Retail was able to uplift the quality of its Own Brand products to an international standard.

1 of the Top 50 Stores You Wish You Could Have Visited in 2020



Healthiful, a health and wellness store under the management of Central Food Retail under Central Retail, has been elevated by The Institute of Grocery Distribution (IGD), UK to be one out of 50 stores you wish you could have visited in 2020.

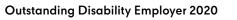


Top 500 Largest Enterprises in Vietnam and Top 10 Prestigious Retail Companies

Big C / GO! is listed among the Top 500 Largest Enterprises in Vietnam and ranked 2nd of top 10 prestigious retail companies by Vietnam Report Joint Stock Company (Vietnam Report).

03 Achievement Awards for Corporate (Staff) Well-Being and CSR Excellence

National Outstanding Organization Awards for Labour Relations and Welfare 2020 Best Employers Awards Thailand 2020





Central Department Store, Robinson Department Store, all branches of Thai Watsadu, and Baan & Beyond were awarded National Outstanding Organization Awards for Labour Relations and Welfare in 2020 from the Department of Labour Protection and Welfare. Central Department Store Company Limited (Chidlom branch) also received the award for the 15th consecutive years.



Robinson department store and Central Marketing Group won 'Best Employers Awards Thailand 2020' for the 2nd consecutive years from the "Kincentric Best Employers Thailand 2020 Awards" organized by Kincentric Thailand in collaboration with Sasin School of Management of Chulalongkorn University, which held annually for the past 19 years. This award is a guarantee that the Company places high levels of importance on corporate culture with a happy and healthy work environment for their staff because employee engagement has a positive impact on company performance to deliver a great customer experience.



Central Retail received the Outstanding Disability Employer 2020 from the Ministry of Social Development and Human Security since it supported employment and income security of people with disabilities to improve their quality of life.

CSR Excellence Recognition Award 2020 at the Platinum Level



Central Food Retail was awarded "2020 CSR Excellence Recognition Award" at the Platinum Level from the American Chamber of Commerce in Thailand (AMCHAM) for the 10th consecutive years, reiterating its unwavering vision and efforts to conduct business responsibly as a means to contribute towards sustainable economic social development through creating employment and income.



AD STARS 2020

Central Department Store received two most prestigious international awards for its film advertisement "Don't Die Till that Day" of the CENTRAL MIDNIGHT SALE campaign at the "Ad Stars 2020" event, the International Advertising Festival in Busan, South Korea.



Best Brand Performance on Social Media (Hypermarket & Supermarket) 2020



Tops in Thailand was awarded Best Brand Performance on Social Media (Hypermarket & Supermarket) 2020 from Thailand Zocial Awards 2020. It was the grandest social-media event and to give awards to brand in the entertainment sector with outstanding performances.

Favorite Vietnamese Brand in 2020

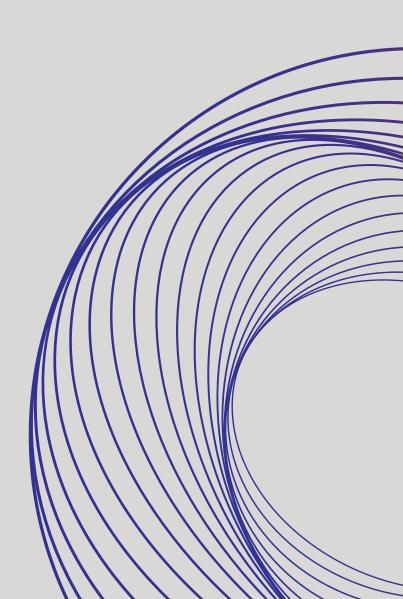


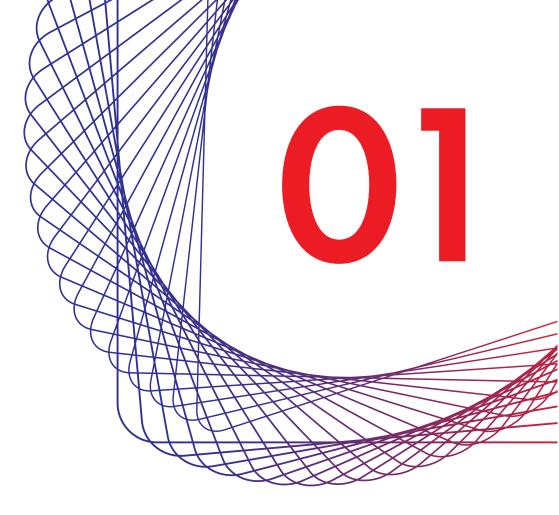
Big C / GO! Vietnam was awarded Favorite Vietnamese Brand in 2020 from Saigon Giai Phong newspaper (SGGP).



Part 01

Business Overview and Performance





Business Structure and Operations

1.1 Business Overview



Central Retail Corporation Public Company Limited ("the Company" or "Central Retail") is the leading multi-format and multi-category retailing platform in Thailand. Central Retail is also groing internationally, securing leadership status in Italy and becoming one of the leaders in Vietnam. Central Retail is a pioneer in omnichannel retailing in Thailand, complementing its retail store network and merchandise offerings with leading positions among store-based retailers in online traffic. The iconic "Central" brand, whose reputation for excellence and a customer-centric approach to retailing dates back over 70 years in Thailand, unifies and stands behind its portfolio of diverse retail banners, many with leading market positions across the most attractive retail categories. Central Retail uses the "Central" (both in Thai and English) trademarks, service marks, tradenames (collectively, the "Trademarks") in business operations under certain licensing agreements.

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

As of 31 December 2020, Central Retail operated 1,898 stores under its key retail banners across multiple formats in Thailand, which cause Central Retail to be Thailand's largest mixed retailer, 124 stores across multiple formats in Vietnam, and 9 department stores in Italy.

Backed by over 70 years of customer-centric retail experience in Thailand and its established and growing leadership position in Vietnam, and by leveraging the resources and prestige of its business in Italy, Central Retail believes it is a well-positioned to grow into one of the most successful multi-format retailers in Southeast Asia and beyond. Central Retail is also helping to guide the next phase in the evolution of consumer lifestyles through its leadership in omnichannel retailing and continued innovation in store-based retailing formats.

Understanding how the customers' tastes and preferences have evolved as a key driver of the growth since Central Retail's founders began with a single small shop house in Bangkok in 1947. As the customers' requirements changed, demanding more diverse and comprehensive shopping experienes, Central Retail provided them with Thailand's first full-scale department store. As income levels across Thailand grew, Central Retail expanded beyond Bangkok, serving customers with its first department store in Chiang Mai Province in 1992 and Central department store and Robinson department store ultimately have 73 stores across Thailand as of 31 December 2020. Central Retail became a pioneer in introducing new retail formats and expanded its offerings into specialty shopping experiences such

Corporate Governance

ance Financial Statements

as consumer electronics, sports apparel, DIY home improvement, supermarkets and convenience stores. Central Retail expanded its successful customercentric, multi-format retailing model to Vietnam, where Central Retail developed retail plazas, hypermarkets and specialty stores in both rural and urban markets, and built a business that is distinct from its business in Thailand by adapting its model to the needs of Vietnamese customers. Similarly, in Italy, Central Retail established 2 flagship department stores in Milan and Rome and 2 mini flagship branches in Turin and Florence to cater to premium and tourist customers. In addition, Central Retail also operates 5 other department stores in major cities around the country that cater to a broader demographic while still delivering a unique upscale shopping experience. Finally, Central Retail has been pioneers in omnichannel retailing across all of these jurisdictions, underscoring its continuing focus on customer-driven innovation.

Central Retail believes it can satisfy the full spectrum of the customers' shopping needs through comprehensive merchandise offerings and its diversified portfolio of retail banners. Central Retail's merchandise mix addresses the majority of consuer expenditure categories, including consumer staples like food and clothing to discretionary items like luxury fashion, electronics and homeimprovement. Through consistent network expansion, Central Retail has broadened its customer base to encompass all income levels and age groups, and extensive store footprint has brought Central Retail closer to where the customers live, work and entertain just as they are increasingly seeking out greater convenience in their shopping experience. Central Retail operates under a diverse slate of retail banners which can divide into 4 segments based on business units, including (1) fashion banners, such as Central Department Store, Robinson Department Store, Rinascente, supersport, CMG and brand counters (2) hardline banners, such as Thai Watsadu, Baan & Beyond, Power Buy and Nguyen Kim (3) food banners, such as Central Food Hall, Tops, family mart, Lanchi and Big C / GO! Vietnam, and (4) property banners, such as Robinson Lifestyle Center, Tops Plaza, and Big C / GO! Vietnam. Central Retail is the partner of choice for global brands like Gucci, Bottega Veneta, Polo Ralph Lauren, Nike, Skechers, Muji and Samsonite. By aiming to provide a differentiated offering across global and domestic merchandise while still catering to local customer tastes and preferences, Central Retail believes to be one of the customers' first choices in each consumer expenditure category where Central Retail operates.

Enclosure

With its commitment to cater to customers' diverse needs. Central Retail has continuously developed omnichannel platforms to blend online and physical store shopping experience seamlessly into one although the customers prefer online shopping due to its convenience. Central Retail has foreseen that physical store shopping is still the top choice of customers and that physical store shopping is still the pillar of retail business in Thailand in the next 5 years. The store networks of Central Retail have blended physical store shopping through salespersons with online shopping channels and created a connection point to Central Retail's customers through various services such as Click & Collect, a feature that enables customers to make purchases online and then collect the items at their preferred stores and the salespersons to provide services to customers and boost sales of other products, and Chat & Shop, a feature that allows customers to shop through text with the assistance of salespersons via mobile phones. Moreover, the in-depth information of the customers obtained from comprehensive omnichannel platforms will help Central Retail make some changes to shopping experience that suits the customers. Central Retail believes that comprehensive omnichannel services will influence shopping behaviors of its current customers, increase customer loyalty, retain regular customer base as well as attract new customers who not only need online shopping convenience, but also services and shopping satisfaction, all of which can be achieved through physical stores (such as fitting or product inspection). Central Retail expects that its omnichannel platforms, a blend of online and physical store shopping experience, will create unique an comprehensive shopping experience for the next-lgeneration customers as well as continuously drive growth both in Thailand and overseas.

Financial Statements Enclosure

1.1.1 Competitive Strengths

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

2



The Leading Muti-Format Retail Platform with Retail Banners and Omnichannel Offering across Multiple **Retail Categories**



Focus on Customers Centric to Drives **Continuous Innovation and Customer** Engagement



Diverse Ecosystem Attracts Prestige Brands and Drives Synergies and Customer Engagement



Asia and Abroad



3

Success of Track Record of Acquisitions and Expansion into Other Markets in

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

(1) The Leading Muti-Format Retail Platform with Retail Banners and Omnichannel Offerings across Multiple **Retail Categories**

Central Retail is the leading multi-format retail platform in Thailand, offering a portfolio of powerful retail banners with leadership positions across the most attractive retail categories. Central Retail believes that its retail banners have become trusted household names synonymous with modern trade retailing in Thailand, widely recognized by the customer for best-in-class service, quality, choice and value. The scope of portfolio of retail banners provides Central Retail with a diversified offering of merchandise and shopping experiences for the customer and a broad view of changes in customer tastes and preferences.

Central Retail receives much attention from various brands of products and business alliances who are seeking business expansion channels in Thailand and other markets. As the pioneer of retail industry in Thailand, Central Retail has laid the foundation for omnichannel platforms since 2012. Central Retail is a retailer with the largest stores in Thailand and online shopping channels. Its merchandise mix that is available in the store networks and omnichannel platforms as well as the products that respond to the types of consumer spending, enables it to gain higher market share in consumer spending than other competitors. At present, Central Retail has expanded new sales channels to strengthen its omnichannel platforms and cover sales via social media, e.g. Facebook and LINE, as channels to facilitate customer shopping experience through a variety of channels such as Chat & Shop - a feature that allows customers

to shop through text with the assistance of salespersons; Call & Shop - purchases made via phones; Brand Line and Store Line – purchases made via LINE Official Account of various brands as well as LINE of branches, and Facebook Live and Facebook Inbox - sales and purchases of products made by live streaming on Facebook Official Page of any given business units as well as via Facebook Inbox. In addition, Central retail launched

Central App, is tailored to meet all customer's lifestyle. Central Retail can cater to the ever-changing needs of consumer spending, including the spending for general products (such as purchasing products at department stores and specialty stores) and for necessary products (such as purchasing products at supermarkets and hypermarkets).



Corporate Governance

Central Retail is the leading multiformat retailer in Thailand. Central Retail's store footprint for its key retail banners in Thailand comprised approximately 1,898 stores nationwide, including 355 department stores and specialty stores, 406 brandshops, 236 supermarkets and 901 convenience stores, with a total net selling space of approximately 2,688,872 sqm. Central Retail also operated 1,733 sales counters, which are located in its own retail locations as well as leading department stores and other retail outlets operated by third parties.

Central Retail leverages its diverse and comprehensive portfolio of store formats to optimize extensive real estate platform, which includes areas where Central Retail locates its stores as a stable tenant under long-term lease agreements (including significant space leased from Central Pattana, a company within Central Group), and areas for its retail plazas, which Central Retail locates on space that its own, and where Robinson Lifestyle Center is a leader retail leasing in Thailand with over 399,202 sqm of net leasable space as of 31 December 2020 across 24 locations. Being a stable and long-term tenant allows Central Retail to exercise significant control and flexibility in adapting formats at a given location to meet customer needs, and by clustering multiple formats at a single location, Central Retail positions its retail plazas as lifestyle destinations for local communities, particularly in rural or otherwise underserved areas. For example, each of Robinson Lifestyle Centers is anchored by a Robinson Department Store and Tops Plaza locations is anchored by a Tops Superstore, and all of its retail plazas will typically host a variety of other formats that Central Retail can mix and match as needed. Multi-format model therefore makes Central Retail a leading direct retailer and a large lessor of retail space in Thailand.

Central Retail's store network is laid out with the goal that the majority of target customers in Thailand are able to reach one of its outlets within a 30-minute commute. Central Retail also believes Central Retail has achieved balanced success across regions, for example, with sales from the Bangkok Metropolitan Region and upcountry Thailand contributing to approximately 53.8% and 46.2% of domestic sales, respectively, in the years ended 31 December 2020. Furthermore, through omnichannel platforms, Central Retail's network extends beyond its physical store footprint. For example, our omnichannel sales from our business units were delivered to provinces where Central Retail does not have a physical retail outlet. Central Retail believes that significant time, capital investment, and efforts would be required for any new competitor, foreign or domestic, to challenge the robust, comprehensive, multi-format nationwide retail platform which we have built over the last 70 years.

Enclosure

Throughout history of Central Retail, Central Retail has developed its retail banners into leadership positions across multiple retail categories in Thailand, Vietnam and Italy.

Leveraging Central Retail's successful retail experience and ability to adapt to the local market, Central Retail has also established leadership positions in multiple retail categories in Vietnam. Central Retail also operates Rinascente which is department store in Italy with branches located in major cities such as Roma Fiume, Milan, and Florence.

Customers can access Central Retail's retail banners from any location through the multiple omnichannel shopping platforms, a retailing strategy Central

Retail has helped to pioneer in Thailand. The strength in omnichannel would not be possible without our dedication to customer service, which ensures that Central retail's omnichannel offerings meet the rapidly changing demands of the customer in this new and evolving retail era. The established store network also lends authenticity and credibility to online sales channels, assuring customers, for instance, that offerings are free from the counterfeit products that plague many online marketplaces. Omnichannel offerings comes with the same warranties and guarantee of authenticity that in-store offerings provide. Omnichannel initiative seeks to foster genuine interactions with customers and reinforce the quality and credibility of merchandise and services. This unique and differentiated retail channel expands Central Retail's services, while reconfiguring Central Retail's store offerings and tailoring the online sector to meet the needs of the customer. Omnichannel offerings are backed by powerful e-commerce infrastructure and existing logistics and distribution network for store merchandise, which can help underpin Central Retail's "last-mile" delivery options for customers.

(2) Focus on Customers Centric to Drives Continuous Innovation and Customer Engagement

Central Retail has always been the pioneer of innovation for consumers in retail business in Thailand as Central Retail developed Thailand's first department store, its first lifestyle shopping center catering to shoppers in second-tier provinces and its first few "category killers" such as Supersports and Power Buy, which began as unbranded sections within its department stores that Central Retail nurtured into retail banners and finally deployed as specialty retailers. When innovating its retail concepts, including omnichannel and online strategies, Central Retail considers multiple factors that impact the lifestyles of the consumer, including weather and traffic conditions, real estate prices, living spaces and macro-trends in consumer lifestyles.

Central Retail is a leading innovator in grocery, with formats like Tops Daily, which introduced the idea of a mini-supermarket offering ready-made meals, a coffee bar and co-working spaces, and Central Food Hall, a premier grocery format and food destination where customers can shop for, dine-in and carry-out a wide selection of premium groceries in an immersive and inviting environment. Central Retail also has new store formats such as Food Loft and Eathai - high-end food courts; at TASTE, a restaurant serving freshly-cooked food at some branches of Tops market and Central Food Hall; ThaiFavourites - a zone features tourists' most wanted products from Thailand; Coffee Arigato - a Japanese coffee corner at some branches of FamilyMart and Tops as well as LOOKS - a beauty store, of which the first flagship store is located at Tops Central Rama III; Healthiful - Thailand's first comprehensive healthy food store under the slogan of 'Nature's Delights for a Healthy Life ', of which the first shop-in-shop branch was launched at Tops market Central Plaza Chaengwattana, the first stand-alone branch at the Crystal Ekamai- Ramindra; and PETSTER - the first shop-in-shop branch of specialty pet shop opened at Central Westgate. Central Retail actively experiments with new and innovative store concepts, formats and in-store experiences to help deepen customer engagement, enrich shopping experiences and drive store traffic. For example, the flagship



Supersports store at Central World in Bangkok's premier Ratchaprasong shopping district offers a "run lab" to help match customers with the best-fitting running shoes. Central Retail also launched Velo Supersports, a bike corner inside Supersports. Thai Watsadu has introduced the first AUTOI outlet, which provides full service car maintenance by professionally trained in-store technicians, and vFIX service, which connects pre-approved contractors with customers who have home improvement projects. Moreover, Central Retail focuses on creating customer experience via omnichannel channels in which each business unit has a development plan and increasingly push forward the connection between offline and online stores seamlessly.

Central Retail leverages its portfolio of diverse retail banners and store formats to provide a differentiated shopping experience catering to the tastes and preferences of the communities surrounding each of its store locations. For example, Central Retail can deploy upscale retail banners to cater to the higher-end markets of cosmopolitan locations while positioning mass-market retail banners in suburban locations, or deploy smaller format stores in dense





urban areas where space is limited while establishing larger retail plaza formats in upcountry areas. As customer preferences, competitive forces or regulatory conditions at any particular location change, Central Retail can respond quickly and accordingly by introducing new retail banners, store concepts or formats at that location, and can even quickly convert between banners or formats at a single store site. For example, in 2020, Central Retail changed its organizational structure of department store business in Thailand by transforming Megabangna and Udon Thani branches of Robinson Department Store into those of Central Department Store. It is in the process of considering making some changes to the structure of other branches of department stores in the future to respond to the changing customers in the areas. Therefore, when expanding its business to the region or new markets, Central Retail will be able to choose retail brands, concepts, or store formats that meet the needs and are suitable for such areas

Central Retail has a proven ability to engage a diverse and evolving customer base within its retail ecosystem through innovative new technologies. Central Department Store has had a dedicated webstore since 2012, and Central Retail now has 10 different webstore channels for its retail banners. In 2016, Central Retail launched "Click & Collect," an omnichannel feature that allows the customer to make purchases online and collect the items at their preferred store location or other collection point. In 2017, Central Retail launched the "Rinascente ON DEMAND" service for Ringscente and the "Chat & Shop" service for Central Department Store, which are both integrated with social networking apps like LINE, WhatsApp, and WeChat and can connect customers with sales representatives from anywhere, and which helps to drive sales through targeted promotions and accessibility. In 2018, "Chat & Shop" expanded to Robinson Department Store and also began offering merchandise from Supersports, Power Buy and Central Food Hall. Central Retail has also embraced the "cashless society" by deploying digital payment platforms such as Alipay, WeChat Pay, Dolfin and other online payment platforms offered by Thai banks to help streamline purchases, and has implemente e-Ordering platform, which allows sales staff to fulfill online orders while increasing the range of merchandise available to them for promotion and cross-selling.

In 2020, Central Retail launches full e-commerce websites of Rinascente Department Store: www.rinascente.it and Thai Watsadu: www.thaiwatsadu.com to serve as sales channels for a wide array of products and facilitate for customers. Customers using Central Retail's omnichannel platforms spend on average three times more than customers usin only offline platforms according to research conducted by Thel loyalty program.

Digital technologies make data collection and analysis possible on an unprecedented scale. Central Retail's sales associates have innumerable interactions with customers in-store and online and across omnichannel platforms. Central Retail has total 24 million loyalty members form Thel in Thailand, Big Xu Card in Vietnam and Rinascentecard in Italy. See "Nature of Business" These loyalty programs allow Central Retail to extract valuable customer insights, develop personalized customer profiles and identify customer tastes and preferences. As a result, Central Retail has developed a deep understanding of its customers, and Central Retail believes it helps to identify what customers want even before they do.

nce Corporate Governance

(3) Diverse Ecosystem Attracts Prestige Brands and Drives Synergies and Customer Engagement

Central Retail believes that its portfolio of diverse retail banners, combines with its vast retail network and business scale, has made the trusted partner of choice for global luxury and premium brands and mainstream merchandise brands who seek distribution channels in Thailand and, increasingly, in Vietnam. Furthermore, the comprehensive multi-format retail ecosystem benefits Central Retail's brand partners and merchandise suppliers, while achieving synergies and efficiencies through integration into Central Retail's operations. Central Retail has attracted numerous leading global merchandise brands to its platforms with its diverse selection of retail banners, broad retail network coverage and strong customer loyalty. Brand partners include Apple, Casio Watch, L'Oréal, Guess, Adidas and Topman, and Central Retail has been the only regional "preferred sporting goods strategic partner" for Nike in Southeast Asia since 1999, which provides Central Retail with retail, marketing, online digital and merchandise support in Thailand. Central Retail also has exclusive retailing rights in Thailand for brands such as Polo Ralph Lauren, Marks & Spencer, New Balance, Calvin Klein and Speedo. As of 31 December 2020, Central Retail operated business with more than 15,000 suppliers. None of the supplier provide products to Central Retail exceeding 10% of the total purchase value. Central Retail believes that it has healthy and stable relationships with the suppliers since it pays attention to all suppliers. Also, it is a trustworthy, fair and reasonable business alliance, thereby leading to the relationships that have lasted for more than 15 years.

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

The vast retail network and business scale provide significant operational advantages in purchasing, which drives lower unit costs in procurement and distribution and helps bolster margins. Central Retail achieves significant economies of scale in numerous respects, including centralized distribution, consolidated transportation and logisticsand shared support functions, which help to optimize productivity and operating efficiency. For example, food segment changed its structure and merged purchasing units for both products and procurement as well as other related units between FamilyMart and Central Food Retail. Fashion segment also changed its organizational structure by merging business units of Central Department Store and Robinson Department stores to increase more efficiency and effectiveness in operations and resource efficiency. Central Retail also believes that its scale helps Central Retail to attract and retain talented and experienced managers and staff throughout the retailing industry, while also making Central Retail an attractive business partner for large suppliers and other stakeholders. Likewise, Central Retail has the ability to bargain from a position of strength with merchandise suppliers and other counterparties. Central Retail alsoleverages its size in securing prime retail locations at favorable rates when, for example, Central Retail can deploymultiple store formats to optimize a leased retail space collectively.

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

26

Corporate Governance

Financial Statements Enclosure

Customer Relationships

<u>Real Estate</u>

Central Retail participates in Central Group's Thelloyalty program in Thailand, which grew from 11.2 million members in 2016 to approximately 17.8 million members as of 31 December 2020, representing approximately 26% of the total Thai population. Approximately 3.5 million members were "active monthly users" who had made at least one purchase on the platform per month. Central Retail believes that such a strong loyalty program helps to deepen custome engagement and increase average spending per customer. Acquisition of new members is carried out in-store, through omnichannel platforms, webstores and the Thel mobile application, 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.

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

Additional Benefits

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

(4) Success of Track Record of Acquisitions and Expansion into Other Markets in Asia and Abroad

Central Retail has replicated the success of its retail story in Thailand in other global markets by adopting local know-how and approaching each new location in its own right. Central Retail has a strong track record of international expansion, primarily through acquisitions and joint ventures in Italy and Vietnam. International revenue represented 22.7%, 25.6% and 27.9 % in the years ended 31 December 2018, 2019, 2020, respectively. Sales in the international market grew at a CAGR of 134% during 2017-2020

The proven execution track record has increased confidence in being able to apply operational excellence and adapt to other markets all around the world. In 2020, The COVID-19 pandemic caused substantial impacts worldwide and lockdowns across may countries. This resulted in a drop in sales by 41.8% in Italy due to stores closure during March till May and again in Late November and December while Vietnam has slightly impacted from temporarily store closure for non food segment in March till late April. However the Company implemented omnichannel to cater customers' needs and also stimulate sales. Central Retail entered the Vietnam market half a decade ago with fashion category offerings, formed joint ventures with Nguyen Kim and Lanchi Mart in 2015 (and acquired the remaining shares of Nguyen Kim in June 2019), then acquired Big C Vietnam in 2016. Central Retail spent the two years following Big C Vietnam acquisition revamping the brand and restoring customer confidence in the quality of products and services. Central Retail did this by sourcing almost all of food products locally and cancelling the majority of the prior owner's private label food products, enabling Central Retail to offer customers better value for money while ensuring the freshness of food items. Additionally, Central Retail upgraded its software and set internal limits to provide customers with a speedy shopping experience. Central Retail also acquired and invested in an experienced team of devoted individuals to operate each store independently. As a result, Central Retail successfully turned around Big C Vietnam, achieving an increase in revenue every year, the first full year of results after the acquisition, to 2018. In November 2018, Central Retail opened its first Big C / GO! location, and as a result of its strong performance, local authorities from around the country have contacted Central Retail to discuss opening GO! stores in their respective provinces, which Central Retail expects will help to expedite its land procurement processes in the future. Central Retail believes that Central Retail's market position in Vietnam is comparable to the position in Thailand, with leadership across numerous retail banners and store formats in the most attractive retail categories, including Big C/ GO!, Lanchi Mart, go!, Supersports and Nguyen Kim in Vietnam.

Central Retail entered Italy in 2011 with the acquisition of Rinascente till now and was achieved by adapting offerings in response to the demands of Italian customers to increase domestic sales while also catering to tourist demand in key Italian tourist centers, where Central Retail has successfully applied its valuable experience with Chinese tourists shopping in Thailand to capture the similar market in Italy. For instance, Central Retail successfully refreshed the Rinascente brand by moving away from a predominantly "private label" orientation to an "affordable luxury" and "luxury" position, offering brands such as Louis Vuitton, Gucci and others, and implemented the "flagship" store concept in certain locations, which has helped Central Retail deliver a differentiated experience for the customer while also attracting luxury and affordable luxury brands.

Central Retail also has a proven and robust track record of broadening its portfolio of retail banners through successful acquisitions, such as Robinson Department Store and Tops, and joint ventures, such as FamilyMart and Lanchi Mart. Recently, in May 2020 Central Retail acquired an additional 49% interest in Central FamilyMart Co., Ltd, increasing its ownership interest from 51% to 100%. In addition, Central Retail made a tender offer for all COL Public Company Limited (COL) shares last September, bringing in the strengths of brands under COL such as OfficeMate, B2S and Meb to expand the coverage of CRC's retail portfolio as a leading omnichannel retailing platform in hardline segment. The deal is expected to finish in first quarter in 2021. Central Retail believes Central Retail has achieved significant growth both domestically and internationally. Moreover, Central Retail has strong in-house expertise and execution capabilities in the acquisition and integration of retail banners into its retail network, and Central Retail is an attractive and trustworthy partner for other businesses given its sound financial health.

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

The Chirathivat family is the pioneer of modern trade retailing in Thailand. It was the first in Thailand to start a sizeable department store in Bangkok's Wang Burapha district in 1956 and then the Central Chidlom Department Store in 1974. It founded the highly successful Big C hypermarket in Thailand in 1994, and founded Thailand's number one mall developer Central Pattana in 1995. It also opened Thailand's first specialty retail stores in 1996 and has been a leader in online innovation in Thailand since the early 2000s.

Central Retail boasts an experienced and dedicated professional management team consisting of retail industry veterans and top professionals from other disciplines, who work hand-in-hand with Chirathivat family sponsors, as well as well-qualified managers from the Chirathivat family itself. The majority of managers have over twenty years of retailing experience in Thailand, Vietnam and Italy. As an industry leader and pioneer, Central Retail has consistently been able to attract the most talented employees locally and globally that also align with its customer-centric operating model. Central Retail engages professional managers from both Thailand and abroad to join in management team and Central Retail believes that now Central Retail has a strong and diverse management bench. Managing the diverse portfolio of retail banners, store concepts and formats (from large department stores to small convenience stores and brandshops) requires specialized management and execution skills, and Central Retail believe there are few other retailers with a management pool that could match our expertise and experience. Financial Statements Enclosure

1.1.2 Business Strategies

In 2020, Board of Directors had reviewed the Company's business strategies to be in accordance with its competitive strengths to drive the Company's performance as follows:



Extend Domestic Leadership through Organic Growth and Inorganic Growth in Thailand



2 Continue to Improve Omnichannel Platforms to Enhance Customer Experiences



Accelerate Growth in Vietnam by Leveraging Big C / GO! Platform



4 Extract Further Synergies andOpportunities for Growth from Rinascente in Italy and across Europe



5

Optimize Customers Data Analytics to Foster Customer Loyalty and Drive Sales



Continue Exploring Future Growth Opportunities in Asia and Globally

e Corporate Governance

Financial Statements Enclosure

(1) Extend Domestic Leadership through Organic Growth and Inorganic Growth in Thailand

Although Central Retail is a leader in retail business of a variety of products through various formats and channels in Thailand. However, Thailand is the market with fragmented competitors in all types of retail business, ranging from department stores, supermarkets, hypermarkets, convenience stores to specialty stores. Therefore, Central Retail's primary goal in extending its leadership is to optimize retail space, keep a fast pace of store network expansion, and blend omnichannel platforms to increase market share and handle increased spending volume of customers, especially the areas outside Bangkok. The access to secondary markets is deemed as a good opportunity for its business growth. During the past few years, Central Retail witnessed higher growth of spending volume of customers in such areas than that in Bangkok and vicinity. For this reason, Central Retail set its target to significantly increase market share in such areas by means of organic growth and inorganic growth in the future.

Given the highly fragmented retail market in Thailand, merger and acquisitions present a compelling opportunity for growth going forward. Central Retail thinks mergers and acquisition activity will be accelerated by omnichannel retailing, where only major retailers like ourselves will have the technologies, resources, and scale to compete in the increasingly digital retail landscape. Central Retail continues to actively review and explore opportunities for attractive and appropriate acquisition targets, joint ventures, partnerships, and other growth propositions in Thailand. Central Retail has a proven track record of value creation in acquisitions and is well-positioned to execute such transactions expeditiously given its strong balance sheet and understanding of how to leverage scale to drive competitive strengths. Central Retail also believes its continued focus on customer service and ability to adapt to customer tastes and preferences will be critical in helping Central Retail capture additional market share and the customers' wallet share. To achieve this goal, Central Retail welcomes local level management to provide input and participate in decision-making through the implementation of its "centrality" management initiative, which allows coordination of management decisions at the local and community levels, which encourages local management to engage with the community by participating in community events and which Central Retail believe will make Central Retail more responsive to changes in customer tastes and preferences at the local level.

(2) Continue to Improve Omnichannel Platforms to Enhance Customer Experiences

Central Retail's omnichannel strategies focus on bringing both convenience and peace of mind to the customer in the 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 increases in sales. Central Retail is alreadyThailand's leader in omnchannel retailing, but has yet to deploy the full suite of omnichannel features across all of its store locations and retail banners. Achieving full coverage of Central Retail's omnichannel platforms across its entire retail ecosystem and extracting operational synergies and efficiencies is a key strategy for driving its growth going forward.

Central Retail believes that its seamless integration of in-store and online offerings is better suited to shopping habits for the customer in Thailand and other less developed regions in Asia than anything currently offered by its online-only and other competitors. 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 also enjoy peace of mind, knowing that there is a physical store nearby that can provide customer service, allow inspection and trial use prior to purchase or process returns or exchanges. Data from Thel loyalty program shows that omnichannel customers of Central Retail purchase on average three times more than offline-only customers. Moreover, interaction with sales staff at pick-up locations also provides opportunities for cross-selling, potentially increasing customer basket size, and data from The I loyalty program has shown that Omnichannel offerings help increase both online and offline sales. For example, the customers of Robinson Department Store and Central Department Store who had made purchases via omnichannel platforms for the first time in 2020, always purchased more products in the stores, accounting for 17% and 18% compared to 2020 and 2019, respectively, except temporarily store closure to comply with lock down measure during March till May 2020.

For the year ended 31 December 2020, total omnichannel sales had increased by 177% and accounted for 10% of total net sales of the Company.

Operationally, Central Retail plans to continue to scale up omnichannel capabilities to achieve network effects and other efficiencies, further accelerating growth. Central Retail continues to improve the online and mobile portals through which customers can access its retail banners from anywhere, and has hired dedicated technical personnel to drive improvements to e-commerce infrastructure. Central Retail continues to leverage its physical network, such as through store clustering, to lower fulfillment costs for online orders. Central Retail also plans to aggressively promote omnichannel platforms in-store, helping to convert retail foot traffic into online traffic to realize much lower online customer acquisition costs than competitors.

(3) Accelerate Growth in Vietnam by Leveraging Big C / GO! Platform

Central Retail plans to leverage Big C / GO!, which is now Vietnam's largest hypermarket retailer in terms of market share, as a platform to accelerate growth in Vietnam. Vietnam is a strategically important market for Central Retail's future growth, as demonstrated by positive macroeconomic outlook, attractive demographics and underpenetrated retail presence. Based on the report of World Bank, the gross domestic product (GDP) of Vietnam continuously grew by more than 6 percent in the past 3 years, while GDP per capita increased by 2.7 times, amounting to US\$ 2,700 in 2020. The driving factors in Vietnam were the increase of the number of population and increase of middle-income consumers.









Big C / GO! retail plazas in Vietnam are anchored by Big C hypermarkets and lease space to third party stores as well as own retail banners. Central Retail intends to introduce a similar concept in rural areas anchored by go! supermarket, with a modified retail category mix catering specifically to rural consumers. Central Retail has planned to improve its organizational structure as well as work procedures to increase operational efficiency. The specialty electronics retail banner, Nguyen Kim, will also be expanded in both standalone and shop-in-shop formats within Big C / GO! in Vietnam. Central Retail believes this hybrid hypermarket and retail plaza platform will become a powerful force multiplier that drives growth across the country. Big C / GO! is currently present in 26 major provinces, which leaves opportunities for further expansion in the remaining 20-30 provinces. With a view to further rejuvenate hypermarket business in Vietnam, Central Retail has also begun to rebrand the "Big C" retail banner to the "GO!" retail banner.

As Central Retail builds out its nationwide store network in Vietnam, Central Retail will also continue to innovate with new store concepts and formats. Central Retail believes that as incomes increase. Vietnamese consumers will demand increasingly more sophisticated and specialized retailing experiences. In anticipation of such changes, Central Retail has leveraged the success of Big C / GO! and Nguyen Kim businesses to introduce new innovative specialty retail banners, similar to how Central Retail has driven the evolution of consumer preferences in Thailand. Other innovations include the lifestyle store "LookKool," the DIY home appliance shop-in-shop "Home Mart" at Big C / GO!, "Food City," a value-for-money food court of international foods located in Big C / GO! retail plazas, and "Kubo" an indoor playground for kids. Central Retail continues to explore new specialty retail banners as customers move towards specialty retailing, broadening its merchandise selection and offering professional shopping advice.

Central Retail aims to expand stores under its retail banners across 55 provinces in Vietnam. Corporate Governance Fin

(4) Extract Further Synergies and Opportunities for Growth from Rinascente in Italy and across Europe

Central Retail is the leading department store operator in Italy, with 9 Rinascente department store locations in 8 cities across the country as of 31 December 2020. The prestige, sophistication and heritage of Rinascente provide compelling opportunities in expanding the business. The flagship stores in Milan and Roma Fiume are among Europe's premier "must-visit" shopping destinations for tourists, making them a valuable source of customer data analysis with respect to the tourism, luxury and affordable luxury shopping markets that can inform business in other countries. Capturing additional share of the tourism market is crucial to continue growth in Italy as well as an important part of Thai business, and thus Central Retail plans to implement effective marketing strategies to continue to attract tourists. However, the COVID-19 situation and the national lockdown have considerably affected the tourism market. Central Retail has then paid much more attention to domestic customers and continuously prepared for tourism recovery after the COVID-19 crisis. Central Retail intends to expand business in Italy by focusing on delivering excellent physical store shopping experience while always undergoing store renovations and decorations, which will also attract reputable brands of products. In addition, Central Retail had completed the renovation of Florence store under the Store of Craft concept, which introduces the history of fashion trends in the most famous fashion city like Florence, as well as the Company is in the process of renovating Rome Fiume branch to become a mini flagship store. Central Retail expects that this will increase special shopping experience and attract luxury brands and affordable luxury brands for these branches, which will increase the number of store visitors and sales volume. Moreover, omnichannel platforms are another driving factor of business growth in Italy in the upcoming future. Central Retail will focus Click & Collect, e-Ordering, and Rinascente ON DEMAND services. Central Retail has also planned to utilize Rinascente Department Store in Italy while further seeking business opportunities in Europe. Moreover, Central Retail developed omnichannel in Italy by launching the e-commerce website: www.rinascente.it in June 2020.

(5) Optimize Customers Data Analytics to Foster Customer Loyalty and Drive Sales

Data aggregation and newly introduced analytics enable Central Retail to offer a more personalized and holistic shopping experience for the customers, which helps to strengthen customer loyalty and ultimately drive increases in sales. Central Retail's participation in loyalty programs across Thailand, Vietnam and Italy and the breadth and depth of its multi-format and omnichannel platforms provide Central Retail with multiple channels to collect and aggregate customer data, including age, income, occupation, geographical location and spending patterns. Central Retail plans to utilize data analytics provided by Thel loyalty program and its internal sources to process customer data into increasingly individualized profiles that can help to determine consumption patterns, levels of wealth and other customer attributes.

Data from The I loyalty program also informs Central Retail's strategic decision making, allowing its management to determine membership penetration down to the district level in many cities, thereby showing where Central Retail can leverage customer data to drive sales in high penetration areas (where the number of Thel members is high as compared to the local population), such as Bangkok, and leverage its omnichannel and delivery capabilities to (i) extend its reach into areas where Central Retail has few or no physical stores, where stores have limited coverage or where the number of Thel members is low, and (ii) drive increases in the number of Thel members to improve the penetration rate. Central Retail then plans to make this data available to managers at the store level so they can make better decisions with respect to pricing, merchandising, promotions, cross-selling and targeted offers and communications, helping them to provide an increasingly differentiated and enhanced customer shopping experience. Furthermore, Central Retail plans to make this data available to its brand and merchandise partners on a selective basis and subject to certain conditions, in order to assist its brands in improving their pricing, merchandising, inventory management and other decisions, which Central Retail believe will benefit in the form of stronger partnerships with suppliers, enhanced customer engagement and ultimately increased sales from its own customers.

In 2020, Central Retail analyzed in-depth information of this customer group based on The1 loyalty program database to understand the needs and offer products e Corporate Governance

Enclosure

along with promotions derived from the collaboration of all business units among Central Retail, whether being fashion, hardline, and food segments by selecting particular brands and product types in which this customer group is interested, as well as credit card privileges to stimulate higher sales volume, thus increasing the number of participating customers by 16%. At the end of the year, Central Retail articulated its leadership in omnichannel retail business by organizing a Double-Digit or Twin Day campaign, e.g. 9.9, 10.10, 11.11, 12.12 to offer special discounts both at the stores and on the website for up to 90% and redemption points for special discounts via Thel application for both physical stores and online webstores of Central Retail as well as provide special privileges for the customers who are likely to buy products online for easier decision-making, thus increasing online sales volume by 60%, compared to the same promotional period of the previous year. Also, there were over 4 million customers participating in such promotional period. The aforementioned activities have clearly proved the importance of the understanding of customer needs through Thel loyalty program database to offer products, services as well as promotions that can respond to behaviors and needs of each member via proper channels, thus increasing the number of spending customers and sales volume both at physical stores and online webstores that help drive business growth.



(6) Continue Exploring Future Growth Opportunities in Asia and Globally

Central Retail's track record in international acquisitions has institutionalized its strategic approach to expanding into new markets, and Central Retail continues to monitor regional markets for expansion and acquisition opportunities. Central Retail actively reviews and explores opportunities and is excited by attractive and appropriate acquisition targets, joint venture partnerships and other growth opportunities in Asia and abroad. Central Retail aspires to become either a market leader overall or a leader in highly defensible, high-value, high-growth niche segments in new markets, and is especially interested in investments that allow Central Retail to leverage its operational expertise to realize synergies with the potential targets. Central Retail also seeks out opportunities where a founder or existing management team is able to stay on, helping to preserve local expertise and ultimately lowering its integration risk. Central Retail has a proven track record of value creation in acquisitions and is well-positioned to execute such transactions expeditiously given its strong balance sheet.

Vietnam provides a valuable case study for Central Retail's acquisition strategy. After initiating Nguyen Kim and Lanchi Mart joint ventures, the scale in Vietnam remained insufficient for optimal performance. Big C therefore presented an ideal opportunity to achieve the scale Central Retail wanted and allowed Central Retail to strengthen its existing banners in Vietnam. Central Retail then concentrated its efforts to make sure the acquisition was successful. Big C is now a clear leader in the Vietnamese hypermarket space. On 7 June 2019, Nguyen Kim joint venture became our wholly-owned subsidiary after our purchase of the company shares held by our joint venture partner.

1.1.3 Central Retail History and Major Development

In 1947, the Central Group began as a small family shop run by Mr. Tiang Chirathivat in the city of Bangkok. In 1956, his son, Mr. Samrit Chirathivat, expanded the general merchandise business with the establishment of the first Central Department Store in Bangkok's Wang Burapha district. Both father and son, the Central Group's founders, were fully engaged in running the business, and were also helped by other family members. The era was one of bustling trade and growth, and the visionary Mr. Tiang and Mr. Samrit quickly established businesses that were characterized by many "firsts" in Thailand: 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 institute a loyalty program among Thai retailers.

Under the stewardship of the Chirathivat family, the Central Group has grown to become one of Thailand's most recognizable brands and among the most successful retail conglomerates in Southeast Asia. The Chirathivat family's vision for the retail business has been passed on from generation to generation. Our expansion into the omnichannel arena has helped to drive our growth and strengthen our 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 our registered capital to THB 6,320 million from THB 4,700 million by way of the issuance and offering of 1,620,000,000 newly issued ordinary shares with a par value of THB 1.00 each to accommodate the Combined Offering.

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 capital at IPO price of THB 253,302 million (excluding over-allotments).







Financial Statements Enclosure

Major Development



Small shop house opens in Bangkok.



The first Central Department Store opens in Wang Burapha district.



The lifestyle department store Zen department stores (Currently, "CENTRAL@centralwOrld") opens and Central Retail Corporation Limited is incorporated.



The Company acquired majority stake in Robinson Department Store.

1995



His Majesty King Bhumibol Adulyadej The Great grants Central Department Store the right to use the Royal Garuda Emblem.

1947









2005 1996 - 2005



Importing business begins as "Central Trading," which later becomes a part of Central Marketing Group (CMG).



The now iconic Central Chidlom flagship store opens.



The First Central Department Store outside Bangkok opens in Chiang Mai province, signaling expansion into upcountry Thailand.



New specialty formats open, including Tops (in 1996), Power Buy (in 1997) and Supersports (in 1997) and the Company entered into new retail categories.

Financial Statements Enclosure



The first large standalone specialty formats open - Thai Watsadu (in 2010) and Baan & Beyond (in 2013).



Acquisition of the Rinascente collection of luxury department stores in Italy marks our entry into the EU market.

2012



The Company began joint ventures for Nguyen Kim and Lanchi Mart in Vietnam.

2015 The Company acquired Big C in Vietnam.



The Company launched Big C rebranding with the first "GO!" retail banner for hypermarkets in Vietnam as part of expansion strategy.

2010 - 2013 | 2011 | 2010 |

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



The Company began its joint venture for FamilyMart in Thailand.

2013

The First webstore, www.central.co.th, debuts for Central Department Store.



The new digitally assisted shopping platforms such as "Rinascente ON DEMAND" and "Chat & Shop" are launched.

Central Retail changed its business structure to prepare for an initial public offering (IPO) and a listing of its shares on the Stock Exchange of Thailand (SET).

2019

2018



Central Retail 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, Central Retail acquired the remaining shares of Nguyen Kim in Vietnam.

Central Retail also launched Rinascente, Turin branch, in Italy, after its renovation with expanded space and up to 1,000 brands as well as new zones for jewelry and famous restaurants in order to provide a comprehensive range of products and services.

2016 2017

Business Overview and Performance

 (\cap)

Corporate Governance

vernance Financial Statements

tements Enclosure

Central Retail made a debut on the SET on 20 February 2020. It was enthroned as the largestever IPO in the history of the SET. The Central Retail stock met the fast-track criteria of listing on the SET 50 and MSCI Global Standard Indexes.Central Retail also opened GO! Tra Vinh branch, in Vietnam and Thai Watsadu, Petchburi branch, Thailand. As the COVID-19 outbreak, Central Retail therefore developed a comprehensive omnichannel platform, e.g., Central Retail's e-commerce website for 24-hour online shopping, for example, Chat & Shop, Click & Collect, Mobile Application, and drive-thru and delivery, which can cater to all consumer needs like the department stores reach out to the customers.

Central Retail launched Robinson Lifestyle Center Bowin to meet the needs of customers and offer them an Eat-Shop-Play experience at a one-stop destination.





ROBINSON ROBINSON

April

May

"5 Ready Prompt Strategy" to respond to the challenges presented by the New Normal which was actually developed into the Now Normal. The latter served as a key driver behind Central Retail & Service Platform in Thailand. In addition, Central Retail opened GO! in Quang Ngai, Vietnam. Furthermore, Central Retail also acquired an additional 49% interest in Central FamilyMart Co., Ltd, increasing its ownership interest from 51% to 100%.

Central Retail announced its



Rinascente in Italy fully offered an omnichannel platform through www.rinascente.it to seamlessly merge offline and online shopping experiences with the latest shopping channel, Click & Collect, where customers can make online payments and collect products at every branch of Rinascente nationwide. In Thailand, Central Retail debuted "Power Buy x B2S". Moreover, the Central Retail stock was included in the FTSE SET Large Cap Index.



2020 February



Central Retail opened GO! in Buon Ma Thuot, Vietnam to offer an Eat-Shop-Play experience at a one-stop destination.

August

July



Central Retail launched Thai Watsadu, Amata Nakhon branch, in a small format. The selling space was expanded to increasingly reach the communities. It also offered a comprehensive list of products to customers.



March



Central Retail announced a strategic plan to combine the strengths of Central and Robinson Department Stores to be the first omnichannel department store in Thailand. Those strengths will ensure an extensive coverage of department store chains nationwide and a more robust and complete omnichannel platform.

Moreover, the Board of Directors, at the meeting held on 14 September 2020, resolved to approve the acquisition of COL Public Company Limited (COL) by making a tender offer for all 640 million shares of COL and delisting them from the SET at a price of 19 Baht per share, valuing at THB 12.16 billion. The COL is a supplier of stationery, office supplies, books, entertainment media, and lifestyle products under OfficeMate and B2S brands. In Vietnam, Central Retail launched the first branch of go! in Tam Ky, located in Central Vietnam.



Central Retail launched GO! in Ben Tre, Vietnam.

December

June



Central Department Store debuted a Central mobile application to elevate shopping experience on the omnichannel platform. The customers can buy all products of Central Retail and get shopping privilege on both Central department store and Central App. Moreover, Central Retail opened 5 branches of hypermarkets rebranded from Big C to GO! in Vietnam.

1.1.4 The Utilization of Proceeds from the Initial Public Offering

With reference to Central Retail's initial public offering ("IPO"), in which the Company received net proceeds in the amount of THB 22,193 million from the issuance of new ordinary shares, the Company would like to report the utilization of proceeds as of 30 June 2020 as follows:

		Unit: THB Million
Use of proceeds	Estimated use of net proceeds	Accumulated use of net proceeds as of 30 June 2020
1. For the expansion and renovation of our store networks, both domestic and international namely:	Approximately 10,000	4,693
1.1 Robinson Department Stores and Robinson Lifestyle Centers;		
1.2 Thai Watsadu stores;		
1.3 Big C / GO! Vietnam; and		
1.4 Renovation of our existing stores across business segments		
2. For the repayment of loans from financial institutions. In this regard, some of the repayment was made to Bangkok Bank which is an affiliate of the financial advisor and lead underwriter of the IPO	Approximately 12,360-19,377	17,500
Total		22,193
Balance		0

On 1, July 2020, the Company has fully utilized the proceeds of increased capital from initial public offering (IPO) in the total amount of THB 22,193 million.

1.1.5 Central Retail's Obligations to the Registration Statement

Central Retail submitted the registration statement and the prospectus to the Securities and Exchange Commission (SEC) on 1 October 2019, effective from 26 December 2019. As the submission of such form was in full compliance with SEC's criteria; therefore, there was no obligation or condition for the permission request from SEC.

1.2 Nature of Business

1.2.1 Nature of business and revenue structure

Central Retail is the leading multi-format, multi-category retailing platform in Thailand. Central Retail is also growing internationally, securing leadership status in Italy and becoming one of the leaders in Vietnam. Central Retail's business is organized into 4 operating segments based on business units;

- (1) Fashion, which focuses on apparel and accessories under portfolio of retail banners, for example, Central Department Store, Robinson Department Store, Supersports and Rinascente;
- (2) Hardline, which focuses on electronics and home improvement under portfolio of retail banners, for example, Thai Watsadu, Power Buy and Nguyen Kim;
- (3) Food, which focuses on groceries and items typically found in convenience stores under portfolio of retail banners, for example, Central Food Hall, Tops, and Big C / GO! Vietnam;
- (4) Property segment, which focuses on leasing retail property to third parties and to its own stores at retail plazas, for example, Robinson Lifestyle Center, Tops Plaza, and Big C / GO! Vietnam.

Each segment hosts a portfolio of retail banners under which Central Retail sells a wide range of merchandise, and each of its retail banners is distinguished based on a variety of characteristics, including store network, omnichannel offerings, store format, merchandise offerings, branding strategy and market positioning. Certain of key retail banners have been in operation for decades, such as Central Department Store, but Central Retail routinely introduces new banners and retire old banners as the retail landscape continues to evolve.

Based on the financial statement, Central Retail's business can be categorized into 3 segments: (1) Fashion (2) Hardline, and (3) Food. The revenue from property segment such as Robinson Lifestyle Center will be recorded in Fashion segment. For Tops Plaza and Big C / GO! Vietnam will be recorded in Food segment. The table below shows Central Retail's revenue structure, classified into 3 business groups within a specified period.

	Year Ended 31 December					
Revenue	2018		2019		2020	
	THB Million	%	THB Million	%	THB Million	%
Fashion segment	75,228	36.4	77,442	34.8	53,245	27.4
Hardline segment	42,920	20.8	54,277	24.4	55,654	28.6
Food segment	88,472	42.8	91,018	40.8	85,413	44.0
Total revenue	206,620	100.0	222,737	100.0	194,311	100.0

Financial Statements Enclosure

Key Retail Banners of Central Retail

As of 31 December 2020

Foo	od Segment	Supermarket an Hypermarket 301 stores		Convenience Store 901 _{stores}	OMN Platfo	ICHANNEL rms	
	Thailand				Vietnaı	m	
Tops and Central Food Hall	236 Stores	FamilyMart	901 Stores	Big C / GO!	41 Stores	Lanchi Mart	24 Stores
Tops is a flagship grocery, offering a variety of store formats from Tops market, Tops Superstore, and Tops Daily.	Central Food Hall is a unique dine-in and grocery concept, focused on experiential shopping and high quality food and other consumer products.	FamilyMart is a o store, conceived daily food and oth customers.	to meet the	Big C is flagship hy Vietnam, focused or food and other products, which cu rebranded to "GO!".	high quality consumer rrently being	Lanchi Mart is a rural medium-to-big suj northern Vietnam, a emphasis on ma tastes of customers on high quality loa food and consumer	bermarket in displaying its atching the by focusing cally sourced
Tops market STORE Tops daily www.tops.co.th	www.centralfoodhall.com	FamilyMart www.familymart.co.	th	www.bigc.vn		www.lanchi.vn	

Financial Statements Enclosure

Key Retail Banners of Central Retail

As of 31 December 2020



(1) Excludes 2 Robins Department Stores in Vietnam.

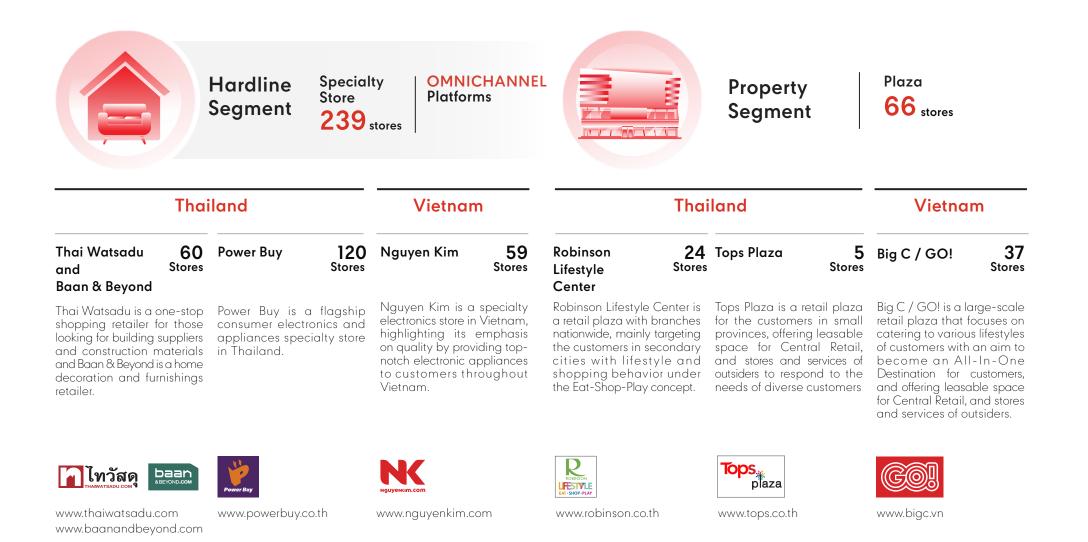
⁽²⁾ Store count for Supersports comprises 136 brandshops and 102 specialty stores.

⁽³⁾ Store count for CMG does not include sales counters or 7 brandshops in Malaysia

Financial Statements Enclosure

Key Retail Banners of Central Retail

As of 31 December 2020



1.2.1.1 Retail Store Network and Omnichannel Platforms

Central Retail's retail network reaches all the major regions of Thailand as well as the major regions of Vietnam and Italy. As of 31 December 2020, Central Retail operated 1,898 stores under its key retail banners across 55 provinces in Thailand, 124 stores and across 38 provinces in Vietnam and nine department stores in eight cities in Italy. As of 31 December 2020, retail stores had a total net selling space of approximately 3,068,353 sq.m. and retail plazas had a total net leasable space of 599,823 sq.m.

- Store Numbers and Geographic Reach

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

	As o	f 31 Decembe	er		As	of 31 Decemb	ber
	2018	2019	2020		2018	2019	2020
Total number of stores ⁽¹⁾				Total net selling space (sq.m.) ⁽²⁾⁽³⁾			
Fashion segment ⁽²⁾	556	601	597	Fashion segment	1,255,510	1,275,068	1,265,630
Hardline segment	219	234	239	Hardline segment	1,069,405	1,106,896	1,159,469
Food segment	1,449	1,248	1,202	Food segment	656,732	627,437	643,253
Total	2,224	2,083	2,038	Total	2,981,648	3,009,401	3,068,353
Total number of retail plazas ⁽³⁾				Total net leasable space (sq.m.) (4)			
Fashion segment	22	23	24	Fashion segment	339,838	365,295	399,202
Food segment	37	38	42	Food segment	172,952	179,244	200,621
Total	59	61	66	Total	512,790	544,538	599,823
Total	59	61	66	5	512,790	544,538	599,823

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

⁽²⁾ Includes 5 brandshops, 8 branshops, and 7 brandshops in Malaysia as of 31 December 2018, 2019, and 2020, respectively.

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

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

Financial Statements Enclosure

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

	As of 31 December						
Location	2018	2019	2020		2020		
Location	S	tore Count ⁽¹⁾		Population ⁽²⁾	Area	Total Net Selling Space	
		(Store)		(Million people)		(sq.m.)	
Thailand	2,085	1,934	1,898	69.8	55 provinces	2,688,872	
Bangkok Metropolitan Region	900	864	884	-	7 provinces	1,096,599	
Upcountry Thailand	1,185	1,070	1,014	-	48 provinces	1,592,274	
Vietnam	124	132	124	97.4	38 provinces	316,615	
Italy	10	9	9	60.2	8 provinces	62,251	

⁽¹⁾ Excludes 5 brandshops, 8 branshops, and 7 brandshops in Malaysia as of 31 December 2018, 2019, and 2020, respectively.

⁽²⁾ Population data according to Euromonitor International as of 31 December 2020.

Most of Central Retail's sales occur in Thailand, which represented 77.1%, 74.2%, and 71.9% of its total sales for the years ended 31 December 2018, 2019 and 2020, respectively. The following table presents total revenue from the sale of goods by region for the periods presented.

	Year Ended 31 December						
	2018		2019		2020		
	THB Million	%	THB Million	%	THB Million	%	
Thailand ⁽⁾	139,280	77.1	144,940	74.2	124,449	71.9	
Vietnam	25,406	14.1	35,691	18.3	40,131	23.2	
Italy	15,643	8.7	14,537	7.4	8,461	4.9	
Others	286	0.2	187	0.1	97	0.1	
Total	180,614	100.0	195,355	100.0	173,138	100.0	

⁽¹⁾ Sales from the Bangkok Metropolitan Region accounted for 55.2%, 54.4%, and 53.8% of sales in Thailand and sales from upcountry Thailand accounted for 44.8%, 45.6%, and 46.2%, respectively, for the periods presented.

ernance Financial Statements

ements Enclosure

- Multi-Format Retailing Model

Central Retail operates a variety of offline and online retail formats. Central Retail offers numerous types of physical store formats, including department stores, specialty stores, brandshops, supermarkets, hypermarkets, convenience stores and sales counters. Central Retail generates rental income by leasing space at Robinson Lifestyle Center, Tops Plaza and Big C / GO! Vietnam retail plazas and by managing such spaces. Central Retail also generates sales through its omnichannel platforms.

Central Retail uses the term "multi-format" to refer to this mix of different types of retail formats. Multi-format retailing positions Central Retail to cater to the full spectrum of its customers' various shopping needs, including the diverse selection of a department store, the focused selection of a specialty electronics or DIY home improvement store, the specific brand offerings of a brandshop, the consumer staples and comprehensive merchandise offerings of a hypermarket, the express options of a convenience store or the comprehensive store offerings of a lifestyle destination center or retail plaza. Multi-format retailing also enables Central Retail to respond to changes in customer tastes and preferences with a wide variety of shopping options tailored to capture current and future trends. It also provides flexibility in choosing sites for new stores, or in renovating existing sites with new formats to help customer engagement or respond to new and emerging retail trends. It also makes "clustering" approach to store deployment possible, where Central Retail can deploy a selection of different store formats at a single site, allowing each store to drive traffic to the others, and improving operational efficiencies in terms of logistics, delivery and marketing capabilities.



(1) Stores

 $\widehat{}$

These different retail store formats are designed to cater to varied customer preferences and localities across Central Retail's network as well as the requirements of the particular retail banner and business segment to which the store belongs. The following table presents a description of store formats.

Store format	Description	Typical Box 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
Specialty stores	Shops that cater to specific consumer needs and retail markets, including, but not limited to home improvement, sporting goods, health and beauty, and home electronics.	700-1,000 500-1,000 8,000-18,000 2,000-14,000	Supersports Power Buy Thai Watsadu / Baan & Beyond Nguyen Kim
Brandshops	Shops dedicated to specific brands that Central Retail is distributing, whether through an exclusive partnership or a general distribution agreement.	100-600	Crocs, Skechers, New Balance, G2000, Calvin Klein, Guess, Topshop, Topman, Polo Ralph Lauren, and numerous others, operated primarily under CMG or Supersports business units.
Supermarkets	Supermarkets are stores dedicated to food items and products, tailored to the preferences and tastes of the communities in which they are found	3,500-4,000 1,400-2,800 250-300 2,000-5,000	Central Food Hall Tops market Tops Daily Lanchi 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
Convenience stores	One of the smaller retail business, furnished with a range of everyday items including groceries, snack foods, confectionery and other merchandise.	100-150	FamilyMart
Sales counters ⁽¹⁾	Sales counters or shop-in-shop locations which are located within an existing retail outlet and typically dedicated to one brand.	20-100	Casio Watch, Lee, Wrangler, Clarins Aesop, Dyson, and others, operated primarily under CMG or Supersports business unit.

⁽¹⁾ Sales counters do not contribute to store count figures

. . . .

atements Enclosure

The following table presents Central Retail's store format in terms of overall number of **(3**) stores under its key retail banners as of the dates indicated.

	As of 31 December			
	2018	2019	2020	
Total Number of Stores				
Department stores	80	82	82	
Specialty stores	312	332	341	
Brandshops	383	421	413	
Supermarkets and Hypermarkets	359	280	301	
Convenience stores	1,090	968	901	
Total	2,224	2,083	2,038	
Total Number of Sales Counters	1,833	1,750	1,733	

(2) Retail Plazas

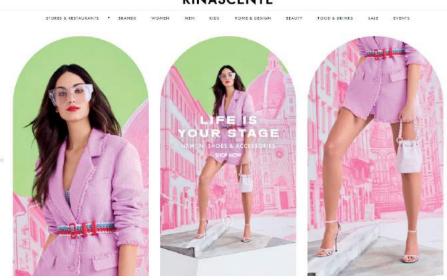
Central Retail leases retail property to third parties and to its own stores at retail plazas such as Robinson Lifestyle Center, Tops Plaza and Big C / GO! Vietnam.

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

	As of 31 December			
	2018	2019	2020	
Retail Plazas				
Total number	59	61	66	
Total gross floor area (sq.m.)	1,344,193	1,391,504	1,518,248	
Total net leasable space (sq.m.)	512,790	544,538	599,823	
Average net leasable space per location (sq.m.)	8,691	8,927	9,088	
Total occupancy rate (%)	93.3	93.6	90.4	



Omnichannel refers to the confluence of the various shopping channels used by customers in modern retailing, including in-store, online, mobile and social media. Customer behavior is trending towards a shopping experience that seamlessly integrates both online and in-store sales channels. Omnichannel platforms enable Central Retail to take advantage of these trends to deliver a new and increasingly popular shopping experience to its customers. Key omnichannel platforms include the following features as of 31 December 2020:



Webstores are websites that allow customers to browse, choose and purchase in 1). both desktop and mobile-friendly formats from a selection not limited to the merchandise available at a particular store location. Moreover, webstores have necessary features for E-commerce such as customer reviews, refunds, cross-selling, product description, and fast checkout. Some retail brands of Central Retail have their own mobile application. At present, Central Retail has webstores for Central Department Store, Robinson Department Store, Supersports, Baan & Beyond, Power Buy, Nguyen Kim, and Tops. In 2020, Central Retail debuted its full-scale E-commerce website for Rinascente in Italy and Thai Watsadu in Thailand in June and September 2020, respectively. Each business unit of Central Retail has a plan to provide online marketplace service in its own webstore, which will enable Central Retail's suppliers and sellers who are external parties to offer more products other than those showcased in the stores of Central Retail. Those products will not only help increase choices of products that have already been recognized, but also help Central Retail present new product groups which will help fulfill Central Retail's retail business. In this regard, Central Retail started serving online marketplaces for Central and Robinson Department Stores in August and October 2019, respectively. In 2020, Central Retail started serving online marketplaces for Supersports and Power Buy. Such online marketplaces will provide customers purchasing products through webstores with a more variety of products than those of physical stores.

- **<u>Click & Delivery:</u>** This feature allows customers to make purchases online and have the merchandise delivered to them at home. Payments can be made by bank transfer, online credit card or in cash upon delivery. Central Retail offers a free delivery and installation option for purchases exceeding certain thresholds, and offers express delivery. This feature is available at Central Department Store, Robinson Department Store, Supersports, Thai Watsadu, Baan & Beyond, Power Buy, Nguyen Kim, and Tops.
- Reserve & Collect: This feature allows customers to reserve their orders online and collect and pay for the items in-store. Customers using this feature will be able to take advantage of promotions and other deals available while also enjoying the flexibility of inspecting or trying on their desired items before making the final commitment to purchase them. For items that are stocked in the store, Central Retail aims to have customer orders ready for pickup within two hours. Orders are held for up to 48 hours upon notification that an order is ready for collection. This feature has already gone live for Power Buy, and Central Retail plans to launch it for most of its other key retail banners by early 2021. Central Retail believes this will increase customer trust in its stores and instill confidence to continue making purchases across all of its other platforms.
- Click & Collect: This feature allows customers to make purchases online then collect the items at their preferred store location or other collection point. Central Retail believes that customers using this feature will appreciate having the opportunity to make immediate purchases online, especially when it helps them enjoy time-sensitive promotions without needing to travel to a store, and that this feature will be especially popular among customers who live or work near one of Central Retail's locations. After placing an order, customers can choose a preferred collection point for example branches of Central department store, Robinson department store, Supersport, Power buy and BTS station in

RINASCENTE

Financial Statements

Enclosure

Bangkok area. The merchandise will be delivered there at no additional charge within two to three days in Bangkok or three to five days in upcountry Thailand for Central Department Store, Robinson Department Store and Supersports, or within seven days for Power Buy nationwide. In addition, in the case where customers collect products at the stores, it will create an opportunity for sales representatives to drive cross-sells. This feature has already been launched for Central Department Store, Robinson Department Store, Supersports, Thai Watsadu, Baan & Beyond, Power Buy, and Nguyen Kim, and Central Retail already expanded to Tops and Rinascente in 2020.

Central Retail's online marketplaces differ from those of JD Central. Central Retail focuses on increasing the suppliers' products for sale through online channels, similar to selling products on consignment. Central Retail will take part in choosing products and setting prices for products sold through consignment on Central Retail's website. The customers who choose and buy products through websites will not know whether which product belongs to either Central Retail or consignment from the suppliers. While JD Central's online marketplace is a virtual shopping center by allowing different stores to sell products through the website. Each store is responsible for its own product categories selection and price setting whereby the customers choosing and purchasing products through the website will see which store sell such product and the same product category may be displayed by many stores.

2) <u>Mobile Application</u> is an online sales channel developed for customers to make a purchase through the application on mobile phones or tablets. The statistical survey on Thais' internet usage behavior shows that they spend an average of 9 hours 01 minute using internet per day, which has been ranked 5th in the world and higher than the global average at 6 hours 43 minutes per day. If only compared with internet usage on mobile phones, Thailand has been ranked 2nd in the world for high daily usage (Data from the statistical report on technology users worldwide prepared by We are social, the social media agency). This is then an opportunity for Central Retail to develop the application in order to increase sales channels for the customers in the current era.

Central Application is an online sales channel developed for customers to make a purchase through the application of Central Department Store. It is a connection between physical stores and online application to strengthen and drive Central Retail towards perfectly becoming the omnichannel player. The Central application is like converting a department store to a mobile store. It offers the same products of more than 5,000 brands as those displayed in the department store as well as products of exclusive brands only for sale at Central. The customers can trust in authentic products directly from the manufacturers, check sales promotions of both offline and online stores daily as well as real-time activities held in each branch. Moreover, Central Retail has a plan to extend its services through the application where the customers can make bookings for restaurant tables and services rendered by Central Department Store in advance and a plan to include the products from Robinson Department Store, Supersports and Power Buy in this application in the future.



Tops Application is an online sales channel developed for customers to make a purchase through the application of Tops where they can purchase products conveniently on their mobile phones or tablets. The application offers more than 15,000 items of consumer goods with daily home delivery and cash on delivery or credit card payments through the application.



<u>Supersports Application</u> is an online sales channel for customers to make a purchase through the application of Supersports where the leading sports brands worldwide are collected, for example, Adidas, Nike, Skechers, Fila, New Balance, K-Swiss, Asics and so on. 3) <u>New Channels</u> are supplementary channels, other than major sales channels, to increase customer convenience as follows:

Chat & Shop adn Rinascente ON **DEMAND** are an instant messaging service (hosted by the social networks "LINE", "WeChat" and "WhatsApp") that allows customers to shop through text with the assistance of one of its sales associates. With access to customers' chat history and other profile data, the sales associate can assist in the selection of merchandise and provide a link for online purchases or arrange for other purchase methods, such as Click & Collect. Click & Delivery or Reserve & Collect. In the future, Central Retail also plans to use instant messaging to alert customers when merchandise becomes available based on their specific tastes, interests, and prior purchase history, and to provide an online concierge that can direct them to how and where purchases can be made. Central Retail accepts payments in bank transfers and credit cards. Customers can pick up their purchases at Central Retail's

location or request for home delivery via GrabBike. Chat & Shop platform is available for Central Department Store (which also offers merchandise from Supersports, Power Buy and Central Food Hall), Robinson Department Store and Thai Watsadu, Baan & Beyond, and Tops and Rinascente ON DEMAND is available for Rinascente.

Call & Shop is a sales channel where purchases are made over the phone. The customers can purchase products by calling the phone numbers of each business unit such as 1425 for product pickups of Call & Shop service of Central and Robinson Department Stores, the customers can get free shipping and choose their shipping destination when their purchases reach the specified amount or pick up their orders at the preferred stores. The customers can also make payments through money transfer, credit cards, or cash on delivery. Central Retail has actually started its Call & Shop service in many business units such as Central Department Store, Robinson Department Store, Supersports, Thai Watsadu,

Baan & Beyond, Power Buy, and Tops. Moreover, there are service channels available for sales representatives or cosmetics sales representatives to call regular customers and present various sales promotions as well as exclusive member customers to offer more convenient channels for the customers. The sales representatives can recommend the products that meet the needs of customers by considering their past shopping records as well as practice crossselling for customers.



Financial Statements Enclosure

- Brand Line and Store Line is a sales channel through the instant messaging system of the social platform like "LINE". Any given store or brand will use LINE Official account to contact the customers. They can make a purchase through such channel as well as present real-time sales promotions to the customers. This channel serves as an extension to connect with LINE, a key communication channel of current consumers in Thailand. The customers can choose to may payments through money transfer or credit cards. Central Retail has actually started its Brand Line and Store Line service in many business units such as Central Department Store, Robinson Department Store, Supersports, Power Buy, and Brandshops under CMG.
- <u>Facebook Live and Facebook Inbox</u> is a sales channel through Facebook Live or Facebook Inbox on the social platform like "Facebook". The customers can buy products while watching live streaming or buy through inbox. which has been promoted on Facebook Official Page of any given business unit, within the specified period. The customers can choose to make payments through money transfer or credit cards. The sales representatives will ensure on-time delivery of products to the customers. Central Retail has actually started its Facebook Live and Facebook Inbox service in many business units such as Central Department Store, Robinson Department Store, Supersports, Power Buy, and Brandshops under CMG.
- <u>Quick Commerce</u> is an application for online shopping of consumer products through the leading delivery platform providers both in Thailand and Vietnam, e.g. Grab or GrabMart, for the customers who fall within the service coverage area. It is another channel to reach and provide convenience to the customers as well as respond to consumer behaviors in the new era. Central Retail has actually expanded its business in food segment through the quick commerce channel, e.g. Tops market, Tops Daily, FamilyMart as well as Big C / GO! Vietnam.

4) <u>e-Ordering</u> This platform enhances in-store service capabilities by equipping sales associates with tablet computers, mobile devices and other online resources, which will enable them to respond quickly to in-store customer queries and grant customers access to products that may not be available at that location. This helps to expand Central Retail's retail space beyond its physical stores. It will also make it possible for Central Retail's associates to cross-sell products from different business units based on their personal interactions with customers. Central Retail has launched e-Ordering at Central Department Store, Robinson Department Store, Supersports, and Power Buy.

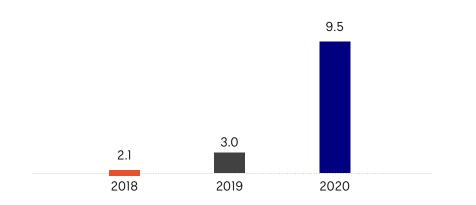


Unit: % of sales

Financial Statements Enclosure

Omnichannel Sales and Performance Customers using Central Retail's omnichannel platforms spend on average three times more than customers using only offline platforms according to research conducted by Thel loyalty program. Omnichannel has continued to grow in every segment. Omnichannel contributions to fashion, hardline, and food sales in Thailand have increased by 258%, 159% and 107% in the years ended 31 December 2020 as compared with the years ended 30 December 2019, respectively. Omnichannel contributions to fashion, hardline and food sales overall increased by 72%, 75% and 31%, respectively, in 2018, by 91%, 31% and 51%, respectively, in 2019 and by 263%, 73% and 202%, respectively, in 2020

The following graph presents certain information about omnichannel sales contribution to total sales for the periods indicated.



1.2.2 Business Structure of Central Retail

1.2.2.1 Merchandising and Sales

Central Retail strives to provide customers with a large selection of fashionable and quality merchandise at a variety of price points, housed in an attractive and modern store environment with a focus on delivering premium customer service. Central Retail continually diversifies its merchandise selection in order to appeal to the diverse and evolving tastes and preferences of its customers. Fashion segment is comprised primarily of retail banners operating under department store or retail plaza formats, and its merchandise mix primarily includes categories such as apparel, shoes, accessories, cosmetics, and sports equipment, but also includes categories such as household items, kitchenware and consumer electronics. Hardline segment is comprised primarily of retail banners operating under specialty store format, and its merchandise mix primarily includes categories such as consumer electronics, construction materials, DIY products, and household items. Food segment is comprised primarily of retail banners operating under supermarket, hypermarket, convenience store or retail plaza formats, and its merchandise mix includes groceries and related items, as well as home appliances, clothes and sports equipment.

In 2020, the COVID-19 pandemic, a global health crisis, caused domestic and international lockdowns and impacted Central Retail's operating results both directly and indirectly. However, Central Retail adjusted itself to the situation by increasing sales through omnichannel and implementing cost efficiency measures, for example, the management of staff productivity, the advertising through social media or digital marketing to reduce advertising and public relations costs, and the control of utility costs.

Financial Statements Enclosure

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

	Year ended 31 December							
	2018		2019		2020			
				(TH	IB millions, except	percentages)		
Total sales of goods		%		%		%		
Fashion segment	62,766	34.8	64,280	32.9	46,222	26.7		
Hardline segment ()	39,550	21.9	50,583	25.9	52,232	30.2		
Food segment	78,299	43.4	80,492	41.2	74,684	43.1		
Total	180,614	100.0	195,355	100.0	173,138	100.0		
EBITDA								
Fashion segment	15,527	61.8	15,458	59.9	7,011	37.0		
Hardline segment (1)	3,916	15.6	4,533	17.6	4,220	22.2		
Food segment	5,680	22.6	5,823	22.5	7,734	40.8		
Total	25,123	100.0	25,814	100.0	18,965	100.0		
Same store sales growth (%) ⁽²⁾								
Fashion segment	+1.5	-	-2.6	-	-33.7	-		
Hardline segment	-0.2	-	-2.1	-	-14.3	-		
Food segment	+2.2	-	+2.3	-	-9.9	-		

⁽¹⁾ The financial information for a period after 1 January 2019 included the operating results of Nguyen Kim as appeared in the consolidated financial statements since 7 June 2019, while the financial information for a period before 1 January 2019 excluded the operating results of Nguyen Kim. More details can be found in the Notes to Financial Statements. The sales volume of Nguyen Kim in the separate financial statements amounted to THB 16.0 billion and THB 14.3 billion in 2018 and 2019, respectively, during the specified period. However, no entries occurring between Central Retail and Nguyen Kim were deleted from the Company's operating results. Moreover, the separate financial statements of Nguyen Kim were prepared according to the financial reporting standards in Vietnam, while the Company's separate financial statements were prepared according to Thai Financial Reporting Standards (TFRS). For this reason, such information cannot be compared with the information as appeared in the Company's financial statements.

(2) 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.

(1) Fashion Segment

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

Merchandise mix in Fashen segment caters to the diverse preferences of customers, offering a wide variety of merchandise ranging from international luxury brands to everyday labels at a variety of price points. Central Retail also provides a variety of shopping experiences across its differentiated selection of fashion retail banners, from everyday shopping to luxury experiences. Merchandise mix also includes a large selection of private label brands such as Defry 01, Expressions, Alumnus, Esquire, Minimono, Elements, Undergear, Angel Baby, Angel Kids, Central Home, Cuizimate, Haven, Just Buy, Pacific Union, Thompson, Proofs and F.O.F. (Freedom of Fashion), which Central Retail has conceived and developed in-house. Central Retail has been increasing the proportion of private labels and imports in its merchandise mix as part of its plan to help drive margin improvements in the future. Central Retail also engages third party brands for licensing rights, which allows Central Retail to market products that Central Retail has designed and developed in collaboration with international partners to leverage their brand appeal. Such partners include Lee, Wrangler, Jockey, Hush Puppies and Sanrio. In addition, Central Retail offers merchandise under exclusive distribution arrangements, where third party labels agree to sell their items in the store only. By using a combination of these arrangements in the merchandising, Central Retail is able to strategically adjust its brand and product mix within different stores to account for variances in income levels and customer demographics across its retail network.

The offerings under this segment are grouped into four categories: Thailand department stores (which includes retail plazas), Thailand specialty stores, Italian department stores and others (which include Robins Vietnam and Komonoya). The following table presents an overview of the key retail categories and business units under fashion segment as of the dates presented.

	As of 31 December			
	2018	2019	2020	
Total number of stores ^{(1) (2)}				
Thailand department stores and specialty stores ⁽³⁾	546	592	588	
Italian department stores	10	9	9	
Total net selling space (sq.m.)				
Thailand department stores and specialty stores ⁽³⁾	1,194,097	1,213,825	1,203,379	
Italian department stores	61,413	61,243	62,251	
Average net selling space per location (sq.m.)				
Thailand department stores and				
specialty stores ⁽³⁾	2,187	2,050	2,047	
Italian department stores	6,141	6,805	6,917	

Thailand Department Stores

Enclosure

Robinson Lifestyle Center			
Total number	22	23	24
Total gross floor area (sq.m.)	770,620	813,497	874,202
Total net leasable space (sq.m.)	339,838	365,295	399,202
Average net leasable space per location (sq.m.)	15,447	15,882	16,633
Total occupancy rate (%)	98.8	98.0	95.6

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

⁽²⁾ Store count includes 5 brandshops, 8 branshops, and 7 brandshops in Malaysia as of 31 December 2018, 2019, and 2020, respectively

⁽³⁾ Includes department stores and CMG brandshops.

Thailand Department Stores

Central Retail's Thailand department stores category comprises Central Department Store, Robinson Department Store and Central Marketing Group ("CMG") business units. Located in 12 provinces throughout Thailand, the highly reputable flagship Central Department Store retail banner offers customers Thailand's leading shopping experience, including an expansive selection of exclusive and premium merchandise, a modern yet welcoming ambience and excellent customer service with add-ons such as personal shoppers. Central Retail also operates unique CENTRAL@centralwOrld (Previously, 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 wide selection of everyday items at lower prices on average, delivering quality merchandise in a modern store setting and with a presence in 36 mostly second-tier provinces throughout Thailand both inside and outside of Robinson Lifestyle Center retail plazas. CMG's portfolio includes about 40 of the leading international brands in apparel, beauty and accessories such as Guess, Topshop, Casio Watch, Polo Ralph Lauren, Calvin Klein Jeans, Lee, Wrangler, Clarins, Aesop, Dyson and numerous others,



and has a synergistic relationship with department store and retail plaza businesses, which generally host most CMG sales counters and brandshops. CMG operates sales counters and brandshops dedicated to specific leading global merchandise brands or other partners with which Central Retail has a licensing or distribution arrangement, many on an exclusive basis; including Three, Clarins and The Body Shop. With its over 2,000 points of sale and strategic position within Central Retail's network, CMG is T hailand's leading international fashion and beauty brand distributor, providing international brands with superior access to customers in Thailand while also supplying premium merchandise to Central Retail's other retail banners. CMG also has a small presence in the apparel category with brandshops in Malaysia.

In 2020, Central Retail changed its organizational structure of department store business in Thailand by merging the units of Central and Robinson Department Stores to ensure greater work efficiency as well as reduce operating expenses.

Thailand Specialty Retail

Central Retail's Thailand specialty retail category highlights sports apparel retail business. Central Retail operates specialty sporting merchandise stores under Supersports as well as other brandshops, including Velo Supersports, a bike corner in Supersports, to build upon its business to keep up with the current fitness trends. Supersports is also Thailand's exclusive distributor and retail partner for brands such as Crocs, Skechers, New Balance, Speedo, K Swiss, Fila, Umbro and Liverpool FC, and has a robust wholesale business as well as retail offerings. In addition, Central Retail expanded its specialty business for cosmetics and beauty items by launching KIS Beauty Store, a specialty stores for cosmetics and beauty items with over 800 top brands in the world for skincare, makeup, perfume and so on, in the forms of both stand alone and shop-in-shop inside the department store to penetrate the millennial market. Its first store was located on the 5th floor of Central World. There will be more branch openings in the following years.

Financial Statements Enclosure

Italian Department Stores

Central Retail's Italian department stores category comprises collection of Rinascente premium department stores in Italy, which serves as the flagship luxury fashion retail banner, befitting one of Europe's premier retailers. Rinascente'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 stores are located in prestigious historical buildings in city centers or recognized heritage sites. Rinascente 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 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's specialized offerings in the luxury and tourism arena constitute a niche retail segment that can be found throughout Europe. As of 31 December 2020, Central Retail operated nine Rinascente department stores in major cities across Italy.





(a) Sales and Productivity

Fashion segment generated sales of goods of THB 64,280 million and THB 46,222 million, and contributed 32.9% and 26.7% to Central Retail's total sales of goods for the year ended 31 December 2019 and 31 December 2020, respectively. EBITDA under fashion segment was THB 15,458 million and THB 7,011 million for the year ended 31 December 2019 and 31 December 2020, respectively.

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

	As of 31 December		
	2018	2019	2020
Total sales of goods (THB millions) ⁽¹⁾			
Thailand department stores and			
specialty retail ⁽²⁾	46,457	49,145	37,366
Italian department stores	15,643	14,537	8,461
Others ⁽³⁾	666	599	395
Total	62,766	64,280	46,222
Average sales per square meter (THB/month)			
Thailand department stores and			
specialty retail ⁽²⁾	3,296	3,405	2,583
Italian department stores	20,295	20,304	11,332
Same store sales growth (%) ⁽⁴⁾			
Thailand department stores and specialty retail	0.5	-4.2	-29.0
Italian department stores	5.1	2.3	-45.9
Thailand Department Stores			
Robinson Lifestyle Center			

Rental income (THB millions)	3,025	3,298	2,649
Average rental income per square meter (THB/month)	806	808	585

⁾ Includes both in-store and online sales.

⁽²⁾ Includes department stores and CMG brandshops.

⁽³⁾ Includes The Outlet 24 (which ceased operations during the third quarter of 2019), LOOKSI, ROBINS in Vietnam, and Komonoya

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

overnance Financial Statements

atements Enclosure

Sales of goods under fashion segment are primarily comprised of in-store sales, with additional sales generated through omnichannel. Omnichannel contributions to fashion has increased by 72%, 91% and 263% for 2018, 2019 and 2020 respectively.

Central Retail offers numerous private labels under fashion segment, which primarily comprise credit sales. Private labels accounted for 5.3%, 5.3%, and 5.0% of fashion segment's total sales revenue for the years ended 31 December 2018, 2019 and 2020, respectively.

(2) Hardline Segment

Hardline segment focuses on specialty merchandise offerings, including construction materials, home decorations, DIY products and consumer electronics and appliances. Central Retail strives to build customer loyalty in this segment by offering the appropriate mix of merchandise combined with value-add services that help customers maximize the value of their specialty merchandise purchases, which is important in hardline categories such as electronics and home improvement, where after sales services such as installation and maintenance are key purchase considerations.

DIY home improvement merchandise selection sold through Thai Watsadu and Baan & Beyond encompasses home decorations, construction materials, home improvement products and consumer electronics. Central Retail intended to attract professional building contractors as well as homeowners working on their own small to large home building and improvement projects. Home decoration offerings include a wide variety of home furnishings, kitchenware, dinnerware, and mattresses and bedding. Homeowners, renters, hospitality providers and business owners can visit the store to outfit a new residence, room or commercial space. Central Retail offers private labels such as Giant Kingkong, Giant Tech, Kassa, Kassa Home, Luzino, Zagio, Calina, Murano, Handi, and Sandi, as well as being a dealership of leading domestic and international brands of quality products at reasonable prices and with international safety standards. Central Retail also offers a wide range of quality







consumer electronics both in Thailand and Vietnam sold through Power Buy and Nguyen Kim, including televisions, home appliances, computers, IT products, phones, gadgets, accessories and related services including delivery, installation, maintenance and repair. Customer preferences for electronics are generally driven by brand popularity, so merchandising in these business units is characterized by a product mix that is tailored to the brand preferences of the local population. Central Retail provides a variety of popular international brands alongside generic merchandise at lower price points, which Central Retail can often achieve through direct import given Central Retail's operational scale.

The offering under this segment is grouped into two categories: hardline retailing in Thailand and hardline retailing in Vietnam. The following table presents an overview of the key retail categories under hardline segment as of the dates presented. ance Corporate Governance

ance Financial Statements Enclosure

	As of 31 December			
	2018	2019	2020	
Total number of stores (1)				
Hardline retailing in Thailand	156	164	180	
Hardline retailing in Vietnam	63	70	59	
Total net selling space (sq.m.)				
Hardline retailing in Thailand	984,601	1,025,407	1,080,864	
Hardline retailing in Vietnam	84,804	81,027	78,606	
Averagenetsellingspaceperlocation(sq.m.)				
Hardline retailing in Thailand	6,312	6,252	6,005	
Hardline retailing in Vietnam	1,346	1,158	1,332	

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

Hardline Retailing in Thailand

Hardline retailing in Thailand category comprises Thai Watsadu, Baan & Beyond and Power Buy retail banners. Thai Watsadu is the premier DIY home improvement retail banner, and seeks to meet the everyday needs of both contractors and homeowners for construction materials, providing more than 100,000 high quality home improvement and related merchandise items under one roof. Thai Watsadu opened its first store at Bangbuathong, Nonthaburi Province in 2010 and has since expanded to 38 provinces throughout Thailand. Baan & Beyond retail banner offers a wide selection of home decor and furnishings to customers seeking classic, modern and fashionable home interiors. Baan & Beyond opened its first store in Chiang Mai Province in 2013 and has since expanded to 6 provinces throughout Thailand. Additionally, Thai Watsadu launched the first branch of AUTO1, 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, by connecting the certified contractors to the customers who need home repairs or improvements as well as installations of home equipment. Power Buy is the leading retailer of consumer electronics in Thailand. Power Buy opened its first store in Bangkok in 1996 and has since expanded to 47 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 margins than other brands. Central Retail also offers Power Buy customers "Power Care" warranties as well as pre-sale and after-sale services. which helps create greater value for its customers. Central Retail expanded a new store format, e.g. Power Buy in a smaller size with space of approximately 200-300 sq.m.. It is an expansion of stores out of Central Retail's locations by focusing on expanding and penetrating the upcountry market. Moreover, Central Retail has highlighted the creation of customer experience through omnichannel platforms in which each business unit has a development plan and drive more borderless connection





of offline and online stores with the customers.

In 2020, Power Buy and B2S launched "Power Buy x B2S", Thailand's first largest flagship store of electronics products, books, and stationery with space of more than 6,000 sq.m. on the 4th floor of Central World to complete all lifestyles and deliver a flawless customer experience in all dimensions, including home electronics appliances, miscellaneous equipment, books, stationery, arts and many more. The customers can enjoy a wide variety of products and new product categories such as cartoon books, smart home equipment, gadgets and so on as well as demonstrations and special activities that can cater to all lifestyles, with the professional team to give advice and provide service.

Power Buy was Central Retail's largest contributor to total omnichannel sales in Thailand even consumer electronics is very competitive online, and Power Buy has been a leader from the outset, enjoying strong earnings and market share growth.

Hardline Retailing in Vietnam

(a) Sales and Productivity

Hardline retailing in Vietnam category includes consumer electronics and appliances stores operated under Nguyen Kim retail banner. Nguyen Kim opened its first outlets in 1996 and has since expanded to 28 cities throughout Vietnam as of 31 December 2020. Central Retail's partnership and subsequent success with Nguyen Kim helped establish its credibility in Vietnam, and in June 2019 Central Retail purchased the remaining shares of Nguyen Kim and became its wholly-owned subsidiary. Nguyen Kim is differentiated from its competitors because it offers premium products and diverse assortments, and its larger selling space allows it to carry bulk merchandise such as televisions and refrigerators in-store.

Prior to 7 June 2019, Central Retail operated Nguyen Kim business as an associate company and its results of operations were not consolidated into Central Retail's total revenue. Revenues attributable to Nguyen Kim joint venture were reflected in the share of profit from associates and joint ventures in the consolidated financial statements. Hardline segment generated sales of goods of THB 50,583 million and THB 52,232 million, and contributed 25.9% and 30.2% to Central Retail's total sales of goods, for the year ended 31 December 2019 and 31 December 2020, respectively. (From 7 June 2019, the consolidated sales figures reflect the result of operations of Nguyen Kim business. Prior to 7 June 2019, Nguyen Kim business was operated as an associate in which Central Retail held a 49.0% interest and its results of operations where accounted for under the share of profit of associates and joint ventures. Nguyen Kim generated sales of goods of THB 15,963 million for the year ended 31 December 2018 and THB 14,313 million for the year ended 31 December 2019, respectively, on a standalone basis.) EBITDA under hardline segment was THB 4,533 million and THB 4,220 million for the year ended 31 December 2019 and 31 December 2020, respectively.

The following table presents the total sales of goods, average sales per square meter and same store sales growth for key retail categories under hardline segment for the periods presented.

	As of 31 December		
	2018	2019	2020
Total sales of goods (THB millions) ⁽¹⁾			
Hardline retailing in Thailand	39,550	42,768	41,295
Hardline retailing in Vietnam ⁽²⁾⁽³⁾	-	7,815	10,937
Total	39,550	50,583	52,232
Average sales per square meter (THB/month)			
Hardline retailing in Thailand	3,399	3,464	3,236
Hardline retailing in Vietnam ⁽²⁾⁽³⁾	16,390	14,864	11,439
Same store sales growth (%) ⁽⁴⁾			
Hardline retailing in Thailand	+6.8	+1.8	-10.6
Hardline retailing in Vietnam	-17.2	-11.9	-25.1

Includes both in-store and online sales.

Enclosure

- ⁽²⁾ The sales volume of Nguyen Kim in the separate financial statements amounted to THB 16.0 billion and THB 14.3 billion in 2018 and 2019, respectively, during the specified period. However, no entries made between Central Retail and Nguyen Kim were deleted from the Company's operating results. Moreover, the separate financial statements of Nguyen Kim were prepared according to the financial reporting standards in Vietnam, while the Company's separate financial statements were prepared according to Thai Financial Reporting Standards (TFRS). For this reason, such information cannot be compared with the information as appeared in the Company's financial statements.
- ⁽³⁾ Nguyen Kim business is conducted through NKT New Solution and Technology Development Investment Joint Stock Company ("NKT"). Prior to 7 June 2019, NKT was Central Retail's associate and its results of operation were accounted for under share of profit of associates and joint ventures, and therefore not accounted for under hardline retailing in Vietnam category. Central Retail purchased the shares of NKT held by the joint venture partner on 7 June 2019, and from such date it has been consolidated into Central Retail's results of operations as a wholly-owned subsidiary. See Notes to financial statements.
- 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.

nce Financial Statements

Sales of goods under hardline segment are primarily comprised of in-store sales, with additional sales generated through omnichannel, Omnichannel contributions to hardline has increased by 75%, 31% and 73% in 2018, 2019 and 2020, respectively.

The majority of hardline segment merchandise is sold on a credit basis, including private label brands, with the balance as consignment sales. Private labels, including direct import products under private label brands, accounted for 15%, 16% and 17% of total sales from Thai Watsadu and Baan & Beyond in the years ended 31 December 2018, 2019 and 2020, respectively. Private labels have been a strong driver of growth in hardline segment in recent years.

In hardline segment, retail prices are generally set by suppliers, though Central Retail may be able to charge a premium for popular brands. Central Retail earns its highest margins from its private label brands, which can help boost overall margins, and Central Retail seeks to offer a variety of services in conjunction with merchandise sales to make it easier for customers to make purchases, thereby driving sales. Central Retail's home improvement formats tend to have more choices of suppliers than other formats, which Central Retail believes improves its bargaining position and makes it easier to manage margins. Consumer electronics tend to include more "big ticket" merchandise and more premier brands, and Central Retail believes that Power Buy's reputation for reliability provides customers with peace of mind should there be any issues with their merchandise after purchasing, thereby driving sales. Thai Watsadu and Baan & Beyond also generate revenue through leasing space to third party vendors in their stores.

(3) Food Segment

Food segment focuses on capturing the latest trends in food and consumer goods by offering a wide selection of high quality food, grocery, organic and other products and consumer staples through supermarket, hypermarket and convenience store formats. In addition, Central Retail leases retail space and generates rental income through retail plazas in Thailand and Vietnam. Each of food segment retail plazas is anchored by a hypermarket and a mix of other offerings including Central Retail's own retail banners, restaurants and third party outlets with various merchandise and service offerings.

Merchandising at supermarkets and hypermarkets is driven by the tastes and preferences of the local population. Supermarkets and hypermarkets can be found throughout Thailand and in the major regions of Vietnam, so the selection of groceries and non-food items at Central Retail's stores can vary widely, reflecting the diversity of the customer base. Likewise, Central Retail's in-store displays, store formats and overall presentation can vary based on location in order to more closely match the expectations of customers in the communities where Central Retail's supermarkets and hypermarkets are located. For example, in Vietnam, customers in the north are generally more driven by seasonality and brand, whereas customers in the south are generally more responsive to promotions. Merchandising is also driven by immersive shopping, when dine-in options help drive take-out and grocery sales.

Enclosure

Central Retail uses a number of private label and in-store brands in food segment merchandising, which Central Retail believes differentiates its offerings and provides a competitive edge in the market. Private label brands such as My Choice, Smart-R, My Choice Thai, Tops,

and Love the Value allow Central Retail to deliver a product that is tailored to its customer's tastes and preferences as well as that cannot be found at the competitors' store. The use of private label and in-store brands plays an important role in the establishment of new stores. where provide a foothold for the business in new areas by offering something novel to the local community. Central Retail's private label products are built around the principles of quality, consistency, credibility, trust, traceability and best of origin. Through this Central Retail has developed a diverse range of outstanding products that sand out for their quality, variety, and innovation.

Central Retail's large grocery store formats, such as Central Food Hall and Tops market, are built around the "modern supermarket" concept, which combines traditional grocery offerings such as fresh produce, staples and fast-moving consumer goods with immersive offerings, such as dine-in options. Customers at Central Food Hall, for example, can browse traditional grocery selections but also enjoy a variety of dine-in options, and the store include ready-made meals that customers can order and enjoy at dedicated areas for

ernance Financial Statements

ements Enclosure

dining or at food counters. Customers can also purchase meals to take away and enjoy outside of the store.

The grocery and non-food offerings in Thailand comprise direct imports, locally sourced items and exclusive offerings. By offering imported products, as well as seeking exclusive arrangements with grocery distributors, Central Retail can help to fill gaps in the local market and provide hard-to-find items. For certain items, such as wine and produce, Central Retail deals directly with vineyards and farmers for supply. Importing and exclusive distribution arrangements also play an important role in the establishment of new stores by allowing Central Retail to fill gaps in the local market.

As a store matures, Central Retail can generally increase its portion of locally-sourced foods to serve a growing customer base. Where possible, Central Retail embraces "farm to table" merchandising and seeks to ensure freshness and quality through local suppliers. When sourcing locally, particularly for fresh goods, Central Retail employs rigorous quality control guidelines and requirements. This is particularly important for Central Retail's businesses in Vietnam, where Central Retail actively sources more than 90.0% of its products locally. In addition, customer demands for health and beauty merchandise continue to increase, and Central Retail has responded by expanding its offerings of health and beauty merchandise across all of food segment formats, including the introduction of LOOKS, a new health and beauty concept seeking to build a "one stop shop" for beauty brands in the fast-moving consumer goods category. Additionally, the business under food segment introduces at TASTE - a fresh-meal restaurant with a wide variety of menu items; Thai Favorites - a zone features tourists' most wanted products from Thailand; Coffee Arigato - a Japanese coffee corner at FamilyMart; Healthiful comprehensive healthy food store; PETSTER - a pet store for pet lovers; and others.

The offerings under this segment are grouped into two categories: food retailing in Thailand and food retailing in Vietnam. The following table presents an overview of the key retail categories under food segment as of the dates presented.

	As of 31 December		
	2018	2019	2020
Total number of stores ⁽¹⁾			
Food retailing in Thailand	1,388	1,186	1,137
Food retailing in Vietnam	61	62	65
Total net selling space (sq.m.)			
Food retailing in Thailand	428,016	401,160	405,244
Food retailing in Vietnam	228,717	226,278	238,009
Average net selling space per location (sq.m.)			
Food retailing in Thailand	308	338	356
Food retailing in Vietnam	3,749	3,650	3,662

Food Retailing in Thailand

Tops Plaza			
Total number	5	5	5
Total gross floor area (sq.m.)	76,960	76,162	77,374
Total net leasable space (sq.m.)	30,623	33,278	33,737
Average net leasable space per location (sq.m.)	6,125	6,656	6,747
Total occupancy rate (%)	80.8	84.3	83.0

Food retailing in Vietnam

Big C / GO!			
Total number	32	33	37
Total gross floor area (sq.m.)	496,612	501,844	566,673
Total net leasable space (sq.m.)	142,329	145,966	166,884
Average net leasable space per location (sq.m.)	4,448	4,423	4,510
Total occupancy rate (%)	82.8	84.6	79.3

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

Financial Statements Enclosure

Food Retailing in Thailand

Food retailing in Thailand category primarily comprises Central Food Hall, Tops, and FamilyMart retail banners. Central Retail operates Central Food Hall and Tops retail banners under Central Food Retail business unit. Central Retail operates a variety of store formats under Tops retail banner, with Tops market as its flagship supermarket, offering mainstream reliability with a wide selection of quality consumer staples, food and grocery items to a broad crosssection of the general population. The other Tops formats include hypermarket Tops Superstore and mini-supermarket Tops Daily, which delivers express grocery along with ready-to-eat food offerings such as in-store baked goods and fresh sandwiches. The network of Tops stores has grown to reach 43 provinces across Thailand as of 31 December 2020, with Tops market alone having locations across 36 provinces, including 72 locations in the Bangkok Metropolitan





Region and 48 locations in upcountry Thailand. Central Retail owns and operates Tops Plaza, which are retail plazas anchored by a Tops Superstore that also offer a variety of other stores catering to basic needs of the local community. Central Retail also sources organic products locally to give back to the community, and Central Retail has recently launched Jing Jai Farmer's Market in Udon Thani Province in Thailand as a new retail concept, which works directly with local farmers, granting them higher income to provide customers with high quality, organic and chemical free products at the best price exclusively. As of 31 December 2020, Central Retail has expanded Jing Jai Farmer's Market to 23 Tops locations.

Central Food Hall delivers a highly innovative and immersive grocery shopping experience for customers in Thailand. With locations in major provinces, including Bangkok, Chiang Mai, Pattaya and Phuket, Central Food Hall caters to an urban population and delivers a rich variety of specialty and international foods as well as local favorites. Central Food Hall epitomizes the modern supermarket concept, offering traditional grocery alongside dine-in options, including both table and counter service, and a wide variety of ready-made take-away meals, as well as a personal shopper service at its Central Chidlom location. The first Central Food Hall outlet was opened in Bangkok in 2005 at Central Chidlom, and it has since expanded to four provinces across Thailand.



Financial Statements Enclosure

The following table presents an overview of Central Food Hall and Tops stores as of the dates presented.

	As of	31 December		Retail brands
	2018	2019	2020	
Total number of stores				
Supermarket and Hypermarket	298	218	236	Central Food Hall, Tops market, Tops Superstore, and Tops Daily
Convenience store	1,090	968	901	FamilyMart
Total net selling space (sq.m.)				
Supermarket and Hypermarket	291,515	278,868	288,506	Central Food Hall, Tops market, Tops Superstore, and Tops Daily
Convenience store	136,501	122,292	116,738	FamilyMart
Average net selling space per location (sq.m.)				
Supermarket and Hypermarket	978	1,279	1,222	Central Food Hall, Tops market, Tops Superstore, and Tops Daily
Convenience store	125	126	130	FamilyMart

The first FamilyMart store in Bangkok opened in 1993. Central Retail acquired FamilyMart in Thailand through a joint venture in 2012, when it had only 782 locations in 16 provinces. Central Retail has since expanded FamilyMart to 901 locations in 23 provinces throughout Thailand as of 31 December 2020. FamilyMart stores are strategically located and are operated pursuant to the agreement with Central Retail's joint venture partners, a structure which Central Retail believes showcases its ability to forge strong business relationships. FamilyMart banner is concentrated in the Bangkok Metropolitan Region and tourist areas such as Pattaya and Samui, where Central Retail believes it has a stronger competitive position. Central Retail's positioning differs from its competitors in that Central Retail focuses on locating a significant number of its stores within a given area to achieve economies of scale and a cluster effect. As a convenience store, FamilyMart also rounds out Central Retail's portfolio of retail formats, helping Central Retail further extend its customer reach. In May 2020, Central Retail acquired an additional 49% interest in Central FamilyMart Co., Ltd, increasing its ownership interest from 51% to 100%.

overnance Financial Statements

atements Enclosure

In 2020, Central Retail renovated the WestGate branch of Tops market to offer more than 40,000 product items from all corners of the world together with 6 new zones such as Baker's Oven - a white modern sit-down and shop-in-shop bakery shop that offers freshly-baked Asian and European-style bakeries and drinks from Coffee Arigato; Healthiful a healthy food and product zone under the slogan of 'Nature's Delights for a Healthy Life', in collaboration with the Institute of Nutrition, Mahidol University, to respond to all the needs of health lovers, especially those requiring specific healthcare needs, by offering organic, natural, vegan & plant-based, healthspecific and nutrition boost products while giving online advice by dietitians; World of Snacks - offers 100 brands of favorite international snacks for sales from around the world; LOOKS - a beauty lifestyle zone for beauty and personal care products from the world's leading brands, highlighting 3 day look and best seller corner: at TASTE - a fresh-meal restaurant with more than 100 menu items prepared by professional chefs, where the customers can also choose fresh food in the restaurant such as meat and seafood to be cooked for special meals; PETSTER - a one-stop pet lover zone offering products for dogs, cats, birds, mice, and fish and featuring more than 2,000 items of premium brands.

Food Retailing in Vietnam

Food retailing in Vietnam category comprises Big C / GO!, go!, and Lanchi

Mart retail banners. Big C Vietnam opened its first store in 1998, was acquired by Central Retail in 2016 and has since expanded to 26 provinces throughout Vietnam as of 31 December 2020. Through its varied offerings and localized approach, Big C / GO! positions its outlets to positively impact the entire community. Following the acquisition of Big C in 2016, Central Retail has been working on revamping the brand by restoring better value for money, ensuring that Central Retail is serving fresh and quality products, improving customer experience, and shortening wait times, upgrading its store system, and growing an experienced team of people to operate its stores. Central Retail also believes its operational experience with Big C in Thailand, which Central Retail originally founded in the 1990s and later sold to a third party, has helped make its business in Vietnam much more successful. Central Retail is actively using Big C / GO! as an incubator for new retail banners by showcasing LookKool, Hello Beauty and other specialty sales counters. As a result, Big C is now ranked first in the food hypermarket category in terms of store count, and second in the retail plaza category in terms of gross floor area according to the internal data. Central Retail is in the process of rebranding Big C operations to the "GO!" retail banner. In 2020, the Company rebranded 5 branches of Big C to GO!. This rebranding project has included reformatting outlets and has been part of Central Retail's strategy since Central Retail acquired Big C, and Central Retail expects the brand transition to be completed in three to four years.

go! is a small-sized supermarket, with space of approximately 2,500 - 3,500 sq.m., located in the vicinity of the community and countryside residential areas. The products offered at go! are consumer goods and clothing and apparel, which have a high percentage of sales volume compared to Lanchi Mart and Big C / GO!. The first go! branch was open in Tam Ky in Central Vietnam in September 2020. According to the plan, more branches will be expanded in the countryside areas of Northern and Central Vietnam in the future.

Lanchi Mart stores are medium-tobig supermarkets that bring a variety of unique product options and local items to rural communities in the north of Vietnam, all under one roof. Central Retail locates Lanchi Mart stores near local communities and residential clusters in rural areas, bringing modern retail settings to the community and ensuring that customers are able to find items that they would have otherwise had to travel far to obtain, and for good value. In addition to grocery offerings, Lanchi Mart provides a variety of soft goods which are a large contributor to overall sales, and which Central Retail believes is a testament to the confidence consumers have in its brand. Central Retail has also introduced small food stalls in its stores, usually serving international food, to introduce

new cultures and experiences to its customers. Lanchi Mart opened as a small enterprise selling merchandise on the outskirts of Hanoi in 1995, expanded into hypermarkets in 2007, was acquired by Central Retail through a joint venture in 2015, and has since expanded to ten provinces throughout Vietnam as of 31 December 2020.



e Financial Statements

Enclosure

CENTRALRETAIL ONE REPORT 2020

As of 31 December					
	2018	2019	2020	Retail brands	
Total number of stores					
Supermarket	25	25	24	Lanchi Mart	
Hypermarket	36	37	41	Big C / GO!	
Total net selling space (s	q.m.)				
Supermarket	59,332	47,031	45,031	Lanchi Mart	
Hypermarket	169,385	179,247	192,978	Big C / GO!	
Average net selling space	e per locat	ion (sq.m.))		
Supermarket	2,373	1,881	1,876	Lanchi Mart	
Hypermarket	4,705	4,845	4,707	Big C / GO!	

(a) Sales and Productivity

Food segment generated sales of THB 80,492 million and THB 74,684 million, contributing 41.2% and 43.1% to Central Retail's total sales of goods, for the year ended 31 December 2019 and 2020, respectively. EBITDA generated under food segment was THB 5,823 million and THB 7,734 million for the year ended 31 December 2019 and 2020, respectively.

The following table presents the total sales of goods, average sales per square meter and same store sales growth for key retail banners under food segment for the periods presented.

	Year ended 31 December		
	2018	2019	2020
Total sales of goods (THB millions) ⁽¹⁾			
Food retailing in Thailand	52,474	52,071	45,020
Food retailing in Vietnam	25,092	27,650	29,109
Others ⁽²⁾	733	771	555
Total	78,299	80,492	74,684

	Year end	ember	
	2018	2019	2020
Average sales per square meter (THB/month)			
Food retailing in Thailand	10,445	10,688	9,289
Food retailing in Vietnam	9,452	10,231	10,368
Same store sales growth (%) ⁽³⁾			
Food retailing in Thailand	+0.5	-0.5	-15.0
Food retailing in Vietnam	+6.1	+8.3	+0.1
Food retailing in Thailand			
Tops Plaza			
Rental income (THB millions)	107	160	126
Average rental income per square meter (THB/month)	473	468	371
Food retailing in Vietnam			
Big C / GO!			
Rental income (THB millions)	1,095	1,169	746
Average rental income per square meter (THB/month)	820	824	504
 ⁽¹⁾ Includes both in-store and online sales. ⁽²⁾ Includes Matsumoto Kiyoshi. 			

⁽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.

Financial Statements Enclosure

Sales of goods under food segment are primarily comprised of in-store sales, with additional sales generated through online channel. Omnichannel contributions to food has increased by 31%, 51% and 202% in 2018, 2019, and 2020 for the years ended 31 December 2018, 2019, and 2020, respectively. Central Retail opened its first distribution center dedicated to servicing online orders in 2017 with the goal of becoming a "best in fresh" food delivery provider for local community residents.

A close working relationship with international and local suppliers is particularly important in food segment given the importance freshness to customers. Central Retail holds regular meetings with suppliers on a monthly or quarterly basis depending on their contribution to its business. Supporting local OTOP and SMEs is also an important consideration for Central Retail in food retail. In all cases, Central Retail expects its suppliers to understand its business direction and to be committed to drive growth together with Central Retail. Central Retail normally consults them as its partner and share with them certain plans and strategies for its business

All of food segment suppliers have to meet Central Retail's standards with respect to costs, product specifications, marketing plans, production capacity and replenishment and logistics. Central Retail also requires that they 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 groceries is driven by local forces of supply and demand, and Central Retail constantly monitors market prices to ensure its own prices are competitive. Central Retail seeks to match pricing for generic or national third party brands but generally target lower price points for its private label products. Central Retail may charge higher prices as a result of higher logistical costs or for premium market positioning for certain items or retail banners, such as Central Food Hall. Central Retail also frequently uses promotions to drive customer traffic, and generally attribute approximately 30.0% of Central Retail's sales to promotional pricing. For Big C / GO!, go! and Lanchi Mart business in Vietnam, Central Retail aims to provide its customers with great value for their money on groceries by emphasizing local sourcing.

1.2.3 Marketing and Competition

1.2.3.1 Customers and Marketing

(1) Customer Base

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

The current customer base represents a broad cross-section of the public in each of Thailand, Vietnam and Italy. According to data obtained from Central Retail and Theil loyalty program, Central Retail had approximately 17.8 million loyalty member customers in Thailand as of 31 December 2020. Although Central Retail's network in Thailand is nation-wide, the level of market penetration in upcountry areas is relatively low compared to Bangkok, so expansion in upcountry areas is among Central Retail's key growth strategies. Central Retail also had approximately 3.5 million loyalty member customers in Vietnam and approximately 2.7 million loyalty member customers in Italy as of 31 December 2020.

Loyalty Programs

Central Retail's principal loyalty programs comprise Thel loyalty program in Thailand, the Big Xu Card in Vietnam and the Rinascentecard in Italy. Central Retail believes that having strong loyalty programs offering valuable benefits helps to improve customer loyalty and drive repeat visits within Central Retail's retail ecosystem. Under Thel loyalty program, the repeat customer rate of yearly active users was 81.0%, 80.0%, and 80.9 % for the years ended 31 December 2018, 2019 and 2020, respectively.

Thel Loyalty Program

Central Retail participates in Thel loyalty program, which is the Central Group's flagship customer loyalty program in Thailand. Thel loyalty program members are able to collect points through every purchase made from business units under the Central Group and its platform partners in Thailand, including all of Central Retail's business units. Points may be redeemed for vouchers or discounts on future purchases at participating retailers, including Central Retail's business units and platform partners. Thel loyalty program members are also

Financial Statements Enclosure

entitled to special privileges and offers for travel, entertainment, beauty, financial services, restaurants, hospitals, music, schools and sports through its business partnership network.

Central Retail's participation in Thel loyalty program is governed by an agreement between Central Retail and Thel Central Company Limited, a subsidiary of HCDS, which sets out the key terms with respect to managing marketing, program benefits, program costs and the use and analysis of member data and pursuant to which Central Retail pays a service fee. Customer perceptions about Central Retail's retail banners as captured by data from Central Retail and Thel loyalty program show that they consider multi-format stores to be able to satisfy their shopping needs.

Each Thel loyalty program member provides customer specific data upon registration with the program. Thel 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 Central Retail with access to this information and analytical tools that help Central Retail to deliver a better customer experience, particularly with respect to Omnichannel platforms. See "Nature of Business -Omnichannel platforms". As of 31 December 2020, there were more than 17.8 million Thel loyalty program members (as compared to 11.2 million members as of 31 December 2016).

Based on data obtained from Thel, the average number of visits for each Thel loyalty program member was 19.1, 18.0, and 16.8 for the years ended 31 December 2018, 2019 and 2020, respectively. As of 31 December 2018, 2019, and 2020, the number of yearly active Thel loyalty program members was 7.8 million, 8.4 million, and 7.7 million, respectively.

In 2020, Thel developed new features in Thel application to enable the member customers to stay updated with the information, including the privileges offered by the stores and alliances as well as interesting news depending on personalization, redeem Thel points and discount coupons, and view past usage history in order to enhance greater convenience and connection between





customers and Central Retail. Moreover, in July 2020, The1 officially launched The1 Exclusive program - the official VIP program developed for taking care of special customers, covering the benefits for Central Retail as well as alliances in Thailand and overseas. The benefits of The1 Exclusive customers include VIP reserved parking, access to the VIP lounge, special payment channels, personal assistant, special discounts on all purchases, exclusive birthday



privileges, and VIP event access of Central Retail and many more for the customers with accumulated spending amount of THB 250,000 per year. This is to boost the spending of customers' high purchasing power, achieve the key objective to maintain this customer base with continuous annual spending, and serve as compliments for these special customers for continuous support of Central Retail.

Financial Statements Enclosure

Other Loyalty Programs

Central Retail operates a Big Xu Card loyalty program in Vietnam, which is primarily used for promotional offers and discounts. Big Xu Card is a non-point based discount card, providing holders with exclusive offers and discounts. as well as in-store gifts and vouchers. As Central Retail's online business in Vietnam grows, Central Retail is looking at opportunities to use customer information from Big Xu Card databases to provide discounts and offers that customers can use across all of Central Retail's other business units. Central Retail also offers a Rinascentecard and an International Visitor Card ("IVC") loyalty programs for Rinascente stores in Italy, which are not point based, but provide holders with discounts, invitations to special events, exhibitions, and other advantages. Rinascentecard is only available to customers who reside in Italy, while IVC card is open to international visitors. As of 31 December 2020. Central Retail had more than 3.5 million, 2.4 million and 0.3 million members, respectively, for Big Xu Card, Rinascentecard and IVC card loyalty programs. However, Nguyen Kim Card loyalty program in Vietnam was in the process of upgrading the customer database. Upon completion of the upgrade the full program and membership will be reinstated.

(2) Data Analytics

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

(3) Customer Satisfaction

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

Central Retail conducted the 2020 customer satisfaction and loyalty survey during September - October using interviews and national random sampling of 5,231 customers of Central Retail's retail business units, namely Central Department Store, Robinson Department Store, Supersports, Thai Watsadu, Baan & Beyond, Power Buy, Central Food Hall, and Tops. The survey results showed that the customers had the same overall satisfaction level as that in the previous year. The customers' product satisfaction experienced a slight increase, while their price satisfaction declined slightly due to economic situation and high competition. However, it was found that the customers had higher loyalty; in other words, the customers were pleased to recommend Central Retail's business units to other people. Central Retail used the survey results for product and service improvements to cater to the needs and satisfaction of customers continuously.

The overall customer satisfaction and loyalty can be concluded as follows:

Customer Satisfaction and Loyalty	2019	2020	Change
Overall Customer Satisfaction	88%	88%	-
Store Ambience	91%	91%	-
• Staff	89%	89%	-
• Product	90%	91%	+]%
• Pricing	89%	88%	-1 %
• Promotion	86%	86%	-
Net Promoter Score (NPS)	47	50	+3

Source : 2020 Satisfaction and Competitiveness Survey

(4) Promotions and Events

Central Retail regularly carries out promotions and hosts special events to help drive demand and increase sales. These promotions and events take a variety of forms and reflect innovative approach to marketing, which Central Retail believes creates excitement and increases customer engagement with its brands. Each of Central Retail's business units is responsible for its own promotion and event strategy, though Central Retail also coordinates at the group level for many nationwide and cross-banner promotions each year under Central Group and Thel loyalty program, in which all of business units participate.

The table below presents certain information about some of recent promotions and events.

Promotional Items/Activities	Date	Offers	Results
Increase both current and new customers through online channels of Central Retail amid the COVID-19 outbreak situation	March - May 2020	 Offer specific promotions and products for each customer group by classifying into micro-segment level through the analysis of The1 member customer database, in terms of lifestyle patterns and spending behaviors Launch new channels to provide customer convenience and safety, such as Chat & Shop, Call & Shop and so on. 	Increase the number of new customers purchasing products online for the first time for to 20,000 customers per week.
Special promotional items through online channels (Twin Day)	June - December 2020 (6.6/7.7/8.8/9.9/ 10.10/11.11/12.12)	 Offer up to 90 percent discount for customers of both physical and online stores, deemed as Central Retail's greatest Omnichannel campaign. In addition, Thel point redemption program at special rates is only offered through Thel application. Special promotional items to attract potential customers to make their first online purchases. 	 Online sales volume increased by 60% compared to that of the same day in the previous year. Number of customers joining the program increased by 4 million customers compared to that in the same promotional period of the previous year.
The1 Exclusive	Officially launched in July 2020	 Privilege program for customers with accumulated spending amount of THB 250,000 per year. VIP customer care program covering privileges of Central Retail and alliances. Privileges of The1 Exclusive member customers include VIP reserved parking, access to the VIP lounge, special payment channels, personal assistant, special discounts on all purchases, exclusive birthday privileges, VIP event access of Central Retail and many more in Thailand and overseas. 	- Thel Exclusive member customers can generate sales volume of 16% of the total sales volume through Thel loyalty programs

Source: Information on spending volume and sales volume above is based on the research study through TheI member database and member loyalty programs.

rmance Corporate Governance

vernance Financial Statements

Statements Enclosure

(5) Advertising

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

1.2.3.2 Competition

Central Retail's competitors comprise traditional store-based retailers, store-based retailers moving online and pure online or e-commerce players. For in-store sales, Central Retail generally competes at the local level against competitors operating the same or similar retail categories or formats as its business units. For online sales, Central Retail competes with "pure" online players who lack a physical store presence. In recent years, rapid technological developments

have made significant advancements in E-commerce possible, meaning that small retailers or new entrants can compete with large, established retailers like Central Retail. In response to these trends, Central Retail intends to devote significant resources to strengthening and expanding its omnichannel platforms to respond to all forms of competition. Central Retail believes that its comprehensive network of physical locations is a key advantage Central Retail has in the Omnichannel space as compared to pure online or E-commerce players that lack a significant physical presence. See "Risk Management"

Central Retail believes that key differentiator across all of retail categories is the commitment to customer service. The principal areas in which Central Retail contends with its competitors are name recognition, brand and merchandise offerings, shopping experience (including in-store, online and Omnichannel offerings) and the understanding of fashion, trends and retail industry dynamics. At the group level, Central Retail lacks a single competitor in Thailand or Vietnam that can match Central Retail in terms of the

number of different formats, concepts and stores that Central Retail offers on a single platform. At the business unit level, major competitors include, in Thailand, The Mall (for fashion), Tesco Lotus, Big C Thailand, 7-Eleven (for food), Home Pro, Global House, and Boonthavorn (for DIY home improvement) and, in Vietnam, Mobile World JSC and Media Mart (for electronics) and Lotte Group and Saigon Co.op (for hypermarkets). In Italy, the primary competitor is Gruppo Coin (for fashion). In the fashion category, Central Retail also competes with global fashion retailers such as Uniglo, Zara, and H&M.

(1) Business and Network Expansion

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

(a) Store and Network Optimization

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

Central Retail opened 174, 139 and 125 new stores under its key retail banners in the years ended 31 December 2018, 2019 and 2020, respectively. As a result, total net selling space was 3.0 million sq.m., 3.0 million sq.m. and 3.1 million sq.m. as of 31 December 2018, 2019 and 2020, respectively. Corporate Governance

nance Financial Statements

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

In Thailand, the length of time needed to open a new store from initial site identification to actual openings depends on a number of factors, including availability of licenses, which can take anywhere from 6 to 24 months. In Vietnam, each Big C / GO! hypermarket takes approximately one year from initial site identification to actual opening. In Hanoi, Ho Chi Minh City, Da Nang, Hai Phong and Dalat, where the demand is higher compared to other urban cities, Central Retail plans to open supermarkets under Tops retail banner, which take about eight months from initial site identification to actual opening. For rural areas, Central Retail will expand

Lanchi Mart and go!, which takes six to eight months from initial site identification to actual opening.

Enclosure

In addition to new store roll-outs, Central Retail constantly seeks to improve its existing stores and review each store's refurbishment needs on an annual basis. Central Retail typically remodels its stores every three to eight years depending on the store, to ensure that they offer a modern store environment. In 2020, for example, Central Retail has renovated 5 stores of Big C Vietnam by rebranded Big C to GO!, including 1. Di An 2. Nha Trang 3. Ha Long 4. Can Tho, and 5. Vinh Phuc. The refurbishment of a store may take from a few weeks to 18 months to complete, depending on store format. Central Retail generally does not close its stores during refurbishment and, where necessary, refurbishment activities are phased to minimize disruption. Central Retail believes that the refurbishment activities are key to ensure the continuing productivity of its existing stores.

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

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

Financial Statements

Enclosure

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

Retail Banner or Brand	Year	Business Model
Robinson Department Store	1995	Acquisition of existing business in Thailand
Tops	1996	Acquisition of existing business in Thailand
Watsons	1996	Joint venture formed with Watson's The Chemist (Thailand) Holdings Limited and other parties
Nike	1999	Preferred Sporting Goods Strategic Partner for Southeast Asia
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	2011	Acquisition of existing business in Italy
FamilyMart	2012	Joint venture formed with FamilyMart Co., Ltd. and other parties for existing business in Thailand
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.I for the opening of Sunglass retail stores in Thailand
Lanchi 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 (1)	2015	Joint venture formed for existing business in Vietnam
	2019	Nguyen Kim became Central Retail's wholly-owned subsidiary
Big C Vietnam	2016	Acquisition of existing business after cooperative venture in Vietnam
Gucci	2017	Joint venture formed with G Distribution BV for existing businesses in Thailand
Bottega Veneta	2017	Joint venture formed with Bottega Veneta Holding B.V. for existing businesses in Thailand
FamilyMart	2020	In May 2020, Central Retail acquired an additional 49% interest in Central FamilyMart Co., Ltd, increasing its ownership interest from 51% to 100%

⁽¹⁾ Central Retail purchased the remaining shares of Nguyen Kim business on 7 June 2019, after which time it has become Central Retail's wholly-owned subsidiary.

(C) The JD Central Joint Venture

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

Although Central Retail is not a party to the joint venture, Central Retail, in its capacity as an affiliate of HCDS, expect to benefit from the JD Central JV in several ways. The JV Agreements contain provisions allowing Central Retail to generate revenue from the JD Central JV by providing certain Supporting Services, such as (i) by acting as a merchandise supplier for the JD Central JV, (ii) by establishing "flagship stores" on the JD Central JV webstore and mobile app, which gives Central Retail access to shoppers targeted by the JD Central JV, and (iii) by providing logistics and fulfillment services for orders made through the JD Central JV. Central Retail also expects the JD Central website to include links to its own webstores to help drive online traffic and sales. Central Retail also expects to support the JD Central JV's proprietary payment system, which is currently under development.

Other important benefits Central Retail expects to enjoy from the JD Central JV include access to merchandise and promotional channels of JD.com, Inc., which is one of China's largest online retailers. Central Retail can therefore enjoy unique access to Chinese customers, which already represent a large portion of sales to tourists, and to Chinese suppliers, which can help to differentiate its merchandise mix with unique offerings at price points generally lower than those of other international suppliers and brands.

Certain terms of the JD Central JV may limit the flexibility in the omnichannel retailing business.

(d) Expansion Pipeline

Central Retail continues to build its pipeline of store openings and currently

plans to open approximately 100-150 stores a year over the next five years in Thailand and Vietnam. Central Retail is constantly evaluating site possibilities to increase the number of sites which may lead to store openings in line with its expansion plan. Central Retail plans to further grow its network both in locations where Central Retail has an existing presence and in new locations across Thailand and Vietnam, particularly in underserved markets with growth potential. In Italy, Central Retail does not currently have plans to open any new stores, but Central Retail plans to renovate some of its existing locations to increase overall sales of goods from these remaining locations as renovated the flagship Milan and Florence locations in 2020.

With regard to the opening of new branches in fashion segment, Central Retail has set the goal to expand branches in Thailand, for example, 2-3 branches of department store business per year, and 40-50 specialty and Brandshop branches per year. For hardline segment, Central Retail has the goal to expand 10-20 branches in Thailand, including specialty stores distributing electronics equipment, and specialty stores for home and DIY products, excluding the brands of small-sized stores. For food segment, Central Retail has set the goal to expand 40-50 branches of supermarkets and convenience stores in Thailand per year and 10-15 branches of supermarkets and hypermarkets in Vietnam per year. Central Retail's goal also includes the increase in net selling space for all units by approximately 8-10 percent per year and net leasable space for property segment by approximately 10-15 percent per year within the next 5 years. However, the expansion of branches of Central Retail may be subject to changes depending on the situation in any given period.

1.2.3.3 Industry

In 2020, the COVID-19 pandemic sparked a severe slowdown in the global retail industry due to restrictions on economic activities pursuant to the measures to prevent and reduce disease transmission, lockdown measures, travel restrictions on domestic and international travelers, and decreased consumer confidence. The situation was also a factor affecting consumer behaviors towards the use of digital platforms when purchasing products and carrying out activities such as food delivery service, teleconference, or watching movies via online movie applications, thus encouraging global retailers to adapt themselves in order to handle and reduce the impacts of changes in consumer behavior.

nce Financial Statements

Enclosure

Example: Key Retail Players in Thailand

(1) Overview of the Thai Retail Industry

The Thai retail industry has experienced steady growth in recent years, largely driven by economic growth, coupled with the growing young, middle income population with a higher disposable income and greater propensity to spend, and the urbanization trend. The investment in infrastructure by the private and the public sector also helps to boost up the regional economic improvement. Similarly, tourism growth reinforces the retailing sector's opportunities, in particular in key tourist destinations.

The middle to high income consumers remain the key target segment for many retailers, driven by a desire for premium products and services. The increased presence of aspirational consumers has also created opportunities for channels such as online retailing, as these consumers seek novel brands and products.

The impact of Covid-19 to Thai GDP decreased by 6.1% compared with an expansion of 2.3% in 2019 according to The Office of the National Economic and Social Development Council (NESDC). On the expenditure side, export of goods, private consumption, and investments contracted by 6.6 percent, 1.0 percent,

and 4.8 percent, respectively. For the economic stability, the headline inflation was at -0.8% and the current account registered a surplus of 3.3% of GDP. Based on the information collected by the Thai Retailers Association, the COVID-19 outbreak situation caused a sharp drop in retailer confidence index to be below the average at 50 since March. After the relaxation in lockdowns, retailer confidence index slowly increased in June due to employment relief measures and spending stimulus campaigns of the government such as Thai Tiew Thai and Shop Dee Mee Kuen. However, the average retailer confidence index in 2020 was still far less than year 2019.

The online retailing, however, posed a faster rate of growth due to the rapid expansion of the Internet in Thailand. Internet penetration continues to rise as consumers are increasingly demanding 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.

	Store Format
CC group	
ig C/Big C Extra	Hypermarket
ig C Market	Supermarket
1ini Big C	Convenience Store
he Mall Group	
he Mall	Department Store
Gourmet Market	Supermarket
and & House	
lomePro	Specialty Store
1ega Home	Specialty Store
aha Pathanapibul	
awson 108 (inc. 108 shop)	Convenience Store
CP Group	
-Eleven	Convenience Store
CP Freshmart	Convenience Store
1akro	Wholesale store
esco Lotus	Hypermarket
otus Express	Convenience Store
alad Lotus	Supermarket
Others	
oodland	Supermarket
CJ Express	Convenience Store

Source: Modern Trade Outlook 2019-2021, Krungsri Research

Remark: The Trade Competition Commission granted approval on CP-Tesco merger in November 2020.

Central Retail believes that the Thai retail industry still possess potential and embrace more marketing opportunities, especially in the upcountry. Thanks to multi-format, multi-category retailing platform, Central Retail can satisfy the full spectrum of its customers' shopping needs through comprehensive merchandise offerings and its diversified portfolio of retail banners. Central Retail believes that having strong loyalty programs offering valuable benefits helps to improve customer loyalty and differentiate Central Retail from other retail players. Furthermore, Central Retail focuses on the improvement and the upgrading of stores and retail plazas. Central Retail continues to roll out new stores with service experiences such as restaurants, coffee bars, co-working spaces and learning zones in order to offer complete lifestyles and lengthen the duration of times spent by customers in its stores as well as adjust merchandise to suit with customers' need that would stimulate sales. Central Retail also adopted the customer-centric omnichannel platform to seamlessly merge physical and online shopping experiences and capture sustainable growth, including Click & Collect and 1 Hour Pick Up features allow customers to buy an item online and collect it within one hour at a store. Moreover, Central Retail continuously conducts and develops personalized marketing campaigns using its capability in data analytics such as Big Data to improve the services and merchandise offerings. Central Retail provides to its customers

in order to sustain its competitiveness and also maintain profitability in the long term.

(2) Overview of the Vietnamese Retail Industry

Vietnam's economy grows at the fastest rate in Southeast Asia (based on grow rate of gross domestic product). The gross domestic product (GDP) of Vietnam continuously grew by more than 6 percent in the past 3 years, while GDP per capita increased by 2.7 times, amounting to US\$ 2,700 in 2020. Based on the report of World Bank, the retail industry grew considerably over the past couple of years. The driving factors were better economic recovery, increase of the number of population, and increase of middle-income consumers currently accounting for 13 percent of the total number of population and expected to increase by 26 percent in 2026. Moreover, bilateral and multilateral agreements will help attract foreign investments and support the overall consumer market in Vietnam in the future

Example of key retail players that operate in the same business segments in Vietnam as Central Retail are as follows:

- Hypermarket / Supermarket / Convenience store: Saigon Co.op, VinGroup, Lotte Group, Masan Group
- Electronics: MobileWorld JSC, FPT, Media Mart
- Retail Plaza: AEON Mall, Vin Group, Saigon Co.op

Central Retail plans to leverage Big C / GO! Vietnam's leading hypermarket retailer, as a platform to accelerate growth in the country. Big C / GO! retail plazas in Vietnam are anchored by Big C / GO! hypermarkets and lease space to third party stores as well as its own retail banners. Central Retail intends to introduce a similar concept in rural areas anchored by go! supermarket, with a modified retail category mix catering specifically to rural consumers. The specialty electronics retail banner, Nguyen Kim, will also be expanded in both standalone and shop-in-shop formats within Big C / GO! Vietnam. Central Retail believes this hybrid hypermarket and supermarket along with retail plaza platform will become a powerful force multiplier that drives growth across the country.

Central Retail believes that as incomes increase, Vietnamese consumers will demand increasingly more sophisticated and specialized retailing experiences. In anticipation of such changes, Central Retail continues to introduce variety of merchandise and new innovative specialty retail banners, similar to how Central Retail has driven the evolution of consumer preferences in Thailand. For example, innovations include the lifestyle store which expand in our mall such as "LookKool", a lifestyle product store, "Home Mart", the DIY home appliance, shop-in-shop, "Food City," a value-for-money food court of international foods, and "Kubo" an indoor playground for kids. Central Retail relies

on the success of Big C / GO! Vietnam as a channel to introduce specialty retail brands in a similar way that Central Retail responds to the changes in consumer preferences in Thailand.

(3) Overview of the Italian Retail Industry

The COVID-19 pandemic affected economic and social systems in numerous ways in Italy. In 2020, it was projected that Italy showed negative growth in gross domestic product (GDP). The consumption in all sectors plunged into recession. The retail business, in particular, experienced 2 impacts, namely a decline in the number of tourists since February 2020 and domestic travel restrictions due to the government's measures to limit travels and control the COVID-19 outbreak.

Central Retail is a leader in department store business in Italy under the brand of Rinascente which has 9 branches in 8 cities in Italy. The flagship stores located in Milan and Roma Fiume as popular shopping destinations in Europe. Central Retail focused on delivering excellent shopping experience in physical stores for customers by making store improvements and decorations which will also attract reputable product brands. In addition, Central Retail highlighted the extension of Omnichannel platforms as a strategy to drive business growth through fullscale E-commerce website of Rinascente at www.rinascente.it and Rinascente ON DEMAND service. Central Retail

ce Corporate Governance

rnance Financial Statements

also placed importance on increasing domestic customer base to reduce the impact of the decline in the number of tourists due to travel restrictions on domestic and international travelers.

1.2.4 Supplies, Inventory and Distribution

As of 31 December 2020, Central Retail had more than 15,000 supplier networks, of which the first 20 networks provide products to 3 business units of Central Retail, thereby leading to sufficient variety of products and reducing concentration risks. As of the year ended 31 December 2020, none of the suppliers distributed products to Central Retail, accounting for 10 percent of the total purchase volume of Central Retail. Central Retail believes that it has good and robust relationship with the suppliers since it places priority on all suppliers and that it is a reliable, fair and reasonable business alliance. For those reasons, its relationship with most suppliers has lasted for over 15 years.

(1) Selection and relationships

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

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

(2) Sales models

Enclosure

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

The choice between using a credit sale or consignment model depends on a number of factors that vary by category. For credit sales, Central Retail sources and sells its own directly purchased merchandise, either under third party brands or private labels that are sold exclusively in its stores, and Central Retail tends to stock essential. repeats items that are competitively priced and has long life cycles with high stock turnover. Central Retail also uses credit sales for top brands when agreements require them, as well as to ensure that Central Retail has enough stock of certain brands, and can use a credit sale model for its private labels, and generally sells them at a higher margin than third party brands. The value of merchandise is represented as inventory on balance sheet. Central Retail is therefore exposed to risks of obsolescence, which Central Retail can mitigate by offering discounts or increasing marketing activities.

Central Retail uses consignment sales for more seasonal and fast-moving merchandise, which require high stock holdings and 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 or online spaces at their own cost under the display policy guidelines set out by Central Retail. They are also responsible for the repair and maintenance of their store areas. Whether Central Retail can use consignment sales to optimize its merchandise mix and inventorv management depends in large part on the sales potential at individual locations and ability to negotiate with relevant suppliers. The value of consignment merchandise is not represented as inventory on balance sheet. Central Retail is therefore not exposed to risks of obsolescence with respect to consignment inventory. Credit sales, by contrast, provide Central Retail with more freedom in deploying its merchandise.

(3) Logistics and distribution

Central Retail manages the flow of merchandise and supplies throughout its retail network through 13 distribution and logistics centers in Thailand, 12 distribution centers in Vietnam and a single distribution center in Italy, having an aggregate area of approximately 300,000 sq.m., 52,000 sq.m. and 35,000 sq.m., respectively.

In 2020, Central Retail launched a modern world-class omnichannel distribution center in Thailand with space of over 75,000 sq.m. and storage systems in various forms to keep up with supply chain trends and rapid growth of Omnichannel channels which are Central Retail's core strategy. The distribution center facilitates the flow of non-food products from all business units of Central Retail, such as Central Department Store, Robinson Department Store, Supersports, Power Buy, and CMG as well as responds to all sales channels in both physical platform and digital platform, and is located in strategic logistics locations in Bang Phli area which facilitate the distribution of products to Bangkok and nationwide, thereby enhancing Central Retail's achievement of goals to ensure fast delivery, satisfaction, and good experience for customers through all shopping channels.

The distribution centers handle a variety of differently managed inventory, ranging from directly imported to locally sourced. The distribution centers are



split generally by business type, with business units or retail banners with similar merchandise mixes sharing certain facilities.

The following table provides an overview of distribution center network as of 31 December 2020.

DC Group	Business Unit	Approximate Size (sq.m.)	Composition
Group 1	Central Department Store Robinson Department Store Supersports	86,000	Import warehouses, domestic warehouse and cross docks
Group 2	Central Marketing Group	12,000	Single facility
Group 3	Thai Watsadu Baan & Beyond	86,000	Single facility
Group 4	Power Buy	36,000	Single facility
Group 5	Central Food Retail FamilyMart	80,000	Four dry distribution centers, three fresh distribution centers and one chill hub
Group 6	Big C / GO! Nguyen Kim Lanchi Mart	52,000	12 distribution centers
Group 7	Rinascente	35,000	Single facility

e Corporate Governance

rnance Financial Statements

Store deliveries occur every day of the week for most business units based on sales volumes. Delivery generally occurs within one to five days of receipt of a store order. Distribution and logistics systems supporting the business units under food segment employ faster turnaround times, generally within 24 hours to handle high turnover and bulk items as well as fresh items. Central Retail engages third party service providers to provide logistics and facility management services at certain of its distribution centers to ensure timely delivery of merchandise from the distribution centers to its stores across our network. In addition, some suppliers will also deliver products directly to Central Retail's stores. The distribution centers for Central Department Store, Robinson Department Store, Thai Watsadu, Power Buy, and CMG and the fresh distribution center for Central Food Retail are all self-managed, while the distribution centers for FamilyMart and the dry distribution center for Central Food Retail are

managed by a third party. With the exception of Thai Watsadu and some CMG deliveries, all business units outsource their distribution functions, allowing greater flexibility to manage fluctuations in demand. Engaging third parties gives Central Retail greater flexibility to manage across the supply chain without tying up investment in under-utilized vehicles.

(4) Inventory Management

Inventory management begins prior to making any particular order. Central Retail conducts extensive market research ahead of making any order to have the best possible visibility on sales, and Central Retail generally places orders only in small volumes in order to remain flexible. Inventory management systems utilize computerized inventory controls throughout the network of stores, which allow Central Retail to perform actual inventory counts systematically so as to ensure that the figures presented in financial statements are accurate. The system produces daily reports (by store) which are accessible by different functional teams, such as upper management (for accounting), store managers (for store operations) and merchandise buyers. Central Retail also uses in-store merchandising personnel to monitor inventory levels and slow selling merchandise. Central Retail regularly makes use of markdowns and discounting to clear slow moving merchandise in stores and regularly offer clearance sales to clear dated merchandise.

Enclosure

Central Retail controls slow moving merchandise both in store and through its systems, and take action where necessary through either transfer or price reduction. All of the stores in food segment monitor their stock position daily by reviewing the books and making appropriate adjustments where discrepancies are found. Additionally, financial stock is taken an average of three times a year and discrepancies are then adjusted in financial statement.

1.2.5 Operations and Management

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

(1) Group Management

Headquarters are currently located in Bangkok. While Central Retail strives to focus on local decision-making, Central Retail also believes that Central Retail achieves numerous 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 group level. (L)

Function	Description
Logistics	Central Retail uses centralized logistics centers for fashion segment. Otherwise, logistics is generally handled at the business unit level, though Central Retail tries to coordinate among business units whenever possible to consolidate transportation for the distribution of merchandise and supplies in order to save costs.
Suppliers and sourcing	By combining the buying power of numerous business units, Central Retail can achieve strong bargaining positions with suppliers to lower costs and improve margins.
Managerial talent	Central Retail has historically identified key managerial talent with successful track records in one business unit and assigned them to other business units.
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 also share valuable IT talent ⁽²⁾
Investments and funding	Each of business units can leverage common financial resources to 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"

⁽¹⁾ IT Group level functions with respect to IT infrastructure and IT services are provided to Central Retail by RIS Company Limited pursuant to certain shared service agreements, while omnichannel platforms' services are in-house.

(2) Business Unit Management

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

(3) Local Store Management

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

Financial Statements Enclosure

(4) Information Technology

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

Central Retail prioritizes cybersecurity readiness and the safekeeping of customer data, and Central Retail believes that cybersecurity infrastructure is sufficient for such purposes. Central Retail engages third party consultants to provide cybersecurity monitoring for its IT systems. These consultants provide monthly reporting. Most of business units have business continuity plans and systems in place at the store level, and point-of-sale systems have multiple tiers of infrastructure to allow selling at each store with proper security and operational control to prevent fraud or identify theft.

Business intelligence system is a "big data" platform centralized across all business units for sales analysis, store inventory monitoring, accounting, holistic customer information management,

automatic and personalized offer generation, and automatic systems analysis, among other things. Such data for all stores and online platforms is automatically transferred to the centralized data analytics system. The business intelligence system can produce several different reports that enable management to closely monitor the operation of stores throughout the markets in which Central Retail operates. These analyses can also assist Central Retail in responding to any issues that may arise in a timely manner, so that Central Retail can take the necessary measures or formulate strategies to im prove the overall performance of online and offline stores.

In developing Omnichannel platforms, Central Retail has sourced software from third parties and tailored them to the functionalities of Omnichannel platforms for online and offline systems, while hiring in-house IT talent to help build out specific features and functionalities that address customer needs. Since 2017, Central Retail has recruited over 200 new employees to help spearhead the roll-out of omnichannel platforms across Central Retail's business units.

(5) Cash Management

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

In managing cash and liquidity, Central Retail implements a cash pooling system, which pools cash from various bank accounts opened at different locations of the business units into a single bank account of the parent company of such business units on a daily basis. This is to ensure that there is no surplus of cash or bank deposits that are not utilized for liquidity management purposes and to ensure that business units do not suffer from liquidity issues or have to incur interest expenses form 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. Central Retail does not permit any products that need governmental approval, such as cosmetics, to be sold in stores until such approvals are obtained. 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

Corporate Governance

nance Financial Statements

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

(7) Corporate Services

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

(8) Long-Term Business Plan

Central Retail has still set long-term strategic goals to achieve sustainable growth in revenue and profits with customer-centric omnichannel platforms which have multi-category, multi-format and multi-market in Thailand, Vietnam and Italy. To achieve such goals, Central Retail has determined approaches to business expansion by developing Omnichannel platforms to introduce new retail formats while delivering different experience and convenience to accommodate all customer groups' lifestyles in Thailand, and discover overseas business expansion.

Central Retail is committed to improving efficiency in its work processes in all units, carrying out financial management tasks to maintain liquidity and focusing on strategic growth projects both domestically and internationally to ensure future growth according to the goals such as the branch expansion of Thai Watsadu, Robinson Lifestyle Center and GO! Vietnam as well as the development of new store formats or brands that can respond to the customer needs.

Moreover, Central Retail has conducted a feasibility study to establish mergers and acquisitions and businesses with high potential growth to expand revenue generating channels and strengthen its business as in accordance with the growth plan underlying future goals in a stable and sustainable manner.

1.2.6 Operating Assets

Enclosure

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

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

1.2.7 Undelivered Tasks

- None -

1.2.8 Environmental Impacts

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

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 professional to operate the Company. After that, Central Group restructured to a holding company and listed in the Stock Exchange of Thailand on February 2020 which Harng Central Department Store Co., Ltd. Id the major shareholder holding 35.06% of shares.

Central Retail 's business is organized into 3 operating segments;

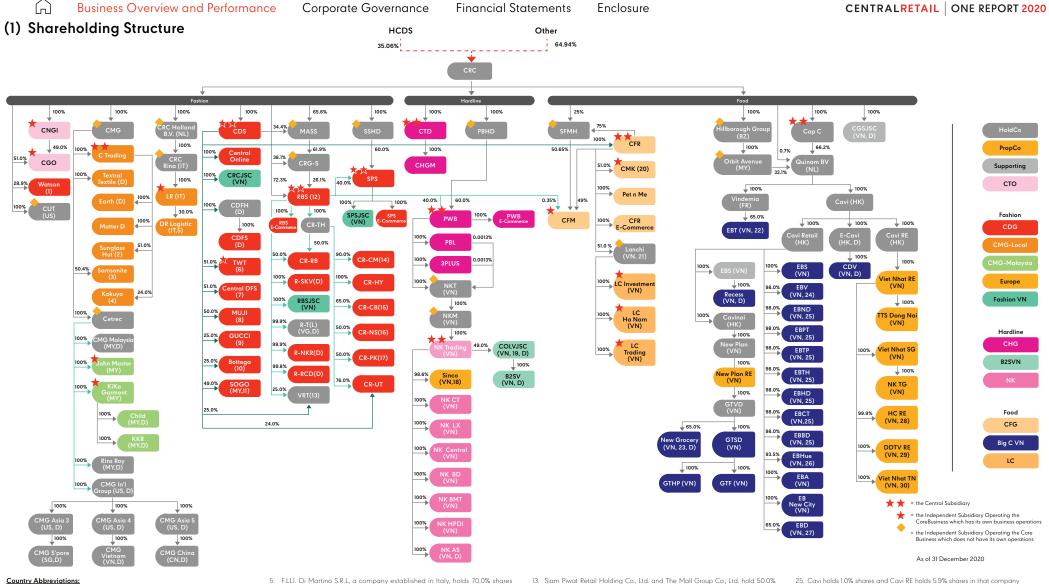
(1) Fashion, which focuses on apparel and accessories under portfolio of retail banners, for example, Central Department Store, Robinson Department Store, Supersport and Rinascente;

(2) Hardline, which focuses on electronics and home improvement under portfolio of retail banners, for example, Thai Watsadu, Power Buy and Nguyen Kim;

(3) Food, which focuses on groceries and items typically found in convenience stores under portfolio of retail banners, for example, Central Food Hall, Tops, and Big C / GO! Vietnam.

Each segment hosts a portfolio of retail banners under which Central Retail sells a wide range of merchandise, and each of its retail banners is distinguished based on a variety of characteristics, including store network, omnichannel offerings, store format, merchandise offerings, branding strategy and market positioning.





Country Abbreviations:

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

Status Abbreviations:

D = These entities are dormant or in liquidation.

Remarks:

- 1. A.S. Watson Group and Thai shareholders whom are not related to the Company hold 711% 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 3.0% shares in Sunglass Hut
- 3. Delilah Europe Investment S.A.R.L, a company established in Luxembourg, holds 49.6% shares in Samsonite
- 4. Kokuyo Co., Ltd., a company established in Japan, holds 49.0% shares, Practicable Co., Ltd. holds 24.0% shares, and MHCB Consulting (Thailand) Co., Ltd. holds 3.0% shares in Kokuyo

- in DR Logistic
- 6. Watts Co., Ltd., a company established in Japan, holds 49.0% shares in TWT 7. DFS Venture Singapore Pte. Ltd., a company established in Singapore, holds 49.0% shares in Central DES
- 8. Rychin Keikaku Co., Ltd. ., a company established in Japan, holds 50.0% shares in MUJI
- 9. G Distribution B.V., a company established in the Netherlands, holds 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 49.0% shares in SOGO
- 12. The rest of ROBINS' shares hold by the general public, however, the shareholding structure of CRC in ROBINS might increase from the tender offer of ROBINS' shares

- 13. Siam Piwat Retail Holding Co., Ltd. and The Mall Group Co., Ltd. hold 50.0% shares in VRT
- 14 Mr. Worawat Tantranon holds 10.0% shares in CR-CM
- 15. Center Town Co., Ltd. holds 35.0% shares in CR-CB
- 16. Nakornsrithamrat Ocean Group Co., Ltd. holds 50.0% shares in CR-NS
- 17. Phuket Ocean Group Co., Ltd. holds 50.0% shares in CR-PK 18. The Vietnamese whom are not related to the Company holds 1.4% shares in Sinco
- 19. B2S Company Limited holds 51.0% shares in COLVJSC
- 20. Matsumoto Kiyoshi Holding Co., Ltd., a company established in Japan, holds 49.0% shares in CMK
- 21. Ms. Nguyen Thi Lan holds 49.0% shares in Lanchi
- 22. Thanglong GTC JSC, a company established in Vietnam, holds 35.0% shares in EBT
- 23. Fresh Foods and Useful Goods Distribution Company Limited, a company established in Vietnam, holds 35.0% shares in New Grocery
- 24. Vindemia holds 1.0% shares and Cavi RE holds 1.0% shares in EBV

- 26. Cavi holds 0.6% shares and Cavi RE holds 5.9% shares in EBHue
- 27. Dong Nai Food Industry Corporation, a company established in Vietnam, holds 35.0% shares in EBD
- 28. Viet Nhat Real Estate holds 99.94% shares, TTS Dong Nai holds 0.03% shares and Viet Nhat SG holds 0.03% in Houng Cuong Quang Ngai (HCRE) 29. Viet Nhat Real Estate holds 99.96% shares, TTS Dong Nai holds 0.02% shares
- and Viet Nhat SG holds 0.02% in Dong Doung Tra Vinh Real Estate (DDTV RE) 30. Viet Nhat Real Estate holds 99.96% shares, TTS Dong Nai holds 0.02% shares
- and Viet Nhat SG holds 0.02% in Viet Nhat Thai Nguyen (Viet Nhat TN)

Remarks PBHD Co., Ltd., a subsidiaries of the Company, had done the tender offer all COL shares, totally 640,000,000 shares, equivalent to 100.00% of paid-up shares. On 5 February 2020, the summary of the tender offer was 638,241,100 shares, equivalent to 99.37%

As at 31 December 2020, there are 135 companies owned by the Company, subsidiaries and associate companies that holding at least 10% details as follows:

(1) Fashion

No.	Company	Type of Business	Paid-Up Capital	Shareholding Proportion (%)	Head Office
Centre	al Department Store				
1.	Central Department Store Co., Ltd. ("CDS")	Operating Central Department Store	THB 3,335.0 million	100.0	1027 Central Chidlom Department Store, 7 th Fl., Ploenchit Road, Lumpini, Pathumwan, Bangkok
2.	Central Online Co., Ltd. ("Central Online")	Selling goods via online channel	THB 35.0 million	100.0	919/555 South Tower, 14 th Fl, Room 7, 8, Silom Road, Silom, Bangrak, Bangkok
Robir	nson Department Store and Robinson Life	style Center			
3.	Mass Concept Co., Ltd. ("MASS")	Holding Company for Robinson department store and Robinson Lifestyle	THB 262.5 million	100.0	79/3 Sathupradit Road, Chongnonsi, Yannawa, Bangkok
4.	C.R.G. Service Co., Ltd. ("CRG-S")	Holding Company for Robinson department store and Robinson Lifestyle	THB 1,089.4 million	100.0	22 Soi, Somkid, Ploenchit Road, Lumpini, Pathumwan, Bangkok
5.	Robinson Department Store PCL ("ROBINS")	Operating Robinson department store and Robinson Lifestyle in Bangkok and provincial area	THB 3,942.9 million	98.4	
6.	RBS E-Commerce Co., Ltd. ("RBS E-Commerce")	Selling goods via online channel	THB 1.0 million	98.4	9/9 14-17 Fl., Rama 9 Road, Huaykwang, Huaykwang, Bangkok
7.	CR (Thailand) Co., Ltd. ("CR-TH")	Holding Company for Robinson department store in 7 provinces	THB 3,201.0 million	98.4	-

No.	Company	Type of Business	Paid-Up Capital	Shareholding Proportion (%)	Head Office
8.	CR Rajchaburi (Thailand) Co., Ltd. ("CR-RB")	Operating Robinson Lifestyle in Ratchaburi	THB 645.6 million	98.4	265 Srisuriyawong Road, Na Mueng, Mueng Ratchaburi, Ratchaburi
9.	CR Chiangmai (Thailand) Co., Ltd. ("CR-CM")	Operating Robinson Department Store in Chiangmai	THB 220.0 million	88.5	2 Mahidol Road, Haiya, Mueng Chiang Mai, Chiang Mai
10.	CR Hatyai (Thailand) Co., Ltd. ("CR-HY")	Operating Robinson Department Store in Hatyai	THB 202.0 million	98.4	9 Thammanoonvidhi Road, Hatyai, Songkla
11.	CR Udornthani (Thailand) Co., Ltd. ("CR-UT")	Operating Robinson Department Store in Udonthani	THB 225.0 million	98.8	277/2 Prachak Road, Mak Kaeng, Mueng Udonthani, Udonthani
12.	CR Chantaburi (Thailand) Co., Ltd. ("CR-CB")	Operating Robinson Lifestyle in Chantaburi	THB 160.0 million	63.9	22/107 Moo 7, Chantanimitr, Mueng Chantaburi, Chantaburi
13.	CR Nakhonsrithammarat (Thailand) Co., Ltd. ("CR-NS")	Operating Robinson Department Store in Udonthani and Robinson Lifestyle in Nakhonsrithammarat	THB 560.0 million	49.2	89/201 Pattanakarn Road, Kookwang, Klang, Mueng Nakhornsrithammarat
14.	CR Phuket (Thailand) Co., Ltd. ("CR-PK")	Operating Robinson Department Store in Phuket	THB 177.0 million	49.2	36 Tilokutid 1 Road, Talad Yai, Muen Phuket, Phuket
15.	Robinson Sukhumvit Co., Ltd. ("R-SKV")	Dormant	THB 100.0 million	98.4	259 Sukhumvit Road Klongtoey, Wattana, Bangkok
16.	R-Trading (L) BHD. ("R-T(L)")	Dormant	THB 50,000	98.3	P.O. Box 2208, Road Town, Tortola, British Virgin Islands

No.	Company	Type of Business	Paid-Up Capital	Shareholding Proportion (%)	Head Office
17.	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, Huaykwang, Huaykwang, Bangkok
18.	Robinson Ratchada Co., Ltd. ("R-RCD")	Dormant	THB 75.0 million	98.2	9/9 14 th -17 th FI., Rama 9 Road, Huaykwang, Huaykwang , Bangkok
Robin	son Department Store (Vietnam)				
19.	Robinson Department Store (Vietnam) JSC ("RBSJSC")	Operating Robinson Department Store - Hanoi branch	VND 216,500.0 million	98.4	Basement B1, Mega Mall, Royal City Complex, No. 72A Nguyen Trai Street, Thuong Dinh Ward, Thanh Xuan District, Hanoi, Vietnam
20.	Central Retail Corporation (Vietnam) JSC ("CRCJSC")	Operating Robinson Department Store - Ho Chi Minh City branch	VND 105,000.0 million	100.0	No. 163 Phan Dang Luu, Ward 01, Phu Nhuan District, Ho Chi Minh City, Vietnam
Rinas	cente				
21.	CRC Holland B.V. ("CRC Holland")	Holding Company for Rinascente Department Store	EUR 100.0	100.0	Luna Arena, Herikerbergweg 238, 1101 CM Amsterdam, the Netherlands
22.	CRC Rinascente S.p.A. ("CRC Rina")	Holding Company for Rinascente Department Store	EUR 120,000.0	100.0	Via Giorgio Washington,
23.	La Rinascente S.p.A. ("LR")	Holding Company for Rinascente Department Store in Italy	EUR 5.1 million	100.0	70 20146 - Milano (Italy)

No.	Company	Type of Business	Paid-Up Capital	Shareholding Proportion (%)	Head Office
Super	Sports				
24.	SSHD Co., Ltd. ("SSHD")	Holding Company for Super Sports	THB 255.0 million	100.0	306 Silom Road, Suriyawong, Bangrak, Bangkok
25.	CRC Sports Co., Ltd. ("SPS")	Selling clothes and sport equipment under Super Sports Thailand	THB 370.0 million	99.4	919/555 South Tower, 13 rd Fl., Room 1-6, 10, Silom Road,
26.	CRC Sport E-Commerce Co., Ltd. ("SPS E-Commerce")	Selling goods via online channel	THB 1.0 million	99.3	Silom, Bangrak, Bangkok
27.	CRC Sports (Vietnam) JSC ("SPSJSC")	Dormant	VND 18,375.0 million	99.4	No. 163 Phan Dang Luu, Ward 01, Phu Nhuan District, Ho Chi Minh City, Vietnam
Centr	al Marketing Group				
28.	Central Marketing Group Co., Ltd. ("CMG")	Holding Company for Central Marketing Group and provide warehouse for Central Trading Co., Ltd.	THB 1,876.0 million	100.0	
29.	Central Trading Co., Ltd. ("C Trading")	Manufacturing and importing goods for selling in Thailand for Central Marketing Group	THB 2,500.0 million	100.0	
30.	Earth Care Co., Ltd. ("Earth Care")	Dormant	THB 55.0 million	100.0	3388/26-37 Sirinrat Tower 9 th -11 th Rama 4 Road, Klongton, Klongtoey, Bangkok
31.	Matter D Co., Ltd. ("Matter D")	Selling goods via online channel	THB 2.0 million	100.0	
32.	Textral Textile Co., Ltd. ("Textral Textile")	Dormant	THB 34.5 million	100.0	
33.	Cetrac International Co., Ltd. ("Cetrac")	Holding Company for Malaysian companies	THB 1,400.7 million	100.0	

No.	Company	Type of Business	Paid-Up Capital	Shareholding Proportion (%)	Head Office
34.	John Master (M) Sdn. Bhd. ("John Master")	Selling men clothes under John Master in Malaysia	MYR 1.0 million	100.0	
35.	Kiko Garments Sdn. Bhd. ("Kiko Garment")	Selling kids clothes under KIKO in Malaysia	MYR 1.5 million	100.0	Lot No. 15F-1A & 15F-2,
36.	Child Boutique Sdn. Bhd ("Child")	Dormant	MYR 0.4 million	100.0	15 th Fl., Tower 4 @ PFCC, Jalan Puteri 1/2, Bandar Puteri, 47100 Puchong, Selangor,
37.	Kiko Retail Sdn. Bhd ("KKR")	Dormant	MYR 0.4 million	100.0	Malaysia
38.	Rins & Roys Sdn. Bhd ("RINS ROY")	Dormant	MYR 10.0 million	100.0	
39.	CMG International Group Ltd. ("CMG In'l Group")	Dormant	USD 8.3 million	100.0	5858 South Pecos Road Suit#100 Las Vegas Nevada 89120
40.	CMG Central Marketing Group Malaysia Sdn. Bhd. ("CMG Malaysia")	Dormant	MYR 2	100.0	Lot No. 15F-1A & 15F-2, 15 th Fl., Tower 4 @ PFCC, Jalan Puteri 1/2, Bandar Puteri, 47100 Puchong, Selangor, Malaysia
41.	CMG Asia Three Ltd. ("CMG Asia 3")	Dormant	USD 0.8 million	100.0	5858 South Pecos Road Suit#100 Las Vegas Nevada 89120
42.	CMG Asia Four Ltd. ("CMG Asia 4")	Dormant	USD 1.0 million	100.0	

No.	Company	Type of Business	Paid-Up Capital	Shareholding Proportion (%)	Head Office
43.	CMG Asia Five Co. Limited ("CMG Asia 5")	Dormant	HKD 5.8 million	100.0	RM 1401, 14/F3, World Commerce Centre, Harbour City, 7-11 Canton Road, Tsimshasui, Kowloon, Hongkong
44.	Central Marketing Group Singapore Pte. Ltd. ("CMG S'pore")	Dormant	SGD 1.0 million	100.0	190 Middle Road, #16-01 Futune Centre Singapore 188979
45.	CMG Vietnam Limited Liability Company ("CMG Vietnam")	Dormant	USD 0.5 million	100.0	Unit G-100, HSC Building, 162B Dien Bien Phu Street, Ward 6, District 3, Ho Chi Minh City, Vietnam
46.	Central Marketing Group (Shanghai) Co., Ltd. ("CMG China")	Dormant and on process of liquidation	RMB 25.0 million	100.0	Zhabei District, Shanghai 200001, China.
Komo	pnoya				
47.	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, Huaykwang, Huaykwang, Bangkok

91

(2) Hardline

No.	Company	Type of Business	Paid-Up Capital	Shareholding Proportion (%)	Head Office
Thai V	Vatsadu and Baan & Beyond				
48.	CRC Thai Watsadu Co., Ltd. ("CTD")	Selling construction material and home decoration under Thai Watsadu and Baan & Beyond	THB 5,430.0 million	100.0	88/88 Moo 13, Bangkaew, Bangplee, Samutprakarn
49.	CHG Marketing Co., Ltd. ("CHGM")	Selling goods via online channel	THB 1.0 million	100.0	
Powe	r Buy				
50.	PBHD Co., Ltd. ("PBHD")	Holding Company for Power Buy	THB 375.0 million	100.0	306 Silom Road, Suriyawong, Bangrak, Bangkok
51.	Power Buy Co., Ltd. ("PWB")	Selling electronic gadgets under Power Buy	THB 560.0 million	99.4	
52.	PB Logistic Co., Ltd. ("PBL")	Importing and selling electronic gadgets	THB 675.0 million	99.4	919/555 South Tower, 11th Fl., Silom Road, Silom, Bangrak, Bangkok
53.	Three Plus Service Co., Ltd. ("3PLUS")	Provide repairing service for kitchenware, electronic gadgets and Home and garden accessories	THB 1.0 million	99.3	
54.	Powerbuy e-Commerce Co., Ltd. ("PWB E-Commerce")	Selling goods via online channel	THB 1.0 million	99.3	

Enclosure

No.	Company	Type of Business	Paid-Up Capital	Shareholding Proportion (%)	Head Office
Nguy	en Kim				
55.	NKT New Solution and Technology Development Investment JSC ("NKT")	Holding Company for Nguyen Kim	VND 800,000.0 million	99.4	
56.	Nguyen Kim Modern Trade Development Investment JSC ("NKM")	Holding Company for Nguyen Kim	VND 800,000.0 million	99.4	No. 63-65-67, Tran Hung Dao Street,
57.	Nguyen Kim Trading JSC ("NK Trading")	Selling electronic gadgets under Nguyen Kim and managing Nguyen Kim stores	VND 800,000.0 million	99.4	Cau Ong Lanh Ward, District 1, Ho Chi Minh City
58.	Saigon Industrial Corporation ("Sinco")	Holding real estate for Nguyen Kim business	VND 20,165.8 million	97.9	
59.	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
60.	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
61.	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

No.	Company	Type of Business	Paid-Up Capital	Shareholding Proportion (%)	Head Office
62.	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
63.	Nguyen Kim Hai Phong Development Investment One Member 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
64.	Nguyen Kim Central Trading One Member Co., Ltd. ("NK CTD")	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
65.	Nguyen Kim After Sales Service One Member Co., Ltd. ("NK AS")	Dormant	VND 0 Newly established	99.4	No. 6 Bis, Tran Hung Dao Street, Pham Ngu Lao Ward, District 1, Ho Chi Minh City

(3) Food

No.	Company	Type of Business	Paid-Up Capital	Shareholding Proportion (%)	Head Office
Tops	and Central Food Hall				
66.	Central Food Retail Co., Ltd. ("CFR")	Selling food under Tops Market, Central Foodhall, Tops Superstore and Tops Daily	THB 1,529.0 million	100.0	99/9 Central Plaza Chaengwattana - Office Tower,
67.	Central Food Retail e-Commerce Co., Ltd. ("CFR E-Commerce")	Selling goods via online channel	THB 1.0 million	100.0	12 th ,15 th -18 th FI., Moo 2 Chaengwattana Road,
68.	Central Pet and Me Co., Ltd. ("Pet n Me")	Selling pet food and pet gadgets	THB 1.0 million	100.0	Bangtalad, Pakred, Nonthaburi
Famil	yMart				
69.	SFM Holding Co., Ltd. ("SFMH")	Holding Company for FamilyMart	THB 1,805.0 million	100.0	919/1 Silom Road, Silom, Bangrak, Bangkok
70.	Central FamilyMart Co., Ltd. ("CFM")	Operating Convenience Store under FamilyMart Thailand	THB 3,875.0 million	100.0	99/9 Central Plaza Chaengwattana - Office Tower, 21st Fl., Moo 2 Chaengwattana Road, Bangtalad, Pakred, Nonthaburi
Matsu	umoto Kiyoshi				
71.	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, Pakred, Nonthaburi

Enclosure

No.	Company	Type of Business	Paid-Up Capital	Shareholding Proportion (%)	Head Office
Lancl	hi Mart				
72.	LCP Trading Services JSC ("Lanchi")	Holding Company for Lanchi Mart	VND 167,736.5 million	51.0	Tran Hung Dao street, Vinh Tru town, Ly Nhan district, Ha Nam province, Vietnam
73.	Lan Chi Investment and Service Co., Ltd. ("LC Investment")	Operating hypermarket under Lanchi Mart, totally 23 branches	VND 127,542.7 million	51.0	5/230 Quan Nhan, Thanh Xuan Trung ward, Thanh Xuan district, HCMC, Vietnam
74.	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 Daostreet, Vinh Trutown, Ly Nhan district, Ha Nam province, Vietnam
75.	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				
76.	Central Global Service JSC ("CGSJSC")	Dormant	VND 4,200.0 million	100.0	No. 163 Phan Dang Luu, Ward 01, Phu Nhuan District, Ho Chi Minh City, Vietnam
77.	Hillborough Group Ltd. ("Hillborough Group")	Holding Company for Big C Vietnam	USD 527.2 million	100.0	Cromwll House, Ground Fl., 117 Albert Street, Belize City, Belize
78.	Orbit Avenue Sdn. Bhd. ("Orbit Avenue")	Holding Company for Big C Vietnam	USD 0.5	100.0	Suite 16-03, Level 16 Wisma Uoa li No.21, Jalan Pinang 50450 Kuala Lumpur W.P. Kuala Lumper
79.	Capital C Co., Ltd. ("Cap C")	Holding Company for Big C Vietnam	THB 26,800.0 million	100.0	22 Soi Somkid, Ploenchid Road, Lumpini, Pathumwan, Bangkok

No.	Company	Type of Business	Paid-Up Capital	Shareholding Proportion (%)	Head Office
80.	Quinam B.V. ("Quinam B.V.")	Holding Company for Big C Vietnam	EUR 18.125.0	100.0	1101 CM Amsterdam, Herikerbergweg 238
81.	Vindemia SAS ("Vindemia")	Holding Company for Big C Vietnam	EUR 1.3 million	100.0	52 rue de la Victoire Tmf Pôle 75009 Paris
82.	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, Trung Hoa Ward, Cau Giay District, Hanoi City, Vietnam
83.	Cavi Ltd. ("Cavi")	Holding Company for Big C Vietnam	HKD 2,670.5 million	100.0	
84.	Cavi Retail Ltd. ("Cavi Retail")	Holding Company for Big C Vietnam	HKD 1.0 million	100.0	14 th Fl., South China Building 1-3 Wyndham
85.	E-Cavi Ltd. ("E-Cavi")	Dormant	HKD 74.0 million	100.0	Street Central Hong Kong
86.	Cavi Real Estate Ltd. ("Cavi RE")	Holding Company for Big C Vietnam	HKD 1.0	100.0	
87.	EB Services Co., Ltd. ("EBS")	Providing management service in Vietnam	VND 31,200.0 million	100.0	No. 163 Phan Dang Luu, Ward 01, Phu Nhuan District,
88.	Recess Logistic and Retail Co., Ltd. ("Recess")	Dormant	VND 85,711.5 million	100.0	Ho Chi Minh City, Vietnam

No.	Company	Type of Business	Paid-Up Capital	Shareholding Proportion (%)	Head Office
89.	Cavinoi Ltd. ("Cavinoi")	Holding Company for Big C Vietnam	HKD 1.0	100.0	14 th Fl., South China Building 1-3 Wyndham Street Central Hong Kong
90.	New Plan Co., Ltd. ("New Plan")	Holding Company for Big C Vietnam	VND 10,000.0 million	100.0	5 th Fl., No. 41A, Ly Thai To Street, Ly Thai To Ward, Hoan Kiem District, Hanoi City, Vietnam
91.	New Plan Real Estate Investment Co., Ltd. ("New Plan RE")	Holding real estate for Big C Vietnam	VND 20,000.0 million	100.0	No. 1/1, Truong Chinh Street, Tay Thanh Ward, Tan Phu District, Ho Chi Minh City, Vietnam
92.	General Trading and Distribution Co., Ltd. ("GTVD")	Holding Company for Big C Vietnam	VND 1,000.0 million	100.0	No. 163 Phan Dang Luu, Ward 01, Phu Nhuan District, Ho Chi Minh City, Vietnam
93.	General Trading Service and Distribution Co., Ltd. ("GTSD")	Operating hypermarket under Big C, totally 2 branches	VND 6,000.0 million	100.0	5 th Fl., No. 41A, Ly Thai To Street, Ly Thai To Ward, Hoan Kiem District, Hanoi City, Vietnam
94.	New Grocery Co., Ltd. ("New Grocery")	Dormant	VND 96,195.0 million	65.0	
95.	General Trading of Household Products One Member Co., Ltd. ("GTHP")	Operating retail under Big C (Shop-in-Shop) e.g. LookKool, Kubo and Komonoya	VND 6,000.0 million	100.0	No. 163 Phan Dang Luu, Ward 01, Phu Nhuan District, Ho Chi Minh City, Vietnam
96.	General Trading Fashions One Member Co., Ltd. ("GTF")	Operating sport gadgets under Super Sport in Vietnam	VND 6,000.0 million	100.0	

No.	Company	Type of Business	Paid-Up Capital	Shareholding Proportion (%)	Head Office
97.	EB Hai Phong JSC ("EBH")	Operating hypermarket under Big C, totally 9 branches	VND 293,847.2 million	100.0	Lot 1/20, Nga Nam New Residential Area - Cat Bi Airport, Dang Giang Ward, Ngo Quyen District, Hai Phong City, Vietnam
98.	EB Vinh LLC ("EBV")	Operating hypermarket under Big C, totally 1 branch	VND 60,921.8 million	100.0	No. 02 Quang Trung Street, Quang Trung Ward, Vinh City, Nghe An Province, Vietnam
99.	EB Nam Dinh LLC ("EBND")	Operating hypermarket under Big C, totally 1 branch	VND 62,467.4 million	100.0	Thien Truong Supermarket - Commercial Center, Loc Hoa Commune, Nam Dinh City, Nam Dinh Province, Vietnam
100.	E.B Phu Thanh LLC ("EBPT")	Operating hypermarket under Big C, totally 1 branch	VND 58,880.0 million	100.0	No. 53, Nguyen Son, Phu Thanh Ward, Tan Phu District, Ho Chi Minh City, Vietnam
101.	EB Tan Phu LLC ("EBTP")	Operating hypermarket under Big C, totally 4 branches	VND 54,236.0 million	100.0	No. 1/1, Truong Chinh Street, Tay Thanh Ward, Tan Phu District, Ho Chi Minh City, Vietnam
102.	EB Thanh Hoa LLC ("EBTH")	Operating hypermarket under Big C, totally 2 branches	VND 125,840.0 million	100.0	Big C Thanh Hoa Commercial Center, Dong Le, Dong Hai Ward, Thanh Hoa City, Thanh Hoa Province, Vietnam

No.	Company	Type of Business	Paid-Up Capital	Shareholding Proportion (%)	Head Office
103.	EB Hai Duong LLC ("EBHD")	Operating hypermarket under Big C, totally 1 branch	VND 37,080.0 million	100.0	54+100 Km, National Road 5, Quarter 3, Nhi Chau Ward, Hai Duong City, Hai Duong Province, Vietnam
104.	EB Can Tho LLC ("EBCT")	Operating hypermarket under Big C, totally 1 branch	VND 66,960.0 million	100.0	Lot No. 1, Hung Phu 1 Residential Area, Hung Phu Ward, Cai Rang District, Can Tho City, Vietnam
105.	EB Binh Duong LLC ("EBBD")	Operating hypermarket under Big C, totally 2 branches	VND 102,015.0 million	100.0	No. 555B, Binh Duong Avenue, Area I, Hiep Thanh Ward, Thu Dau Mot City, Binh Duong Province, Vietnam
106.	Espace Business Hue JSC ("EBHue")	Operating hypermarket under Big C, totally 5 branches	VND 281,483.0 million	100.0	Dong Da - Hung Vuong - Ba Trieu Masterplan Zone, Phu Hoi Ward, Hue City, Thua Thien Hue Province, Vietnam
107.	Espace Big C An Lac Co., Ltd. ("EBA")	Operating hypermarket under Big C, totally 5 branches	VND 422,885.0 million	100.0	No. 1231, Area 5, National Road 1A, Binh Tri Dong B Ward, Binh Tan District, Ho Chi Minh City, Vietnam
108.	EB New City Co., Ltd. ("EB New City")	Operating hypermarket under Big C, totally 1 branch	VND 72,000.0 million	100.0	Lot A, Cityland Residential Area, No. 99, Nguyen Thi Thap Street, Tan Phu Ward, District 7, Ho Chi Minh City, Vietnam
109.	Espace BIG C Dong Nai ("EBD")	Operating hypermarket under Big C, totally 1 branch	VND 252,374.4 million	65.0	No. 833, Hanoi Highway, Long Binh Tan Ward, Bien Hoa City, Dong Nai Province, Vietnam
110.	C-Discount Vietnam Co., Ltd. ("CDV")	Dormant	VND 80,734.8 million	100.0	No. TM8, GS01 Road, Green Square Urban Commercial and Services Zone, Dong Hoa Ward, Di An City, Binh Duong Province, Vietnam

No.	Company	Type of Business	Paid-Up Capital	Shareholding Proportion (%)	Head Office
111.	Viet Nhat Real Estate JSC ("Viet Nhat RE")	Holding real estate for Big C Vietnam	VND 1,700,000.0 million	100.0	No. 222 Tran Duy Hung, Trung Hoa Ward, Cau Giay District, Hanoi City, Vietnam
112.	TTS Dong Nai One Member LLC ("TTS Dong Nai")	Holding real estate for Big C Vietnam	VND 165,000.0 million	100.0	No. 1135, Nguyen Ai Quoc Road, Tan Hiep Ward, Bien Hoa City, Dong Nai Province, Vietnam
113.	Viet Nhat Sai Gon - My Tho Co., Ltd. ("Viet Nhat SG")	Holding real estate for Big C Vietnam	VND 200,300.0 million	100.0	No. 99 Nguyen Thi Minh Khai, Ben Thanh Ward, District 1, Ho Chi Minh City, Vietnam
114.	One Member Limited Company Investment Development Nguyen Kim Tien Giang ("NK TG")	Holding real estate for Big C Vietnam	VND 200,000.0 million	100.0	No. 545 Le Van Pham, Ward 5, My Tho City, Tien Giang Province, Vietnam
115.	Hung Cuong Retail Real Estate Investment Joint Stock Company ("HC RE")	Holding real estate for Big C Vietnam	VND 77,500.0 million	100.0	Ly Thuong Kiet Street, Nghia Chanh Ward, Quang Ngai City, Quang Ngai Province, Vietnam
116.	Dong Duong Tra Vinh Real Estate and Retail Supermarket JSC ("DDTV RE")	Holding real estate for Big C Vietnam	VND 46,600.0 million	100.0	Vo Nguyen Giap Street, Ward No.7, Tra Vinh City, Tra Vinh Province, Viet Nam,
117.	Viet Nhat Thai Nguyen Real Estate JSC ("Viet Nhat TN")	Holding real estate for Big C Vietnam	VND 108,000.0 million	100.0	Viet Bac Road Residential Zone, Tan Lap Ward, Thai Nguyen City, Thai Nguyen Province, Vietnam

(4) Other Businesses

No.	Company	Type of Business	Paid-Up Capital	Shareholding Proportion (%)	Head Office
118.	CDF Holding Co., Ltd. ("CDFH")	Holding Company for CDFS	THB 1.0 million	100.0	1027 Central Chidlom Department
119.	Central Duty Free Shops Co., Ltd. ("CDFS")	Dormant	THB 1.0 million	99.9	Store, 7 th Fl., Ploenchit Road, Lumpini, Pathumwan, Bangkok
120.	Central US Trading Ltd. ("CUT")	Holding trademark that registered in Thailand and overseas	USD 75,000.0	100.0	112 North Curry Street, Carson City, Nevada, 89703
Suppo	orting Business				
121.	Cenergy Innovation Co., Ltd. ("CNGI")	Providing information technology Omni-channel platform on program designing and website	THB 50.0 million	100.0	45/1 7th Fl., Soi Silom 19, Silom Road, Silom, Bangrak, Bangkok
122.	Central Group Online Co., Ltd. ("CGO")	Providing Omni-channel services to the Group e.g. marketing plan, logistic or customer service	THB 300.0 million	100.0	919/111, 919/11 Jewery Trade Center, 54 th - 55 th FI., Silom Road, Silom, Bangrak, Bangkok

Enclosure

(5) Associates and Joint Ventures

No.	Company	Type of Business	Paid-Up Capital	Shareholding Proportion (%)	Head Office
123.	Sunglass Hut (Thailand) Co., Ltd. ("Sunglass Hut") ⁽¹⁾	Selling sunglasses under Sunglass Hut	THB 85.0 million	51.0	999/9 The Offices at Central World, 16 th Fl., Room 1605, Rama1Road,Pathumwan,Bangkok
124.	Samsonite (Thailand) Co., Ltd. ("Samsonite") ⁽²⁾	Selling goods under Samsonite and TUMI	THB 24.2 million	50.4	98 Sathorn Square Office Tower, 37 th Fl., Room 3705-3706 North Sathorn Road, Silom, Bangrak, Bangkok
125.	MUJI Retail (Thailand) Co., Ltd. ("MUJI")	Selling goods under Muji	THB 440.0 million	50.0	4, 4/5, 9 th Fl., Ratchadamri, Pathumwan , Bangkok
126.	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, Pathumwan, Bangkok
127.	Bottega Veneta (Thailand) Co., Ltd. ("Bottega")	Selling clothes under Bottega Veneta	THB 100.0 million	25.0	689 Bhiraj Tower at Emquatier, 30 th Fl., Sukhumvit Road (Soi 35) Klongton Nuea, Wattana, Bangkok
128.	Central Watson Co., Ltd. ("Watson") ⁽³⁾	Selling health and beauty produc under Watson	THB 181.7 million	28.9	3388/23-24 Sirinrat Tower, 8 th Fl., Rama 4 Road, Klongton, Klongtoey, Bangkok
129.	Central DFS Co., Ltd. ("Central DFS")	Selling tax free goods	THB 71.0 million	51.0	22 Chidlom Tower, 14 th Fl., Soi Somkid, Ploenchit Road, Lumpini , Pathumwan, Bangkok
130.	VAT Refund Center (Thailand) Co., Ltd. ("VRT")	Providing tax refund services for travellors	THB 40.0 million	49.6	100/9, 12 th Fl., Vongwanich B, Rama 9 Road, Huaykwang, Huaykwang, Bangkok

Financial Statements Enclosure

No.	Company	Type of Business	Paid-Up Capital	Shareholding Proportion (%)	Head Office	
131.	COL Vietnam JSC ("COLVJSC")	Dormant and on process of liquidation	VND 61,600.0 million	48.7	No. 63-65-67, Tran Hung Dao street, Cau Ong Lanh ward, district 1, Ho Chi Minh city	
132.	B2S Vietnam Co., Ltd. ("B2SV")	Dormant and on process of liquidation	VND 61,600.0 million	48.7		
133.	DR Logistics S.R.L. ("DR Logistic")	Providing logistic services for Rinacente	EUR 100,000.0	30.0	Milano (Mi) Via Washington Giorgio 70 Cap 20146	
134.	Kokuyo International (Thailand) Co., Ltd. ("Kokuyo")	Importing and selling office furniture under Kokuyo	THB 10.0 million	24.0	999/9 Rama 1 Road, Pathumwan, Bangkok	
135.	Morningbliss Sdn. Bhd. ("SOGO")	Operating department store in Malaysia	MYR 100,000.0	49.0	B-25-2, Block B, Jaya One, No.72 A Jalan Universiti, 46200, Pataling Jaya, Selangor Darul Ehson	

⁽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.I 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 help Central Retail becomes the leading multi-format and multi-category retailer in Thailand and abroad and the pioneer of omnichannel retailing in the country is the contribution from HCDS, a major shareholder (as at 31 December 2020. 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 Thel membership of Thel 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 service mark including the "Central" Trademarks for 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 terminate the agreement, it will come into effect in 3 years after the Company has acknowledged the termination. HCDS also granted the right to acquire 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 buyer (right of first refusal) at the prices and on conditions not more favour than what HCDS received from outside parties. Central Retail was also granted right to acquire the department store businesses at prices and on conditions which the parties will agree in good faith (call option). Moreover, HCDS granted the right to acquire JD Central to Central Retail before other buyer in case HCDS decides to sell the business to other

buyer at the same price and on the same conditions (according to the conditions in the relevant joint venture agreement) to prevent potential conflicts of interest in the future, although the department store businesses in the countries and JD Central are not considered competing businesses of the Company as Central Retail does not operate any department store in the said countries and JD Central has nature of business which focuses on Pure-play E-commerce, different from the omni-channel format of Central Retail.

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

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

 Hold a Board of Directors' meeting with a notice of the Board of Directors' meeting clearly stating if the Board of Directors has a resolution to refrain from investment, HCDS may invest in the business, whether directly or indirectly, as well as stating potential effect for the Company (2) Hold a Board of Directors' meeting which allows directors without conflict of interest to participate and vote as well as inviting all independent directors without conflict of interest. If the number of directors does not meet the quorum, directors with conflict of interest shall fill the positions until reaching the quorum. The directors with conflict of interest are not allowed to voice opinions and vote.

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

- (3) The Board of Directors without conflict of interest shall consider business suitability and potential impact in case HCDS may invest in such business and compete with the Company while emphasis on rights and best interest of the Company and all shareholders.
- (4) In case the Board of Directors without conflict of interest sees it appropriate, the Board of Directors may consult outside parties for professional opinions for further consideration.

- (5) In case of urgency for business opportunities, the Board of Directors' meeting is allowed to take place for the consideration and the Board of Directors without conflict of interest pass a resolution and without a notice of the Board of Directors' meeting which requires to be sent 7 days in advance.
- (6) Final decisions in this case are determined by majority votes of the attending directors without conflict of interest who are eligible for voting. In case of a tied vote, the chairman in the meeting shall have the casting vote.

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

The Board of Directors has considered the mechanism for exercising and refusing of rights to vote under the exercise of rights agreements for regarding (1) offshore department stores, (2) JD Central business, and (3) retail business opportunities in the future which may be of the same nature as our business and may compete with our business. The Company shall operate as per considerations of the Board of Directors and the audit committee in any circumstance even if such businesses and/or business opportunities under the exercise of rights agreements in each consideration do not meet the criteria on scales which need to be approved by the Board of Directors under criteria of acquisition or disposal of assets and/or criteria on connected transactions of the Securities and Exchange Commission and the Stock Exchange of Thailand (case-by-case basis).

Enclosure

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-bycase basis). Nevertheless, if the Board of Directors has are solution 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 the Annual Registration Statements and annual reports. 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

Corporate Governance

Ince Financial Statements

1.

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:

- 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
- If the purchase occurs after 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 <u>Premium Offshore Department Stores</u> <u>and JD-Central Businesses</u>

The Company shall disclose exercising and refusing of rights for premium

offshore department stores and JD Central as per the exercise of rights agreement through the SET Portal agreement of the Stock Exchange of Thailand under criteria of acquisition or disposal of assets and/or criteria on connected transactions of the Securities and Exchange Commission and the Stock Exchange of Thailand (case-bycase 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 Statements and annual reports 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:

<u>Offshore Premium Department</u> <u>Store Businesses</u>

Enclosure

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 the what HCDS received from outside parties, and grant the right to purchase such department store businesses to Central Retail at the price and on the conditions which the parties will agree in good faith. The granting of such rights shall be in accordance with certain conditions as described in the relevant agreements.

2. JD Central Business

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

1.3.4 Shareholders

 $\widehat{}$

(1) Major Shareholders

(a) Top 10 major shareholders as of 29 January 2564 which is the latest record (b) Shareholders of HCDS, a major shareholder of the Company, as follows:

	List of shareholders	No. of shares (shares)	Share- holding Proportion (%)
1.	Harng 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	195,353,339	3.24
4.	Social Security Office	132,320,166	2.19
5.	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	98,082,414	1.63
6.	Mr. Narongrit Chirathivat	72,812,379	1.21
7.	Mr. Suthidetch Chirathivat	55,846,115	0.93
8.	Mr. Pichai Chirathivat	53,227,462	0.88
9.	Mr. Watt Chirathivat	52,531,667	0.87
10.	UBS AG SINGAPORE BRANCH	51,159,525	0.85
11.	Other shareholders	2,927,418,599	48.53
	Total	6,031,000,000	100.0

as of 31 December 2020

	List of shareholders	No. of shares (shares)	Share- holding Proportion (%)
1.	Mr. Narongrit Chirathivat	11,873,980	3.49
2.	Mr. Tos Chirathivat	11,772,740	3.47
3.	Mr. Prin Chirathivat	11,772,740	3.47
4.	Mr. Suthidech Chirathivat	9,103,850	2.68
5.	Mr. Pichai Chirathivat	8,490,577	2.50
6.	Mr. Watt Chirathivat	8,490,579	2.50
7.	Mr. Sudhisak Chirathivat	7,918,096	2.33
8.	Ms. Netanong Chirathivat	7,913,639	2.33
9.	Mrs. Natira Boonsri	7,317,755	2.15
10.	Mrs. Tapida Norpanlob	7,317,755	2.15
11.	Others in Chirathivat ⁽¹⁾	247,778,284	72.93
	Total	339,749,995	100.00

<u>Remark:</u> ⁽¹⁾ There are 67 others in the Chirathivats.

(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 2020, shareholding structure of CDS was as follows:

	List of shareholders	No. of shares (shares)	Share- holding Proportion (%)
1.	The Company	333,499,979	100.0
2.	Mr. Suthichai Chirathivat	3	0.0
3.	Mr. Suthikiati Chirathivat	3	0.0
4.	Mr. Suthichart Chirathivat	3	0.0
5.	Mr. Suthitham Chirathivat	3	0.0
6.	Mr. Suthisak Chirathivat	3	0.0
7.	Mr. Prin Chirathivat	3	0.0
8.	Mr. Tos Chirathivat	3	0.0
	Total	333,500,000	100.0

2. ROBINS

As of 31 December 2020, shareholding structure of ROBINS was as follows:

	List of shareholders	No. of shares (shares)	Share- holding Proportion (%)
1.	The Company	803,139,231	72.3
2.	CRG-S	289,645,488	26.1
З.	CACEIS BANK	8,193,894	0.7
4.	Others	9,682,520	0.9
	Total	1,110,661,133	100.0

3. TWT

As of 31 December 2020, shareholding structure of TWT was as follows:

	List of shareholders	No. of shares (shares)	Share- holding Proportion (%)
1.	CDS	1,020,000	51.0
2.	Watts Co., Ltd. ⁽¹⁾	979,998	49.0
З.	Mr. Fumio Hiraoka	1	0.0
4.	Mr. Toshiyuki Inada]	0.0
	Total	2,000,000	100.0

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

CENTRALRETAIL ONE REPORT 2020

4. SPS

As of 31 December 2020, shareholding structure of SPS was as follows:

5. PWB

As of 31 December 2020, shareholding structure of PWB was as follows:

	List of shareholders	No. of shares (shares)	Share- holding Proportion (%)
1.	PBHD ⁽¹⁾	33,599,993	60.0
2.	ROBINS	22,400,000	40.0
З.	Mr. Suthichai Chirathivat]	0.0
4.	Mr. Suthikiati Chirathivat]	0.0
5.	Mr. Suthichart Chirathivat	1	0.0
6.	Mr. Suthilaksh Chirathivat	1	0.0
7.	Mr. Narongrit Chirathivat	1	0.0
8.	Mrs. Nidsinee Chirathivat	1	0.0
9.	Mr. Prin Chirathivat	1	0.0
	Total	56,000,000	100.0

<u>Remark:</u> ⁽¹⁾ Subsidiaries of the Company which the Company hold 100.0% of shares

	List of shareholders	No. of shares (shares)	Share- holding Proportion (%)
1.	SSHD ⁽¹⁾	22,199,992	60.0
2.	ROBINS	14,800,000	40.0
З.	Mr. Suthisarn Chirathivat]	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. Suthitham Chirathivat	1	0.0
8.	Ms. Wallaya Chirathivat	1	0.0
9.	Mr. Pong Skuntanaga]	0.0
10	Mr. Suthilaksh Chirathivat]	0.0
	Total	37,000,000	100.0

<u>Remark:</u> ⁽¹⁾ Subsidiaries of the Company which the Company hold 100.0% of shares

 $\widehat{}$

Financial Statements Enclosure

6. CFR

As of 31 December 2020, shareholding structure of CFR was as follows:

	List of shareholders	No. of shares (shares)	Share- holding Proportion (%)
1.	CDS	15,289,994	100.0
2.	Mr. Suthichart Chirathivat	1	0.0
З.	Mr. Tos Chirathivat	1	0.0
4.	Mr. Prin Chirathivat	1	0.0
5.	Mr. Suthichai Chirathivat	1	0.0
6.	Mr. Suthilaksh Chirathivat	1	0.0
7.	Ms. Wallaya Chirathivat]	0.0
	Total	15,290,000	100.0

7. CFM

As of 31 December 2020, shareholding structure of CFM was as follows:

		List of shareholders	No. of shares (shares)	Share- holding Proportion (%)
1.	SFMH ⁽¹⁾		19,627,617	50.7
2.	CFR		18,987,500	49.0
З.	ROBINS		134,883	0.3
	Total		38,750,000	100.0

<u>Remark:</u> ⁽¹⁾ Subsidiaries of the Company which the Company hold 100.0% of shares

8. CMK

Enclosure

As of 31 December 2020, shareholding structure of CMK was as follows

	List of shareholders	No. of shares (shares)	Share- holding Proportion (%)
1.	CFR	509,999	51.0
2.	Matsumotokiyoshi Holdings Co., Ltd.	490,000	49.0
З.	Mr. Prin Chirathivat]	0.0
	Total	1,000,000	100.0

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

CMG Group

As of 31 December 2020, CMG group had 1 central subsidiary operating core business which is C Trading and 2 independent subsidiary operating the core business which are John Master and Kiko Garment. CMG hold 100% of shares in C Trading in which Mr. Pichai Chirathivat and Mr. Prin Chirathivat hold 1 share in CMG. John Master and Kiko Garment were wholly owned by Cetrec. Cetrec is wholly owned by CMG.

Shareholding structure of CMG was as follows:

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

CENTRALRETAIL ONE REPORT 2020

8. CTD

As of 31 December 2020, shareholding structure of CTD was as follows:

Business Overview and Performance

	List of shareholders	No. of shares (shares)	Share- holding Proportion (%)
1.	The Company	542,925,000	100.0
2.	Mr. Suthichai Chirathivat	12,500	0.0
З.	Mr. Suthilaksh Chirathivat	12,500	0.0
4.	Mr. Suthitham Chirathivat	12,500	0.0
5.	Mr. Prin Chirathivat	12,500	0.0
6.	Mr. Tos Chirathivat	12,500	0.0
7.	Mr. Suthisarn Chirathivat	12,499	0.0
8.	Ms. Sukulaya Uahwatanasakul	1	0.0
	Total	543,000,000	100.0

Corporate Governance

9. CNGI

As of 31 December 2020, shareholding structure of CNGI was as follows:

	List of shareholders	No. of shares (shares)	Share- holding Proportion (%)
1.	The Company	4,999,997	100.0
2.	Mr. Worawoot Ounjai	1	0.0
З.	Mr. Pandit Mongkolkul	1	0.0
4.	Ms. Sukulaya Uahwatanasakul	1	0.0
	Total	5,000,000	100.0

10. CGO

Enclosure

As of 31 December 2020, shareholding structure of CGO was as follows:

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

11. LR

List of shareholders	No. of shares	Share-
	(shares)	holding
		Proportion

As of 31 December 2020, shareholding structure of LR was as follows:

			(%)
1.	CRC Rina ⁽¹⁾	5,115,996	100
	Total	5,115,996	100.0

<u>Remark:</u> ⁽¹⁾ Subsidiaries of the Company which the Company hold 100.0% of shares

Financial Statements

ance Corporate Governance

Financial Statements Enclosure

12. NK Group

As of 31 December 2020, NK Group had 1 central subsidiary operating the core which is NK Trading

NK Trading was wholly owned by NKM which 100% owned by NKT 100.0 which shareholding structure was as follows:

		List of shareholders	No. of shares (shares)	Share- holding Proportion (%)
1.	PWB		76,860,745	100.0
2.	PBL		1,000	0.0
3.	3PLUS		1,000	0.0
	Total ⁽¹⁾		76,862,745	100.0

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

13. Lanchi

As of 31 December 2020, Lanchi had 3 independent subsidiary 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)	Share- holding Proportion (%)
1.	CFR	8,554,559	51.0
2.	Ms. Nguyen Thi Lan	8,219,090	49.0
3.	NK Trading	5	0.0
	Total	16,773,654	100.0

14. Big C Vietnam

As of 31 December 2020, Big C Vietnam had central subsidiary operating core business. Shareholding structure of Big C Vietnam was as follows:

	List of shareholders	No. of shares (shares)	Share- holding Proportion (%)
1.	The Company	2,679,999,998	100.0
2.	Mr. Prin Chirathivat	1	0.0
З.	Ms. Sukulaya Uahwatanasakul	1	0.0
	Total	2,680,000,000	100.0

(3) Shareholders' agreement

-None-

1.4 Capital Registration and Paid-Up Capital

As at 31 December 2020, the Company register capital at THB 6,320,000,000 and paid-up capital at THB 6,031,000,000 with par value at THB 1.0

1.5 Other securities

-None-

1.6 Dividend Payment Policy

1.6.1 Dividend Payment Policy of the Company

The Company will consider paying dividend according to provision of law, including the Public Limited Company Act, B.E. 2535 (1992) (As amended), which stipulates that a public limited company may pay dividends only based on its net profit as derived from its separate financial statements and may not pay dividends if it has negative retained earnings.

The Company has a policy to pay dividends to shareholders at the rate of not less than 40% of the net profit from the consolidated financial statements after tax deduction, the allocation of all various funds required by laws and the Company in each year, and the obligations under the financial contract (if any). The dividend payment must not exceed the retained earnings from the separate financial statements of the Company. The said dividend payment rate may be changed from the specified depending on the results of operations, cash flow, financial liquidity, financial status, investment plan, reserving funds to be working capital within the company, reserving funds for future investment, reserving funds to repay loans, conditions and limitations as specified in the financial contract, economic conditions, including legal requirements and other necessities.

However, annual dividend payments must be approved by the shareholders' meeting. The board of directors may also, by resolution, approve to pay interim dividends to the shareholders where it has determined that such interim dividend is justified by our profits and other considerations. Such dividends distribution must be reported shareholders at the next shareholders' meeting accordingly. The shareholders / Board of Directors of the Company have approved dividends as follows:

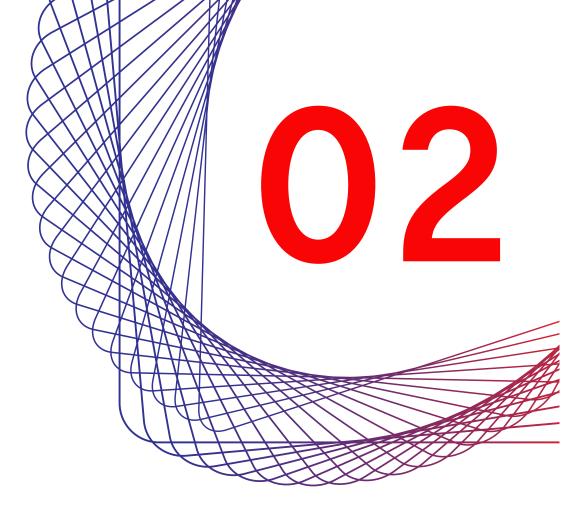
	Approval date	Payment schedule	Dividend per share (Baht)	No. of shares (million shares)	Amount (THB million)
2019					
Interim dividend	10 December 2019	December 2019	0.90	4,700	4,230
Interim dividend	14 November 2019	December 2019	5.96	4,700	28,012
Annual dividend	30 April 2019	May 2019	8.50	470	3,995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

However, due to the COVID-19 pandemic, the Company had to temporarily close most of its branches for approximately 2 months which significantly impacted the Company's revenue and cash flow. Although our branches have reopened and the Company managed to reduce costs and expenses in all departments, the outbreak of COVID-19 is still ongoing and causing global economic recession. As the consumption and travelling has not returned to normal, the assessment of the possible impact is still uncertain, and it is impossible to predict when the situation will return to normal. Thus, for the financial stability, the maintaining of ample liquidity and cash, and the business continuity which takes into account the long-term benefits of all stakeholders, the Board of Directors deemed it appropriate to omit the additional dividend payment for 2019 performance apart from the dividend which were paid.

1.6.2 Dividend Payment Policy of Subsidiaries

The Board of Directors of the subsidiary company will consider to pay annual dividend and propose to its shareholders' meeting for approval each year. The subsidiary company will pay dividends from the net profit according to the separate financial statements after tax deduction, the allocation of all various funds required by laws and the company in each year, and the obligations under the financial contract (if any). However, the rate of dividends will be considered from the results of operations, cash flow, financial liquidity, financial status, investment plan, reserving funds to be working capital, reserving funds for future investment, reserving funds to repay loans, conditions and limitations as specified in the financial contract or joint venture agreements by which the company is bound, economic conditions, including legal requirements and other necessities. The Board of Directors of the subsidiary company has the power to approve the payment of interim dividends and to report to the shareholders' meeting of subsidiary company at the next meeting.

In consideration to approve annual dividends and interim dividends of subsidiaries, the subsidiary company must ask for approval in the meeting of the Board of Directors of the Company before proceeding unless the subsidiary company pays dividends in the total amount not less than the amount specified in the annual budget of each subsidiary or do it according to the dividend payment policy of the subsidiary company which has already been approved by the Board of Directors of the Company. This is align with the policy on investment and supervision of subsidiaries and associate companies which operate the core business of the Company.



Risk Management

Corporate Governance Financial Statements

Statements Enclosure

The Company recognizes the importance of good organizational management to drive organizational growth and expand its business steadily, create financial stability and appropriate returns for the shareholders as well as ensure compliance with the principles of good corporate governance while upholding the system of checks and balances amid the ever-changing competitive business environment currently facing Central Retail, caused by either internal or external factors that may affect the ability to achieve its goals and core mission.

The Company's Board of Directors and executives deem as appropriate to adopt a risk management system to its operations to ensure good corporate governance and enhance ongoing confidence of shareholders and all related parties in the operations, thereby achieving the objectives and create value for the Company. The Company then established a risk management policy and framework as well as analyzed key risks as follows:

2.1 Risk Management Policy and Plan

The Company recognizes the importance and necessity to adopt a risk management system that meets international standards to its management to ensure the achievement of objectives in an efficient and effective manner and the compliance with relevant laws and standards. To ensure the overall risk is within the acceptable level, the Company then established a risk management policy as follows:

- 1. Determine that risk management is the responsibility of employees at all levels whereby they need to be aware of the risks in the operations of their own units and organization while focusing on managing various types of risks within the s ystematic internal control in an adequate and appropriate manner.
- 2. Establish the risk management process that is in accordance with the good international standards in order to effectively manage risks that may affect the Company's operations efficiently, bring developments, and carry out risk management tasks in the same direction throughout the organization by embedding the risk management system as part of the decision-making, strategic planning, plans and operations of the Company as well as focusing on achieving the specified objectives, goals, vision, mission and strategies to establish operational excellence and enhance confidence of relevant parties.

- 3. Set plans to prevent and mitigate the Company's operational risks to avoid potential damages or losses as well as monitor and assess the results of risk management regularly.
- 4. Promote and develop a cutting-edge information technology system to be implemented in the Company's risk management process and support personnel at all levels to have access to the sources of risk management information thoroughly as well as set a reporting system of risk management for acknowledgement of the Risk Policy Committee in an efficient manner.

Furthermore, the Company has established the risk management framework by adopting COSO ERM 2017 as follow.

The Company has integrated strategic development, business objectives setting and performance evaluation into the enterprise risk management under 5 interrelated principles which will enhance value creation for the Company.

1. Governance & Culture

The Company sets up the organizational structure and clearly determines the duties and responsibilities of risk management as well as fosters a corporate culture that focuses on awareness of the risks that may affect its business operations.

2. Strategy & Objective-Setting

The Company has a strategic planning process into which integrates the risk management principles, develops strategies, and sets business objectives to align with the risk appetite.

3. Performance

The Company identifies and assesses risks that may affect the accomplishment of strategies and business objectives whereby the risks will be prioritized according to the level of impact and probability of events that can cause risks as well as determines appropriate risk response methods.

4. Review & Revision

The Company regularly reviews its performance results to consider how effective the organization's risk management is as well as reviews the risk management for continuous improvements.

5. Information, Communication, and Reporting

The Company has in place an information system that enhances risk management efficiency. Such system will help support risk information, performance data, and risk management reporting to continuously and appropriately communicate the risk management results to the stakeholders.

2.2 Risk Factors Affecting the Company's Business Operations

2.2.1 Risks in Central Retail's Business Operations

The Company analyzed the risk in business operations by taking into account the objectives, policies, strategies and nature of business operation and identified current and emerging risks in the next 3-5 years. The most important risks for Central Retail's business operations are as follows:

(1) Competition Risks

The retail industry is a highly competitive free market. Even though Central Retail is one of Thailand's biggest retailers, it still faces a lot of competitors nationally and locally, at present and in the future, mainly focusing on physical stores or online channels, whether their businesses are department stores, specialty stores, supermarkets, hypermarkets, home décor stores, electronics stores, convenient stores, digital retail stores, catalogue trading and online markets. Each store of Central Retail has to compete in the store location and types of products. Though its competitors have had to spend a lot of investments to create a network of stores and plazas all over the country or to offer

products that meet a variety of customer spending, similar to what Central Retail does, this is not only factor preventing other operators from being in competition with Central Retail. Most competitors of Central Retail are domestic traders but more foreign retailers whose share the same strong points as Central Retail may enter the market in which Central Retail is. Some competitors may have advantages in accessing the fund sources, economies of scale or cheaper supplier-provided products leading to lower costs or more effective managements; resulting in such competitors having business advantage over Central Retail. The brand owners and suppliers that once distribute the products to the markets via retailers such as Central Retail may plan to open their own stores to sell the products, lessening Central Retail's competitive advantage in offering a variety of brands, especially in case that Central Retail holds the right as the brand's sole distributor.

Furthermore, a number of consumers continuously switch to online channels, making Central Retail increase the competitions in the online retail markets full of new technologies and new innovation-equipped traders, while Central Retail still has less trading experiences via online channels than those in physical stores. Competitors in the markets may include the entrepreneurs who were not in the retail business before, for example, platform companies like social networks which already have a large database of customers, or mobile payment companies which accept payments form products or services via mobile. Therefore, Central Retail gives importance on investing in continuous Omnichannel development to create the customer purchasing experience both from the seamless combination of physical stores and online channels and via mobile. Unfortunately, Central Retail may not gain returns from the investment as expected.

However, Central Retail is confident in its key strength that excels its competitors in offering a wide variety of brands and products while delivering an outstanding customer experience (whether in physical stores, through online channels or Omnichannel patterns). Central Retail puts a customer feedback process in place and regularly conducts customer satisfaction surveys to gather feedback from customers of each business unit in order to keep up with the rapid changes in the retail industry by various methods through multiple channels, e.g. online surveys that allow customers to express their own opinions and face-to-face and telephone interviews with customers who are both regular customers and non-customers of Central Retail, to regularly measure their expectation, satisfaction, and needs to be used for service improvements.

Central Retail also differentiates itself from competitors by attempting to provide the better services to customers. On the other hand, Central Retail may suffer the negative and significant effects on its business and operating results if it is not successful, whether wholly or partly, in such competition.

The competitive nature between Central Retail and competitors may influence Central Retail's profit rate and profitability, including but not limited to price strategies; proactive marketing; marketing strategies which do not focus on profit making; offering the combination of more various and attractive products; Corporate Governance

applying marketing campaigns; type of stores and new retailing channels into the business; or creating the better shopping experiences.

Central Retail may suffer the negative effects on its business, financial position and operating results if it does not succeed in effectively responding to the competitive pressures, changes in the buying trends, situational changes in the market in which Central Retail is operating at present or in the future; or if Central Retail's business strategy driving is delayed or unproductive due to the aforementioned factors.

(2) Information Technology Risk

Central Retail's information technology systems in daily businesses are advanced enough to manage the numerous business operations, including the distributions, inventory management, supply chain management, warehouse and logistics management, credit card payment and other payment services, accounting and financial managements, human resources management and salary payment. Moreover, it has to very much depend on the information technology system in business operation via online channels. E-Commerce and Omnichannel platforms to collect and process the consumer data analyze.

Central Retail's future IT system interruption or abnormality may cause Central Retail's data loss and business operation interruption, failure to make payment to sellers, inventory problems, customer's losing trust or its slower responses to customer's preferences and demands. Central Retail has gathered all its hardware equipment used for the main software system at the data warehouse managed by RIS, while the data backup system and other supporting systems are at the data warehouse managed by Central Retail. Interruptions of Central Retail's IT system or disaster data recovery system may negatively affect Central Retail's business, cash flow, operating results, financial position and business opportunities.

Central Retail has entered into a contract with the RIS to establish the Disaster Recovery Center with the intention of protecting its database from possible damages occurred by the unexpected events, such as data storage, sales, credit card transactions and other payment services and warehouse management. Though the disaster data recovery system may enable the important operating systems to continue when unforeseen incidents arise, it cannot guarantee that the system can sufficiently support Central Retail's business operation in case of long-time initial operating system discontinuity or the data backup system's incompatibility with the system. All of those factors may negatively and significantly affect Central Retail's business operation.

However, Central Retail has established risk response measures to ensure risk appetite through major activities, for example, continuous assessment and improvement of information technology capabilities, development of an emergency response plan, testing of backup restoration and emergency response plan in partial work processes, especially suitable investments in information technology system in all related work processes such as Omnichannel platforms, offline sales process, investments in research and development of innovation, and improvements of proper and secure network infrastructure.

In addition, Central Retail receives and/ or keeps personal data of customers in its information technology system. Such data is collected from the external service provider, e.g. Thel Central Limited which manages special privilege programs for the I members and is HCDS's subsidiary which must have access to such information of Central Retail. Therefore, Central Retail may encounter storage and management risks that allow access and / or disclose personal data that can be regarded as a violation of the Personal Data Protection Act B.E. 2562 (2019) and other relevant laws.

As the advancement of technological threats makes it harder to detect and prevent, those threats may turn the security measures of Central Retail or external service providers upside down in the future, leaking the personal information of Central Retail's customers. Gaps in data protection measures of Central Retail or external providers, operational mistakes, misconducts, a loss of confidentiality, system interruptions as a result of being hacked, incompliance with the laws and regulations regarding privacy and information security are all factors that may burden Central Retail with higher expenses of data protection for customers, members, related people and sales persons in its stores to restore theses people's trusts. Additionally, it may incur increased expenses from modifying its data system and management methods to solve the

e Corporate Governance

ance Financial Statements

data security and abide by the related laws and regulations. Those situations may negatively and significantly affect its reputation, have adverse effects on its competitiveness or even cause legal proceedings against Central Retail; decreasing its sales and negatively and significantly affecting its operating results, financial position, cash flow and liquidity. Also, leakage in Central Retail's information security system may put it to a lot of expense, devote its resources in management to solve problems and heavily invest to develop its data security system, which it use to protect personal information from technological threats and any other efforts to reach such information. Central Retail's operation may be interrupted, especially in E-commerce and Omnichannel.

However, Central Retail has established risk response measures to ensure risk is within the acceptable level by appointing persons with knowledge and capabilities as Chief Information Security Officers to be responsible for information security and Data Protection Officers to protect personal data as stipulated by the law as well as hiring consulting firms to provide counsel on security system and compliance with legal requirements.

Central Retail has in possession and manage the personal information of ordinary people in the European Union, especially those of Rinascentecard members and personal information of its employees. Using and managing such information is governed by laws and regulations enforced in the European Union and Italy. If Central Retail or The Loyalty Program violates the privacy or confidentiality of the data or cannot carry out or follow the applicable criteria recently announced, including the EU Regulation no. 2016 / 679 (GDPR) in force on 24 May 2016 and applicable to all countries in the European Union on 25 May 2018; and Italy's Legislative Decree 196 / 2003 ("Data Protection Code"); Central Retail may be significantly liable to administrative, civil or criminal penalties, fined and defamed. Central Retail is currently in the process of data protection impact assessment and preparation of confidential policy or agreements regarding its employee data transfer to receivers outside the European Union as prescribed in the GDPR. It can neither guarantee that it will be able to protect the privacy and maintain the confidentiality of the customer or employee information nor it is able

to successfully adapt the new applicable rules. If Central Retail or The1 Loyalty Program's management of personal information of ordinary people related to the organization and/or its business (including customers, employees, experts and others) is not in line with the binding principles (that is following the laws. be transparent, collect information as needed and others) and other duties required by the personal information protection law, it may be guilty under the GDPR and the Privacy Code. In addition, adhering to the information protection and privacy rules is a condition required under the concession agreements signed with its suppliers. Accordingly, Central Retail's noncompliance with the GDPR may be cited as a reason to cancel the agreements.

Enclosure

If Central Retail breaches its obligations under relevant laws, or has to incur additional costs to comply with any new privacy rule, legislation or guideline, the ensuing liabilities or harm to its reputation or the increased compliance costs, as applicable, may have a material adverse effect on our business, financial position and results of operations.

(3) Omnichannel platform risk

The Omnichannel platform enables Central Retail to communicate with and provide services to customers via various connected channels, whether in store, online channels, mobile and social networks, in order to create the greater shopping experiences. Customers tend to look for the shopping experience from the seamlessly combined channels between in store and online. Presently, the number of customers who utilize our channels in their shopping has increased.

One of Central Retail's main strategies is creating and offering the greater shopping experience to its customers by combining the physical stores and online channels via its Omnichannel platform. The retail trading via Omnichannel has been developed guickly and Central Retail has to be prepared to respond to the changed expectations and demands of the customers, especially those young ones who increasingly turn to various channels that meet their requirements. Its competitors have also started investing in establishing its own Omnichannels, while some of them may be more successful in the operations

ce Corporate Governance

than Central Retail. If it cannot develop or succeed in its Omnichannel as planned, whatever the reason may be, this may decrease the customer's desire to do shopping via its physical stores and online channels or make Central Retail unable to gain returns from the Omnichannel investment as estimated or may negatively affect Central Retail's business and operating results.

However, Central Retail has established risk response measures to ensure risk is within the acceptable level by appointing an Omnichannel Steering Committee to continuously monitor operating results and oversee operations in different areas, e.g. Click & Collect service, inventory management, home delivery and picked from store delivery, product returns through Omnichannel platforms, and customer service to efficiently accommodate the sales through Omnichannel platforms.

Moreover, Central Retail may be affected by the risks and uncertainties related to online channels and Omnichannel, including changes in customer's behaviors and satisfaction, changes in technology interface, website downtime, internet connection problems, costs and expenses, technical problems regarding software upgrade, computer viruses or other technical problems and changes in applicable laws. Central Retail has to continuously make investments to catch up with the trends and the latest technological advancements, including new or developed technology application, functional development and other E-commerce marketing trends; all of which increase its operating costs and may not increase sales or attract customers as desired. If Central Retail fails to respond to the development, risk factors and uncertainties, its sales or profits may be negatively affected and it loses the reputation.

(4) Logistics and Distribution Risk

As of 31 December 2020, Central Retail has a total of 26 distribution centers, which includes 13 centers in Thailand, 12 centers in Vietnam and a single center in Italy, having an aggregate area of approximately 300,000 sq.m., 52,000 sq.m. and 35,000 sq.m., respectively to distribute products to its stores properly and timely. It may have to face the logistic difficulties to dispense the goods to its centers in many areas. In example, according to infrastructure systems in Thailand and Vietnam and weather in Thailand, Vietnam and Italy; in 2011 Central Retail was unable to access one of Central Food Retail's distribution center because of flood and had to use the other center with limitations as a replacement.

Enclosure

Central Retail also use the services of external transportation providers and international forwarding agents in distributing its merchandises to its stores in some areas in Thailand, Vietnam and Italy, especially during the festive holidays. Regarding the suppliers, Central Retail use the services of external transportation providers to transport the merchandises to its distribution centers, warehouses and / or stores. Therefore, if interruptions occur to its or suppliers' distribution centers, this may cause the delayed transportations, lost or damaged products or inadequate number of products to be delivered to the stores as the transportation may be interrupted or delayed before the long holidays. Occurrences like strikes and lockouts or protests of employees domestically or internationally, natural disasters, strikes or protests affecting the transportation sector may cause Central Retail higher expenses or lessened number of commercial goods (whether it is transportation via its own distribution centers or by external providers). Because of its business expansion, the goods distribution is increased and this may add up the difficulties for its existing distribution networks, apart from current obstacles like unreadiness of infrastructures (insufficient number of ports, roads and electrical outputs) and other logistic-related factors. All those factors may negatively and significantly affect Central Retail's business, cash flow, operating results, financial position and business opportunities.

In terms of managing the inventory, Central Retail has to reserve a proper number of merchandises in its warehouse for its smooth business operation: its average inventory days was 104 days for 2020. In case that it estimates sales higher than actual values, it may incur a lot of inventory and need to do promotions to get rid of the goods. Storage and transportation expenses may also follow from keeping unsoldble inventories. In case that Central Retail's sale estimation is lower than reality or new product expectation is incorrect, its stock may run low, being unable to meet the customers' demands, losing the selling chances and possibly customer's trusts to find their desired goods from its stores, tarnishing its reputations. These may negatively affect Central Retail's business, cash flow, operating results, financial position

Business Overview and Performance

Corporate Governance

4.

nance Financial Statements

and business opportunities. Furthermore, even if it has its own work flow and system to prevent loss or thief of its goods, in case that the lost or stolen merchandises are higher than expected, it may have to write off the number of lost or stolen stuffs higher and lose the selling chances, which may negatively affect its profitability. Also, the deviation of inventory resulted from delayed delivery and lost or damaged goods may negatively affect Central Retail's operating results.

However, Central Retail has established risk response measures to ensure risk is within the acceptable level by carrying out the following activities:

- Stocking of inventory to be adequate for sales increases and regularly reviewofit to prevent excess inventory and too low inventory that may be at risk for the ability to increase sales
- Provision of alternate warehouses in case of emergency where major ware houses are inadequate or non-operational
- Use of multiple shippers to exploit their expertise in each location and backups in case of emergency where any shipper faces shipping problems

- Determination of stores that are capable of receiving products directly from the suppliers in case of distribution system problems of the Company
- Collaboration with distribution system management units of different business units to mutually develop strengths and diversify risks and issues of each business unit

(5) Pandemic Risk

The world economy tends to suffer a significant slowdown due to the COVID-19 pandemic which has severe impacts on both domestic and international demands, especially in the tourism, manufacturing, and export sectors, shrinking private consumption as well as extreme fluctuations in the global financial markets. The COVID-19 pandemic poses unprecedented challenges in the society and is still changing daily. Therefore, what Central Retail should place high priority to amid this uncertain situation is health and safety of all stakeholders, including customers, employees, trade partners, and communities. To strictly follow the government's orders of each country, Central Retail then ceased operations

of fashion and hardline segments for certain periods in 2020, while the food segment still operates as normal to accommodate the demands for essential consumer goods.

Enclosure

Additionally, Central Retail implemented proactive measures to prevent all of its business locations during the initial stage of the pandemic, for example, the disinfection and sterilization measures in its business locations and offices to reduce the transmission of the virus as well as provided support and assistance to alliances and communities in preventing the transmission of the virus. Central Retail understands all customer concerns over the COVID-19 outbreak situation and is prepared to provide assistance and convenience to all customers at its best. With a significant increase in the demands for consumer goods, Central Retail has therefore exerted full efforts to ensure that food and consumer goods are enough for the needs of consumers and implemented measures in all business units to reduce the impacts on profitability and maintain liquidity.

(6) Economic Environment Risk

Central Retail's business suffers the impacts from the retail market situations and the overall economic situations in

Thailand, Vietnam and Italy, as well as the world's and regional economic situations. Central Retail's revenue are significantly influenced by the level of consumptions, thus any changes in economic factors, which impact the consumer spending in the countries in which Central Retail is operating, will directly impact its revenue as the economic situations or events may widely lessen the consumptions or drive the consumers to buy other optional products. The economic situations or events include but not limited to:

- Deflation in financial markets;
- Inflation or deflation;
- High unemployment rate;
- Changes in exchange rates;
- Nationalism trend, protests and social movements;
- Consumer's income decrease after tax;
- Deflation in personal loan;
- Higher household debts;
- Tax increase and changes in tax laws or other laws;
- Interest increase;
- Prices of fuel, energy and other commodities;
- Deceleration of housing market;
- Higher insurance premium rates and health-related expenses;
- Reduction in tourist numbers;

 (\cap)

 Political uncertainty and higher consumer prices due to the increase of the commodity prices or the market forces.

The lessened consumer spending may lead to the lessened buying demands, possibly burdening Central Retail with higher selling and promotional activity expenses. The lessened conssumption or consumer-switching behavior may negatively affect Central Retail's business, operating results and financial position.

In addition, other marketing and economic factors may affect Central Retail's business as the costs of Central Retail or its partners increase or the market or economic fluctuations increase. The factors include but not limited to:

- Economic changes nationally, regionally or internationally;
- Period and expenses in real estate development and renting (including rental changes);
- Unpredictable weather or natural disasters;
- The world's commodity price increase;
- Changes in wage rates and laws applicable to the wage rates;
- Changes in accounting standards;

- Changes in tax rates and town planning law; and
- Changes in any government regulations.

If retail markets in Thailand, Vietnam or Italy are influenced by the factors, Central Retail may have lower sales, higher expenses and decreased profit margin, which may negatively and significantly affect Central Retail's business, cash flow operating results, financial position and business opportunities.

(7) Financial Risk

Central Retail faces various financial risks arising from its normal operations. Central Retail's financial risk management focuses on managing capital market uncertainty and reducing negative impacts that may arise from Central Retail's operations, especially amid the COVID-19 outbreak situation in 2020. Central Retail emphasizes efficient financial management by prioritizing investment projects and controlling costs appropriately to reduce impacts on profitability and maintain both short-term and long-term liquidity. The cash flow from operating and financing activities serves as a source of capital for Central Retail's operations. Central Retail mainly uses such capital as working capital for product purchases and capital expenditures. In this regard, Central Retail regularly conducts a capital adequacy assessment by taking into account the cash flow from operating activities and market conditions. In case of poor cash flow from operating activities, Central Retail may seek out loans or increase capital of the Company.

Enclosure

The Company's key financial risks are detailed as follows:

7.1 Foreign Exchange Risk

Central Retail is exposed to the foreign exchange risk due to its overseas operations. Such foreign exchange risk may arise from future transactions and recognized assets and liabilities. Moreover, the Company's subsidiaries in Vietnam and Italy recognize sales volume and capital gains in Vietnamese Dong and Euro, respectively. Central Retail's assets and liabilities are also shown in foreign currencies, mainly consisting of Euro and US dollar. The Company then implemented a natural hedge plan to manage the foreign exchange risk.

7.2 Interest Rate Risk

As of 31 December 2020, Central Retail may encounter the interest rate risk due to

its loans. Central Retail reduced such risk by determining its fixed loan interest rate. As of 31 December 2020, Central Retail's loans mainly consisted of short-term loans from financial institutions of 31.625 million Baht, including promissory notes, packing credit, letter of credit and trust receipt, which is due by 2021, with interest rate between 0.15 percent - 4.45 percent per year, and long-term loans of 29,492 million Baht from several financial institutions both in domestic and overseas as well as the current portion of long-term loans of 2,763 million Baht, which has the due date as specified in agreements with a maximum of 10 years ending in December 2029 and interest rate between 2.01 percent – 6.00 percent per year.

7.3 Credit Risk

The credit risk is a loss that may arise from the fact that the customers or contract parties cannot repay debts to Central Retail as agreed on payment terms. Central Retail has a credit policy and regularly controls such credit risk by analyzing financial position of all customers requesting loans for a specified amount. As of 31 December 2020, the Company had no significant credit risk. ance Corporate Governance

nance Financial Statements

7.4 Liquidity Risk

Central Retail controls liquidity risk by maintaining levels of cash and cash equivalents that are sufficient for its operations to reduce cash flow fluctuations.

(8) Risks in Business Operation in Vietnam

Central Retail has operated its business in Vietnam and some of its assets are in Vietnam. The investment done in Vietnam may cause the shareholders to encounter the more risks than the investment done in the developed market. The developing market like Vietnam usually change fast and the information detailed in risk factors may quickly be out-of-date.

Vietnam's economy system is a mixed economy system in which most of the investments are done by government and the private investments are under comprehensive supervision of the government. The government of Vietnam plays an important role in directing various aspects of economy and the economic policy determined by government also significantly effect the private sector businesses including Central Retail. For this reason, operations or policies done by Vietnamese government may be important to business, business opportunity, financial position, and operating performance of Central Retail.

Central Retail's operations in Vietnam depended on over-all economic conditions of the country, especially the Gross Domestic Product (GDP) which is the index identifying after-tax income of the consumers. Throughout these 20 years, Vietnam's economy has encountered extreme fluctuation. Though it is estimated that Vietnam's gross domestic product would strongly grow for the many following years, this growth depends on various risks and may not be as estimated.

Moreover, Vietnam's economy may be affected by the external risks including the interest rates in United States of America and other countries, and by the exchange rate, which might effect the country's economy, being affected. Central Retail cannot estimate whether the current economic policy and operation would cause more fluctuations or economy problems in the future or not. These situations may cause significantly negative effects on business, financial position, operating performance, and business opportunity of Central Retail.

In comparison to legal system of the developed countries, Vietnam's legal system is still unstable, inestimable and also unable to provide the private sector business a protection in same level as the developed countries. Laws and legal instruments used for economy control are still in the beginning stage of development and its foundation is still not as strong as the developed markets. Vietnam's laws are still lack of development, consistency, or clarity. Its legal system is not the system that bases on judgement (Case Law) or the instrument which helps interpreting the judgement as a basis. Thereby, change of policy or enforced law interpretation might cause an unexpected result. Also, the determination of pattern and conditions of the compliance with newly issued law and regulation may still not be done, or the interpretation or enforcement of law done by relevant organizations may not be consistent. Practically, since the public sectors are usually responsible for operations regarding laws and regulations and determination of the legal correctness and enforcement instead of the court, it is hard to estimate when Vietnam's legal system would be developed to be as clear and certain as the countries with developed legal system. Moreover, Vietnam's laws and

Enclosure

regulations regarding suppression of bribery and corruption may not be as strict as the countries with more developed legal system.

Vietnam's regulations include the conditions on conformity with the plans regarding business such as meeting arrangement, related-party transaction approval, contract confirmation and confirmation done by notary public, currency used in the contract, and other issues relating to business organizations, business operations, and employment. However, some of Central Retail's companies established in Vietnam may not comply with the mentioned conditions causing the conditions in contract or some of transactions done by such company to be declared void or voidable. This may also cause the liability for payment of fine according to Vietnam's law. For example, some of the rental contracts done for 13 branches of BigC in Vietnam prescribe that the payment shall be done in US dollar currency. This may cause Central Retail to negotiate about this condition in the contract in order to change the currency in to Vietnamese Dong and it cannot be confirmed whether the negotiation would be success or the new condition negotiated would be as expected or not. However, the non-compliance with such

Corporate Governance

conditions usually occurs in the new market like Vietnam. Thereby, the noncompliance with such conditions done by the outsiders may cause the contract between Central Retail and the outsiders to be declared void or voidable according to Vietnam's law.

(9) Risks in Business Operation in Italy

Future sales, profitability, cash flow, and growth of Central Retail's businesses in Italy are sensitive because of the negative effects from general economic conditions, consumers' trust, consuming pattern of the consumer, disruption of European markets, and COVID-19 pandemic. Moreover, there may be negative effects caused by political or economy tendency or development actually occurred or estimated to occur in the local, regional, national, or international level. This would decrease consumability or consumption needs of the consumers. These tendencies and developments include unemployment ratio, inflation or deflation, after-tax income level, change of interest and/or VAT rate, offer of personal loan, household debt, consumer confidence, and instability of overall conditions of the economy

in the future. Moreover, the change of market due to extreme or inconsistent weather, natural disasters, health hazards, or other important situations or the tendency of such situations may affect consumption level and consumer confidence.

Central Retail's business and operating results may be affected by the economic situation in Italy such as economic recession occurring since 2007 where Italy suffered a decline in gross domestic product (GDP) and a decrease in employment rate which negatively affected consumer confidence and household consumption despite a slight increase in GDP in Italy. Moreover, since there were still the impacts of the COVID-19 outbreak in the previous year, the European Commission has therefore foresaw that the annual growth rate of real GDP will be equivalent to 4.1 percent in 2021 and 2.8 percent in 2022 after it had the negative rate of 9.9 percent in 2020. Given that Central Retail's business in Italy will continuously grow at higher rate than GDP in Italy; however, Central Retail cannot be assured that it will continue to grow at such rate or that it will not be affected by the economic situation in Italy. The negative progress of economic situation in Italy or any other region where its stores are located may cause a decrease in consumer confidence and have negative impacts on consumer spending, especially on general products. Therefore, any aforementioned trends may negatively affect Central Retail's business, operating results, financial position, and business opportunities.

Enclosure

Since investments in overseas markets fall within the new business scope, the Company has then carried out investments with prudence while arranging its organizational structure to assign responsibility to a unit to closely oversee and monitor business progress with the management team in Vietnam and Italy in order to develop risk response plans and solve emerging problems in a promptly manner.

2.2.2 Investment Risks of Securities Holders

 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 percent 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 negatively affected, especially when the limit is reached. This is because Thai shareholders cannot transfer the shares to foreigners. Moreover, the shareholders, and also the traders, who do not possess Thai nationality may not know beforehand whether the shares being traded are over than the limitation, it is possible to register the share buyer into the list of shareholders' names, or the registrar will reject the shares transferring record or not. In this regard, the proportion of shares held as of 29 January 2021 by foreign shareholders accounted for 13.4 percent of the total paid-up capital of the Company, which was lower than that as stipulated in the Company's Articles of Association.

(2) Risk of Significant Fluctuations in Share Prices

The Company anticipates significant fluctuation in the Company's share price.

The investor may not be able to sell the shares with the offering price or higher. Share trading price tends to fluctuate over a wide range, resulting from various factors including but not limited to the following factors:

 \square

- Fluctuation of anticipated or actual operating performance;
- Issuance or revision of the securities analysis or the analyst recommendations related to the Company's securities;
- Employment or loss of key personnel of Central Retail or the competitors;
- Announcement related to the development which promotes competitive advantage, the acquisition, or strategic alliance establishment occurred in the industry in which the Company operates;
- Strict regulations or restrictions issued by public sector which effect the industry in which the Company operates;
- Exchange rate fluctuations;
- Current or possible lawsuits and the investigations conducted by public sectors;
- Economic and market situations or other progresses effecting Central Retail or the industry in which the Company operates on a domestic, regional, and global level.

(3) Sales of Central Retail's Shares by Major Shareholders may Negatively Affect the Share Price

The future sales of Central Retail's shares by major shareholders including HCDS and the Chirathivat family, and huge sum of the shares held by the major shareholders, including HCDS and the Chirathivat family, may have negative impacts on the offering price. As of 29 January 2021, the major shareholders, including HCDS and the Chirathivat family, both directly and indirectly, accounted for approximately 74.1 percent of the total paid-up capital of the Company.

Moreover, the Stock Exchange of Thailand has issued regulations prohibiting the sale of 55 percent of the paid-up capital totaled after the public offering ("Lock-up Share") for one year since the first day of trading under the condition that 25 percentof the locked up shares can be sold after 6 months from the first day of trading and the other 75 percent of the locked up shares can be sold after 12 months from the first day of trading. The sale of shares in a significant sum by the major shareholders, including HCDS and the Chirathivat family, or the anticipation of sale of shares in a significant summary have a negative effect on the offering price. The Company cannot anticipate how the future sale or the sum of shares being sold will impact the market price at the specific period. If the shares are sold on the stock market in a significant sum after this public offering or such sale is anticipated, the market price of shares traded on the stock market may be negatively affected. Additionally, the aforementioned sale of shares may cause the Company to face an obstacle to raising funds through the stock market with the price and time considered appropriate.

(4) Controlling Power and Interests of HCDS which are Different from Those of Other Shareholders

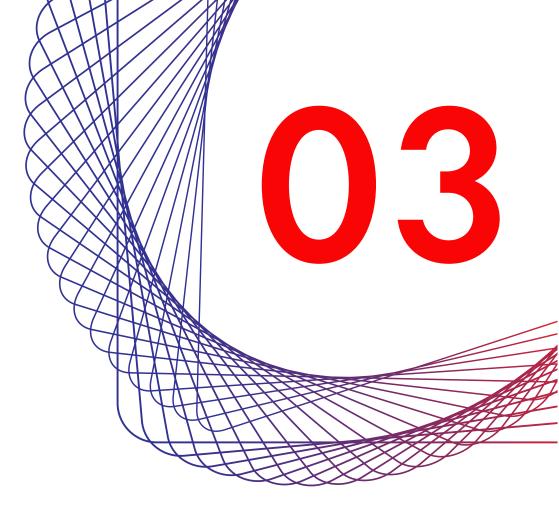
HCDS, who is the controlling shareholder, may have interests that are different from those of other shareholders. As of 29 January 2021, HCDS, the controlling shareholder, held 35.1 percent of the total paid-up capital. However, the Company cannot guarantee that

HCDS will continue to hold such proportion of shares. Also, HCDS has not yet been responsible providing financial assistance to the Company or exercising the right as the Company's shareholder for the maximum benefits of the Company or other shareholders. HCDS may have the controlling power in the Company's administration and management, especially the power to nominate persons to be appointed as directors in the Annual General Meeting of Shareholder and as executives by the Board of Directors. As of 31 December 2020, there were 9 directors appointed from the nomination by HCDS.

77 member of the Chirathivat family hold all the shares of HCDS, which is the company established under Thai law. As of 29 January 2021, the major shareholders, including HCDS and the Chirathivat Family, directly and indirectly held approximately 74.1 percent of the Company's total paid-up capital.

2.2.3 Investment Risks Foreign Securities

-None-



Sustainability

3.1 Sustainability Policy and Objectives

In light of the constant fluctuations in global economic growth and rapid access to information, the Company has then realized that its profit-driven business cannot contribute to its sustainable growth and expansion. The good corporate governance plays a crucial role in overseeing that the organization's operations are carried out in an efficient, transparent, accountable, fair, and responsible for the benefits of the shareholders and all stakeholders as well as the society and the environment. Within the good corporate governance framework, the Company aims to be an anti-corruptionrole model for the society by not accepting all forms of corruption and strictly adhering to the audit policy and practices and encouraging all employees to abide by Central Group's Code of Conduct.

Other than operating its business based on ethics, morals and transparency, the Company sets up a Risk Management Committee responsible for implementing response plans for changes and crises, and maintains business resilience to reduce potential risks and impacts at the acceptable level. The Company upholds **its vision in sustainable development**, stating that today we have to think of the business that can lead to environmental and social development, and that we must highlight long-term outcomes, have a higher level of public self-awareness than self-awareness, and determine to develop a quality over quantity mindset. Our business philosophy from now on is create mutual value with all sectors

From Vision to Implementation

The Company sets up a Corporate Governance and Sustainable Development Committee to impose a sustainability policy by taking into account the environment, society and corporate governance and determining establish a strategic and operational framework for 4 pillars: People, Prosperity, Planet, Peace & Partnerships as well as classifying the organizational materiality into 16 topics within the framework for 4 pillars.

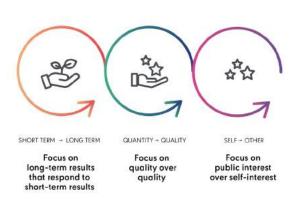
SUSTAINABILITY FRAMEWORK



VISION

Principles and Conceptual Framework for Sustainable Development

To achieve excellence in retail business that creates the greatest customer satisfaction and experience through a wide variety of channels in all countries where the business is operated, with major lacus an sustainable development.

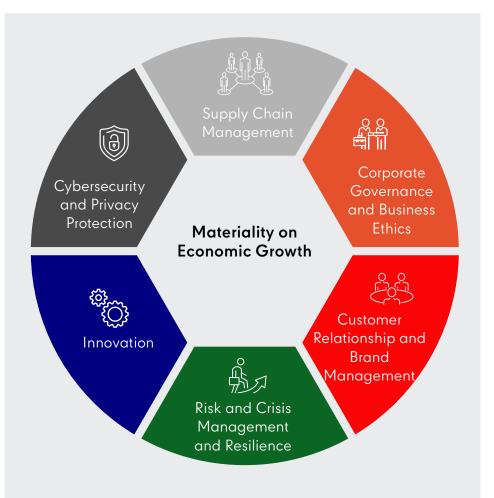


The most efficient supply chain management is another sustainable business practice. The Company has examined supplier compliance with relevant rules and regulations and ensured accountability and transparency through out the supply chain. Moreover, the Company realizes that excellent customer satisfaction and experience obtained from the Company is another crucial factor for continued business operations. The Company has exerted full efforts on product and service development to respond to the needs and create the highest customer satisfaction as well as develop innovation and technology that can make the activities of customers and all stakeholders more convenient, especially amid the COVID-19 outbreak situation. The Company has adopted technology to its operations to ensure greater efficiency and help manage customer relationship to cater to their needs for product and service quality and safety. During the past years, the Company has placed importance on developing Omnichannel platforms to communicate and attract customers by always updating the information on new products. However, since greater use of online technology may create data security risks; therefore, the Company has set up a specific unit to oversee the cyber security maintenance process of its network and customer data to prevent outsider data security threats.

The Company's mission is to execute the projects according to the United Nations' Sustainable Development Goals (UN SDGs) as operating procedures for more apparent goals as follows:



The Company's 2020 operations' focus is on good corporate governance and policies that help drive and promote economic development based on the constantly changing global trends. The Company is committed to promoting economic growth alongside all sectors based on the utmost benefits of shareholders, customers, employees, and all stakeholders. The materiality topics are as follows:



The materiality can be divided into tangible projects according to the Environment, Social, Governance (ESG) factors under the **"Central Tham"** project under the concept of Creating Shared Values (CSV), aiming at developing the community, society and environment to create jobs, occupations and good quality of life for the community and society in a sustainable manner.

Financial Statements Enclosure

The community and social development project in 4 dimensions include Better Work, Better Life, Better World, and Better Society to ensure sustainable growth of all stakeholders. The Company emphasizes income generation for the community and provision of assistance to the society affected by the COVID-19 outbreak situation. In 2020, the "Central Tham" project reduced plastic bag usage by 236 million pieces and helped generate income of over 1,200 million Baht for the community, improve the quality of life of over 500,000 people, covering over 100,000 households from the development of community areas in 44 provinces. It was also expected that the project can support the community to grow more than 15 percent in 2021.



3.2 Managing Stakeholder Impact in the Value Chain

The stakeholder impact management in the value chain, includes employees, customers, suppliers, communities, shareholders, and government agencies, from the source of origin to the final destination, namely the sourcing of production through socially and environmental-friendly production/service process, the allocation of suitable distribution channels, the promotion of marketing and sales to the customers in a safe and worthwhile manner as well as the after-sales service to regularly maintain customer satisfaction level.

3.2.1 Central Retail's Value Chain

Central Retail 's business is organized into 4 operating segments based on business units; (1) Fashion, which focuses on apparel and accessories under portfolio of retail banners, for example, Central Department Store, Robinson Department Store, Supersports and Rinascente; (2) Hardline, which focuses on electronics and home improvement under portfolio of retail banners, for example, Thai Watsadu and Power Buy; (3) Food, which focuses on groceries and items typically found in convenience stores under portfolio of retail banners, for example, Tops, Central Food Hall, and Big C Vietnam; and lastly (4) Property segment, which focuses on leasing retail property to third parties and to its own stores at retail plazas, for example, Robinson Lifestyle Center, Tops Plaza, and Big C / GO! Vietnam. Each business unit has different stakeholders as well as processes and activities.

The factors for sourcing of production are based on environmental-friendly materials that are not harmful to the natural environment and safe sources of production for both customers and manufacturers with support and participation of the community and local producers, and employment as well as support of underprivileged students and community members to reduce social inequality in more than 44 provinces.

For the production process, the Company has taken part in developing and supporting farmers and communities that produce consumer goods such as crops, vegetables, and fruits to ensure clean, safe, and chemical-free production process for the good quality of life of consumers and farmers themselves. Central Retail has also supported more than 24,000 households within communities in the production process for farmers such as the provision of knowledge on safe vegetables, the use of organic fertilizers, the standardized packaging, the product packaging design as well as the production of goods through the use of labor in the context of labor law.



Financial Statements Enclosure

The Company has put in place product and service distribution or logistics processes as in accordance with the international standards by taking into account the optimization of transport systems and the reduction of carbon footprint, the preparation of transport systems for farmers in which the farmers can deliver products to Tops Supermarket via the trucks on returning (backhaul) trips after they deliver the products to different branches. In addition, innovation is adopted to the transport and warehouse processes.

The Company operates a variety of businesses while having the central purchasing process to supply suitable materials at fair prices as well as placing priority on both large and small suppliers by supporting knowledge sharing in various matters through trainings as well as developing technology to allow customer's service access for their shopping convenience, e.g. Central Application or product payments through different channels such as E-payment and POS system that are easily accessible. The Company has also placed importance on employees at all levels by providing them with trainings and potential enhancement.

Lastly, to create satisfaction of all stakeholders, especially the customers, the Company has teamed up with its associates which are responsible for Thel customer relationship management by using tools to reach customers in order to offer them special privileges as well as measure after-sales satisfaction.

3.2.2 Stakeholder Analysis in the Business Value Chain

The Company emphasizes operating business in compliance with the principles of good governance in the context of sustainable development by taking into account such crucial factors as vision, core values, business strategies, sustainable development framework, and stakeholder engagement. All these factors have enabled the Company to understand the needs of all parties as well as served as a mutual value creation approach used to determine materiality of the Company* and a basis for developing a 5-year sustainable development strategy consisting of 4 interlacing elements – 1) human resource development by aiming at developing the well-being of personnel and taking into account the safety of other stakeholders; 2) sustainable value chain management by aiming at long-term organizational success based on the principles of good governance and good corporate governance; 3) environmental development and responsibility; and 4) mutual value creation and good relationship with the community and society.

Each stakeholder group is critical to the organizational operations both directly and indirectly. Therefore, the Company regularly and continuously communicates with all stakeholder groups through various channels to allow stakeholders to understand the context and material issues that are strategic to the Company. The Company also receives opinions and expectations of stakeholders while integrating them with decision-making and business planning processes.

The Company has categorized stakeholder groups to cover both internal and external groups by taking into account of their influence, their impacts from and towards operations, and the Company's operating performances for the utmost benefits of all parties. The stakeholder groups consist of 7 major categories, namely 1) shareholders 2) employees 3) suppliers 4) customers 5) creditors 6) government agencies, and 7) community and society. The communication and participation patterns of stakeholders vary in each group to enhance relationships with stakeholders according to the principles of good corporate governance through a wide range of channels such as annual shareholders' meetings, annual reports, stakeholder satisfaction surveys, channels of receipt of complaints or recommendations of the Company, meetings of suppliers and customers, establishment of customer service center, system development in response to the needs of customers and suppliers, training arrangements to increase capacity for all sectors, cooperation and participation in the public sector network, and the communication through different channels and both internal and external online systems. The Company has also analyzed each stakeholder's expectation as well as the Company's response and communication channels according to the below table.

Enclosure

Stakeholder Group	Expectation	Company's Response	Communication Channels
Shareholders	 Sustainable growth and profits Good corporate governance Transparency in management Ability to create challenging opportunities Efficient risk management 	 Business operation based on transparency, accountability, and good governance principle Efficient management and creation of confidence and highest returns Transparency and completeness in information disclosure in a continuous manner Provision of accurate and complete financial information Organizational commitment under the criteria and legal context 	 Quarterly investor meetings Sustainable development report (website) Information disclosure in annual report News and notifications via Stock Exchange Shareholders' meeting
Employees	 Good compensation and welfare Job security and career advancement Development of potential, knowledge, and capabilities Participation in the expression of opinions 	 Allocation of good compensation and proper welfare, and consideration of promotion and transfer Fair and equal performance assessment system Training arrangements in response to the needs for business operation and the changes Acceptance of opinions and recommendations for improvements 	 Annual meeting and vision announcement Social media / email Annual report / sustainable development report (website) Recommendations or complaints Employee satisfaction and engagement survey (once a year)
Suppliers	 Fair and equal business practices Transparency in business operation Mutual potential development and mutual growth Punctual administration of payments 	 Fair and transparent competition Fair and transparent business agreements Training arrangements for potential enhancement Accurate, complete, and punctual payment schedules Maintenance of supplier data 	 Annual meeting Arrangement of trainings to enhance knowledge of suppliers, and activities to enhance good relationships between the Company and business alliance networks Social media / email Recommendations or complaints Annual report / sustainable development report (website)
Customers	 Good quality products and services based on standards Delivery of products and services within the specified timeframe Good quality after-sales service Personal data security 	 Good quality service and responsibility Punctual delivery of good quality products Delivery of good experience and service beyond expectations Development of customer data management system to maintain personal data and safety according to international standards 	 Direct contact with customers Customer service center Social media / email Annual customer satisfaction survey Recommendations or complaints

132

Stakeholder Group	Expectation	Company's Response	Communication Channels
Creditors	 Good corporate governance Transparency in management Effective management strategy Ability to create challenging opportunities Accuracy in financial information management Full and punctual payment 	 Transparency and accountability in business operations under the good governance principle Efficient management and creation of confidence and highest returns Transparency and completeness information disclosure in a continuous manner Organizational commitment under the criteria and legal context Provision of accurate and complete financial information Full and punctual payment and maintenance of collateral quality 	 Quarterly investor meeting Sustainable development report (website) Social media / email Recommendations or complaints Annual Report
Government Agencies	 Compliance with legal provisions and promotion of good corporate governance according to the good governance principle Fair and equal competition Support and cooperation in activities Efficient complaint management 	 Transparency, accountability, fairness in business operation that is not against the law Transparency, completeness, and accountability in information disclosure Compliance with laws and regulations to ensure confidence Maintenance of quality management and development of reliability Support and cooperation in activities 	 Acceptance and exchange of opinions regularly Arrangement of activities in collaboration with networks in public sector Social media / email
Community and Society	 Focus on community Voices Focus on safety and environmental impacts seriously Fair complaint handling Support and promotion of beneficial activities for the community 	 Study, learning, and listening to community voices and response to the needs Consistent collaboration to correctly respond to the community needs according to the system Enhancement of acceptance to be part of the community Creation of jobs, occupations, and income for the community 	 Sustainable development report (website) Social media / email Recommendations or complaints Arrangement of activities in collaboration with networks in public sector

${\bf 3.3\,Sustainability\,Management\,in\,Environmental\,Dimension}$

3.3.1 Environmental Policy and Practices

The Company is determined to operate business that leads to environmental and social development while being aware of long-term results, focusing on developing quality over quantity, and create mutual value for all stakeholders. The Company puts priority on sustainable environmental conservation and natural resource management and is committed to reducing environmental impacts on the Company's business operations as much as possible as well as reduces the Company's negative impacts of risks that may arise. The Company operates business by taking into account the climate change, the energy conservation, the reduction of greenhouse gas emissions, the most efficient use of natural resources along the value chain, and the mitigation of environmental problems both directly and indirectly relating to the Company such as waste and pollution problems and resource depletion.

Therefore, the Company has continuously developed and improved the environmental policy by adhering to Central Group's operational framework for environmental sustainability, consisting of 4 approaches as follows:

- 1. Climate change
- 2. Natural resource efficiency
- 3. Waste management
- 4. Value chain management

The approaches and practices are consistent with the UN SDGs to ensure clear operational objectives and determine management directions.

United Nations' Sustainable Development Goals



The environmental operations in 2020 highlight materiality that has significantly affected the Company's business operations. The Company not only emphasizes environmental management, but also pays attention to the community, as its stakeholder, by reducing greenhouse gas (GHG) emissions, minimizing waste generation efficiently, solving resource depletion, conserving natural resources, enhancing confidence, and achieving increased social acceptance. The materiality in environmental dimension includes:



The Company hopes that business growth goes along with environmental development in a balanced manner and realizes that it must encompass from origin to final destination along the supply chain. In 2020, the Company announced its policy to operate business with responsibility while maintaining the environment and driving the society towards sustainability under the circular economy. The "CENTRAL Retail Love the Earth" campaign, which is continuously carried out since 2018 with all sectors, consists of 3 main projects, namely Journey to Zero, Central Green, and Forest Restoration as follows:



3.3.2 Environmental Performance

3.3.2.1 Climate change and energy management

The climate change is one of the global trends that many organizations have increasingly paid much attention to since it may broadly cause impacts both on business operations and society, e.g. severe natural disasters in many areas. As the Company has suppliers and businesses in many areas worldwide, it has therefore placed importance on energy management and climate change in order to solve such problems and prevent the business from potential risks, e.g. damages to the value chain in terms of production and transport, high tax payments relating to GHG emissions, or increased energy costs.

Energy Management

The Company is committed to managing energy efficiency to conserve energy and reduce GHG emissions as a major cause of climate change. The Company's business growth has resulted in higher demand for energy. To handle the increased use of energy, the Company has then used renewable energy from solar power and installed solar rooftops so that the Company's business operations can reduce energy consumption from fossil fuel, minimize energy costs, and reduce GHG emissions.



CENTRALRETAIL ONE REPORT 2020

Solar Rooftop Systems Installation Project

The solar rooftop systems installation project to generate electricity from solar energy aims at using clean energy and reducing fossil fuel consumption in business operations, energy costs, and GHG emissions. Each company under Central Retail installed the solar rooftops systems at 17 branches of Robinson Department Store, 7 branches of Thai Watsadu, and 1 branch of BIG C / Go! Hypermarket in Vietnam.

Performance Results

 Provided 15,689 MWh of solar energy consumed in direct business operations in 2020 (only at Robinson and Big C / Go!)

The Solar Panels Installation Project





MWh





Climate Change Management

Enclosure

The Company is determined to be part in solving the climate change problem by emphasizing the reduction of direct GHG emissions within the organization (scope 1), e.g. the oil consumption for transportation of products and the reduction of indirect GHG emissions from the organization's energy consumption (scope 2), e.g. the solar energy production and the reduction of indirect GHG emissions from various stakeholder groups (scope 3), e.g. the recycling of waste materials.

The Company's outstanding projects on climate change management in 2020 include the Electric Vehicle (EV) Charging Station Installation Project and the Forest Restoration Project.

Electric Vehicle (EV) Charging Station Installation Project

The project aims at supporting clean energy consumption and reducing GHG emissions. For the customers as stakeholders, the EV Charging Station Installation Project is undertaken at 11 branches of Robinson Department Store, Central Department Store (Chidlom branch) and Chidlom Tower, and 1 branch of Big C / Go! in Vietnam. The project helps encourage customers to use the EVs for commuting, thus resulting in lower fuel costs for customers and maintaining the Company's good corporate image for jointly solving the climate change problem.

The Electric Vehicle (EV) Charging Station Installation Project

> 14 Branches

An overage of electric cars served 30–350



ZERO



Ince Corporate Governance

e Financial Statements

Enclosure

Forest Restoration Project

The project is undertaken in collaboration with environmental cooperation organizations for forest restoration in watershed forests or forest areas with biodiversity and carbon storage sources such as Chiang Mai, Chiang Rai and Nan provinces. It aims to restore and increase forest areas for carbon storage and create sustainable careers and safe food system of the community. Moreover, the project has promoted sustainable environmental and career management in each area, for example, the transformation from monoculture to organic agriculture and the promotion of integrated farming, 3 Forests, 4 Benefits and so on. The benefits to the community include the support of knowledge on sustainable agriculture and factors of production and the increase in product value and buying markets, while the Company benefits from the enhancement of good relationships with the community.



3.3.2.2 Raw Material Sourcing

The Company believes that quality materials are heart of quality products and create satisfaction and confidence of product and service buyers. In addition, sustainable raw material sourcing is another important matter to show its responsibility to the stakeholders and customers. Presently, many consumers recognize the importance of raw material sources that may have environmental and social impacts and purchase

decision-makings for products and services. The raw material sourcing from non-quality sources or with illegal and unethical methods and involved in environmental degradation will ruin the Company's reputation, thus affecting trust of stakeholders, suppliers, and customers. Therefore, the Company has given priority to environmental protection and is committed to operating business ethically by focusing on standard ized raw material sourcing, especially natural raw materials that come from agriculture and animal husbandry which must create the least possible environmental impacts, comply with the laws and ethics as well as build good relationships with the raw material suppliers in the community and the Company's suppliers, and promote local employment.

The Company recognizes the importance of sustainable raw material sourcing management within the policy framework focusing on reducing the impacts on the environment, agriculture, and animal husbandry, and building good relationships with both large and community-level suppliers and practice guidelines as in accordance with the UN SDGs 12 : Efficient and Sustainable Resource Management.

The Company has strictly set up the criteria for supplier selection by adopting the criteria relating to the environment for screening and examining. The consideration is based on the reduction of waste generation, the reduction of GHG emissions, the reduction of water and energy consumption, the protection of natural resources and biodiversity as well as the non-deforestation or agricultural burning and animal cruelty prevention.



Promotion of Organic Products and OTOP Products

The current consumer health trends are steadily growing. There is an increase in the consumption of organic products. The Company is committed to taking responsibility in sourcing quality organic products certified by different standards and with environmentally and socially-friendly production and transport processes. The products from community enterprises and OTOP products can alternatively respond to the consumer needs, deemed as its responsibility for sustainable sourcing and income generation for the community.

Corporate Governance

Financial Statements Enclosure

Products	Sales Volume (million Baht)			
Floducts	2018	2019	2020	
Organic Products (Vegetables and Fruits)	181,940,931	228,425,974	215,951,015	
OTOP Products	260,354,300	269,920,184	175,012,589	

Phu Chee Duen Coffee Project

The Company has foreseen continuous growth in coffee consumption in Thailand. The Company has then sourced quality coffee beans for the customers by promoting the Phu Chee Duen Organic Coffee Community Enterprise, Chiang Rai Province, while encouraging farmers in Phu Chee Duen area to change farming methods from monoculture and chemical use to organic farming and selection of premium arabica coffee beans by planting coffee in forest areas, on high mountains, in shade areas, and with different seedlings. It is deemed as coffee planting with organic agricultural community ways - an agriculture that helps restore watershed forests and store carbon in soil and trees, and reduce chemical use in planting. The Company completely supported factors of production such as coffee processing facilities, warehouses, coffee production machinery and equipment, and so on. The Company also provided knowledge on environmental management and marketing and developed coffee beans under Good Goods brand certified by GMP standards, sold at Good Goods store and Tops Supermarket.

Phu Chee Duen Organic Coffee Community Enterprise **Chiangrai** Province

Households of farmers joining the project

KG/Year of coffee beans produced and sold at stores under Central Retail

Generate income of

Million Bah to the community



Restore over

forest areas



3.3.2.3 Waste Management

Resource efficiency and waste reduction is a key performance indicator that reflects efficient business operations. Also, today's consumers are more aware of the value of resources and environmental problems caused by waste which will affect their future decision-makings to support or stop supporting the Company's business. The Company is aware of responsibility towards the environment, community, and all stakeholders in managing emerging waste generated in the Company's activities. The biggest source of food waste is food business group. It mostly comes from food surplus before consumption and food waste after consumption which is waste from food scraps and related packaging as well as waste occurred along the food supply chain. In general, food waste will be sent to landfills which may lead to environmental problems such as unpleasant smells emitted from waste to nearby community, discharge of pollutants into the river and canal, and GHG emissions to the atmosphere. The Company has then placed focus on waste management and laid a policy framework for the reduction of food loss and food waste to ensure the most efficient use of resources, the mitigation of environmental problems, and the reduction of waste management costs.

The Company has announced its goal of journey to zero for the policy framework of environmental and waste management operations. The Company is committed to reducing GHG emissions and ensuring resource efficiency by reducing food loss and food waste along the supply chain to be half of the current amount by 2030 as in accordance with the UN SDGs: 12.3 Practice Guidelines for Solving Food Loss and Food Waste following the 5 methods of food recovery hierarchy.

The Company hopes that this will be implemented along the retail value chain from the origin to the consumer's home.



Prevention

• Prevent food loss and put in place an ordering system as in line with the needs

Optimization

- Allocate the edible parts of food to create maximum benefits
- Donate to impoverished persons and employees
- Distribute in special stores at lower prices or distribute
 as pet food
- Support intermediary organizations for food distribution



Recycle

- Production of biogas through the composting process
- Production of fertilizers for agriculture

Recovery

 Low-humidity food waste will be burned to produce heat energy



02

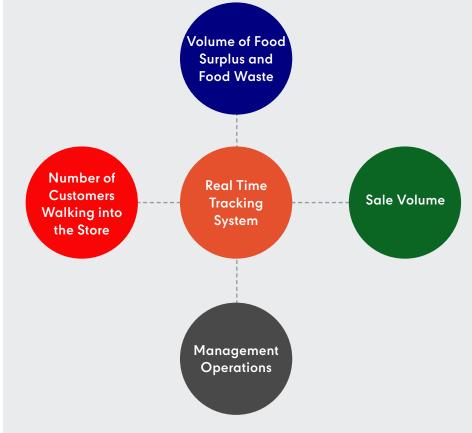


Disposal

 Useless waste will be disposed by incineration or landfill

Evaluation

The Company places importance on food waste data collection by using automated equipment linking to the information technology system, following up food surplus and food waste, leading to high-level analysis and preparing performance reports.



Corporate Governance

Financial Statements Enclosure

Food Surplus Management Project

The Company sets its goal to reduce and manage food surplus from the distribution and consumption of employees to create maximum benefits before disposal. In each day, some edible, quality and non-expired food surplus from Tops Supermarket and FamilyMart is sent to the Scholars of Sustenance (SOS), a non-profit organization, to hand over food to the community or sensitive group in need for food. Moreover, non-edible food surplus, regarded as organic waste, is sent to the composting process executed by participants in the areas such as schools and universities to transform fertilizers and biogas for community use.

 218 tons /year of solid waste generated from food business, including food surplus and donation of 189 tons or equivalent to 797,306 meals and 29 tons of food waste was processed.





Samui Zero Waste Model

The "Samui Zero Waste Model" project aims at solving waste problems on the island in a sustainable manner by starting with organic waste such as food surplus which is managed properly, for example, by recycling to crate value, and having employees segregate waste into correct categories, e.g. organic waste, general waste, and recycled waste. Some appropriate parts of food surplus and food waste will serve as pet food; while the rest will be processed into the composter and generate by-products, e.g. biogas which can replace the LPG in schools and bio-organic fertilizers which will be used to support the community's organic agriculture. Moreover, the project is built upon the knowledge base for farmers to study the organic waste processing for reuse and generate sustainable income for the community.



Performance Summary of Samui Zero Waste Model in 2020

- The schools can save LPG prices for up to 5,000 Baht /month.
- Produced bio-organic fertilizers for 15 tons /year
- Reduced transport of organic waste from FamilyMart to the landfill for 29 tons /year

vernance Financial Statements

ements Enclosure

Currently, the Company is expanding cooperation with Suratthani Rajabhat University and Koh Samui Municipality to manage the processing of organic waste from Central Festival Samui and FamilyMart and use the by-products for the Farm to table project, the Organic Café and agriculture demonstration plots by distributing them to Tops Supermarket and Department Stores under Central Group in the future.

"

SAMUI ZERO WASTE

From Waste Reduction at Source to a Sustainable Destination



Renew Battery Box

Big C / Go!, the Company's department store in Vietnam with 30 branches nationwide, installed old battery collecting boxes throughout March 2020 with an aim to help manage e-waste, categorized as hazardous waste, correctly pursuant to Vietnam's legal process.



3.3.2.4 Circular Economy

Importance of Circular Economy

example, trainings on waste segregation, plastic bag reduction, and turning off the lights when not in

use to save

The continuous increase in the number of global population and the leapfrogging economic growth have increased the demands for resource waste in each year. The resources or materials used for production of goods and services to respond to the consumer consumption are limited. Non-awareness of importance of resource efficiency and inefficient resource management will cause resource depletion and waste problems as well as pollution problems caused by production process. Despite the global trends, including Thailand, of single-use plastics where the Ministry of Natural Resource and Environment encouraged business organizations to permanently stop handing out plastic bags to customers since 1 January 2020. However, the COVID-19 outbreak situation and the growth of delivery business have caused lifestyle and behavior changes to the people and contributed to an increase in waste generated from single-use plastics. There is a report showing that plastic waste of approximately 12 million tons is discharged into the river and the ocean each year. Therefore, the Company, as a retail organization directly distributing a wide variety of products and services to the consumers, has become aware of such challenge and viewed that the circular economy is crucial to enhancing knowledge and understanding of the employees and consumers in resource or product efficiency which will lead to sustainable solutions to plastic waste and resource and environmental problems.

The Company has recognized the importance of creating value and solving environmental problems with the circular economy principles by encouraging its executives, employees, contractors, customers, and all stakeholder groups to be aware of the value of limited resources and raise awareness and responsibility towards environmental problems, implement the policy framework for Journey to Zero as an approach to reducing single-use plastics waste along the value chain. The Company has set up a policy for developing an action plan for plastic waste reduction as follows:

 Development of Baseline Data and Set Goals 	2. Prevention and Reduction of Plastic Waste	3. 3R Sustainable Solid Waste Management	4. Green Purchasing
 Prepare accounts for single-use waste and current plastic use data Plastic waste reduction goal for 5,600 tons / year by 2021 	 The Company prepares a list of plastic waste to reduce or stop using single-use and non-recyclable plastics. 	 3R: Reduce, Reuse, Recycle practices Conduct a life cycle assessment of waste, ranging from the production process, use, and disposal to find ways for recycling 	 Whenpurchasing products and equipment for offices and stores, environmental impacts through the full life cycle must be considered. Promote the use of durable products and eco-friendly materials
5. Communication Campaigns and Trainings for Employees and Stakeholders	6. Responsible Investments	7. Creating Shared Value (CSV)	8. Cooperation and Partnership
 Encourage employees at all levels to recognize the importance of plastic waste generation through the media for internal and external communications Organize trainings for employees to raise environmental awareness, for 	 Research investments in the circular economy Promote investments in businesses using alternative materials which are eco-friendly 	 Action plan for plastic waste reduction alongside business operations for the benefits of the community and stakeholders 	 Promote and cooperate in the development of waste management technology and innovation, circular economy, and eco-friendly products

Say No to Plastic Campaign

The "Say No to Plastic" campaign is continuously undertaken since 2018. All the Company's business segments have joined and played their roles in this campaign to push forward the problem-solving of sing-use plastic waste and show responsibility towards the environment. At present, all the Company's business segments have stopped handing out plastic bags to their employees and customers and encouraged them to use cloth bags instead, which will help reduce a large volume of single-use plastic waste. Cloth bags are also available for sale to the customers who forget to bring their own to the department store such as all branches of Tops, Central Food Hall, and Robinson. Moreover, the Company has carried out a campaign to encourage all restaurant and drink brands under Central Group to turn to use light bulbs made from biodegradable materials instead of plastic light bulbs to reduce waste and resource waste.

Reduction in the Number of Single-Use Plastics Handed out to Customers or Used as Product Packaging during 2018-2020

Operating Year	Plastic Packaging for Products and Services (Metric Tons)
2018	Year of Data Preparation
2019	1,800
2020	4,720



Waste Segregation

Enclosure

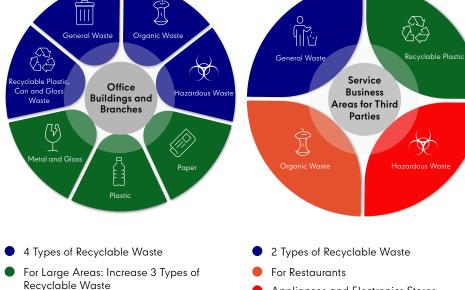
The Company has promoted waste segregation to ensure correct waste management, from the origin to the final destination, since some types of waste can be reused or recycled which can lead to the most efficient use of resources and is a practice according to the circular economy principles by segregating waste, based on international principles, into categories including organic waste, recyclable waste, general waste, and hazardous waste. The Company has installed trash bins with colors and symbols thoroughly in all department stores and office buildings to raise awareness and practices of waste segregation for customers and employees.

144

Corporate Governance

Financial Statements Enclosure

Waste Segregation Practices



Appliances and Electronics Stores

Summary of Results on Waste Segregation

- A 13 percent increase in waste segregation rate in department stores
- A 12 percent increase in waste segregation rate in offices
- Approximately 2 tons of recyclable materials were processed.
- 1 tons of electronics devices were improved for reuse.
- 29 tons of organic waste were biologically processed (including plastic bags returned by customers).

Upcycling Plastic Waste into New Products

The Company has viewed that the upcycling of plastic waste from the community and restaurants under the Company into new products is an underlying practice according to the circular economy. The Company joined hands with Khung Bang Kachao Community to collect plastic waste, and design and produce new products such as cloth bags, clothes, hats, vases, flowerpots, kid toys, or kid furniture. This not only extends the life of materials before transforming into plastic waste and delays the creation of new waste, but also distributes income to the society. The Company has also promoted and supported the distribution of upcycling products in Good Goods store, Tops Supermarket, and FamilyMart.

- In 2020, 2,000 plastic bottled were processed into upclycling products.
- Generated economic value of 200,000 Baht / year

Aprons Made with Recycled Plastic Bottles Campaign

The Company and members of the Waste Management Working Group on the Our Khung Bangkachao project collaborated with the Wat Chak Daeng community enterprise to support the recycled plastic bottles campaign by upcycling into more than 200 aprons to be used for the "Jing Jai Farmers' Market" project. One apron used 10 recycled plastic bottles.



3.4 Sustainability Management in Social Dimension

The Company believes that human resource is a key driver of business sustainability and mutual value creation between the organization and employees to strengthen its competitiveness as well as create returns to the shareholders efficiently. The Company is committed to operating business under the good governance principles and with transparency and accountability, and becoming a good corporate citizen role model by complying with the laws, rules and regulations, and code of conduct. The Company has determined a clear corporate social responsibility policy framework which focuses on creating positive impacts by adhering to the mutual value creation concept, highlighting the enhancement of employees' knowledge and skills, ensuring fair employee treatment and respecting human rights, creating a safe working environment, creating workplace factors attracting employees and providing appropriate welfare, all of which have enhanced sustainable happiness within the organization. Moreover, customer satisfaction and good experience in terms of quality standards and product safety is another key mission of the Company.

The Company's development approaches and practices in social operations are consistent with the United Nations' Sustainable Development Goals (UN SDGs) in terms of the public's quality of life as follows:



In 2020, the social operations for employees and customers emphasize the development of a body of knowledge and quality of life and well-being of employees, and creating the highest satisfaction of customers with materiality as below:



The Company has supported the promotion of trainings in practical skills and the development of a body of knowledge on adaptation to fast-changing global economy, for example, the omnichannel project, leadership development and so on, which will help increase employee competency and lead to efficient organizational development as well as offer employees equal opportunities and appropriate returns, which will attract both employees both internally and externally. Moreover, the Company has placed importance on labor treatment and international human rights. The Company has outstanding performance in the employment of persons with disabilities and the monitoring of equitable treatment to prevent breaches of rights or disputes as well as maintain the working environment by mainly taking into account the occupational health and safety to life and property, especially amid the COVID-19 outbreak situation. The Company also upholds customer treatment with honesty by maintaining product quality and safety standards.

e Financial Statements

All social operations focus on mutual value creation approaches of all parties, including the Company, employees, and all related parties, to promote organizational sustainability and lead to long-term business success.



3.4.1 Social Policy and Practices

3.4.1.1 Human Capital Development

The knowledgeable and capable employees are regarded as one of the most important foundations of the organization. For this reason, the Company can develop employee capacity efficiently, which will help the Company to achieve sustainable growth, handle rapid changes both in the present and in the future as well as attract high-potential employees, especially a new generation of employees who need to grow in parallel with the Company sustainably.

The Company focuses on developing creativity within competencies and attitudes of all employees to increase innovation value and serve as a key driver of the implementation of the Company's strategy in the direction of Customer-Centric Omnichannel platforms.



Employee Capacity Development Policy

Enclosure

The Company regards human resources as key assets for business operations and a crucial part for the achievement of specified goals. The Company has then imposed a policy on the development of skills and ideas of employees to increase work efficiency in all aspects of employees at all levels continuously, which will lead to creative ideas to increase innovation value to Central Retail, deemed as one of the key strategies of the Company. The Company has set up a policy and practices as follows:

- The Company encourages personnel to develop knowledge and expertise from the actual performance by having a supervisor in each line to provide instructions in any given line.
- (2) The Company has continuously promoted and arranged in-house and external seminars and trainings among Central Retail for the personnel at all levels, ranging from executive to operational levels, to develop knowledge, capabilities, and work capacity as well as apply knowledge obtained from trainings to the improvements of operations of Central Retail.

- (3) The Company conducts an evaluation of the needs and necessity for human resource development of Central Retail at all levels, ranging from executive to operational levels, and imposes a human resource development plan of Central Retail to ensure consistency with the development plan of Central Retail and prepare Central Retail's personnel for increased responsibilities, career advancement, and ability to hold the vacant positions.
- (4) The Company will organize activities to enhance acquaintance, familiarity, good relationships between executives and employees at all positions to be able to increase work quality that reflects their professionality, thus creating the highest customer satisfaction.



The Company encourages personnel to develop knowledge and expertise from the actual performance by having a supervisor in each line to provide instructions in any given line.



The Company has promoted training employees at all levels.



Employee Capacity Development Strategy in 2020

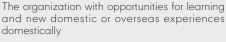


01 Careers

The organization with diversity in business segments: fashion, food, and hardline and leading brands

02 Opportunities





03 Challenges



The challenges in driving rapid and ongoing business growth amid all changes

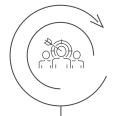
04 Progress

The active organization with ongoing employee capacity development

05 Environment



The organization filled with both Thai and foreign employees who are experienced and capable in all career paths



The Company conducts an evaluation of the needs and necessity for human resource development of the Company at all levels and imposes a human resource development plan of the Company to ensure consistency with the Company's directions.

The Company organizes activities to enhance good relationships between executives and employees at all levels to increase work efficiency and professionality.



Financial Statements Enclosure

Talent Development

The Company organizes a skill training project for high-potential employees to prepare for growth and succession in the Company by building upon the operations through Omnichannel platforms and learning of different functions of business segments. In 2020, the key project in this area included the Omnichannel Commerce Program (OCP)

Omnichannel Commerce Program: OCP The Company conducts an OCP project to enhance employees' in-depth understanding of Omnichannel platforms and can adapt to future disruption. This program, consisting of major components: theoretical learning of Omnichannel and Gamification platforms, are conducted through hands-on learning by assigning the employees to create a project that can apply Omnicahnnel platforms to the actual work performance. Upon the completion of the project, there will be experience sharing of each employee group joining the project and a plan to implement the projects created by the employees in 2021.

Project Results in 2020

• 84 project participants (2 batches)

Apart from the above-mentioned project, there are still various training programs and skill development projects of employees as follows:



In 2020, the Company organized employee training programs to enhance skills and work capacity for employees in a total of 280 programs with average training hours or knowledge development activities of 9.36 hours per person per year as well as employee trainings to enhance knowledge and understanding of environment for employees at executive to general levels.



3.4.1.2 Talent Attraction and Retention

As one of the largest's employer in the country, the Company has experienced continuous growth with businesses all over Thailand and oversea, namely Vietnam and Italy. Therefore, the Company must select talented employees as well as retain potential employees so that they become an important engine of organizational development while handling the changes and business growth of the Company as well as preventing the business opportunity loss that may arise from the loss of talented employees.

Talent Attraction The Company focuses on operating sustainable business by adopting internal development to ensure the organization's remarkableness and modernity in order to attract employees both internally and externally. The operating strategy consists of 5 areas as follows:

	Careers	Comprehensive business segments will help attract diverse workforce of the Company.	Þ
125	Opportunity	The Company is regarded as a world-class organization with businesses in many countries, thus attracting employees from all corners of the world.	Þ
	Challenge	The operations amid the environment sensitive to changes will attract a new generation of employees and employees who enjoy challenges.	D
	Growth	The challenging tasks and modern trainings will help attract personnel who loves constant learning and self- improvement.	
	Environment	Broad environment and corporate culture will help attract a new generation of employees and different employees.	

The Company conducts a project to proactively recruit employees. In this year, the key project included the bilateral scholarship project.

Bilateral Scholarship Project

The Company collaborated with the colleges under the Office of Vocational Education Commission to conduct a bilateral scholarship project by developing a curriculum for high vocational certificate and bachelor levels in retail business management to recruit high-potential employees before their graduation. The students studying in the colleges in this project can apply for a scholarship in full amount throughout the project and get hands-on experience in the Company. The Company will be able to receive potential students with skills directly relating to the Company's business operations from this project to directly become its employees.



Corporate Governance

Financial Statements Enclosure

Operating Results in 2020

High Voc. Cert. St	tudents	Bachelor's Degree Students			
Number	637 students	Number	747 students		
Percentage of students recruited as employees	43 percent	Percentage of students recruited as employees	57 percent		
Scholarship amount disbursed to the students in 2020	6 million Baht	Scholarship amount disbursed to the students	7 million Baht		

Apart from the above-mentioned project, the Company still has a project to attract other employees such as the Management Trainee Program and the Smart Gen Internship Program.

The Company has also carried out the educational development for the community under the "**Central Tham**" project aiming at developing education at all levels, starting from the kindergarten by supporting the construction of prototype kindergarten building since it is the beginning of children to be prepared for the elementary level and pushing forward and promoting the school to become a learning center for other hard skills so that the children can pass on their knowledge to the family and community. To build upon all development levels, the Company collaborated with the Ministry of Education

Talent Retention

The Company is committed to becoming the outstanding employer who can respond to all employee needs, in terms of learning, value in work performance, job security, well-being, and good relationships between employees and the Company. In this regard, the Company upholds the I-Care culture as the principles of employee retention.

I-CARE Culture

Because we care	(Innovation)	(Customer)	(Alliance)	(Relationship)	(Ethics)
I-CARE	Create of new products	Focus on cuctomer, determined to provide excellent service	Work as a team for the progress of the business group	Common spirits with colleagues, business partners and society	Respect of ethics in business operations

The Company's operations in maintaining and retaining employees focus on enhancing good relationships and mutual growth of employees and the Company. The key projects include the Be Omni, Be Central Townhall project, the employee joint investment program (EJIP), and the employee and employee joint investment program.

to elevate Thailand's education through **the Partnership School project** by jointly improving the Curriculum for the Certificate of Vocational Education in logistics, hospitality, fashion and design, and civil construction to create quality workforce and respond to international labor markets. In 2020, there were 15 student trainees, 5 of whom became the Company's employees after graduation.



Financial Statements Enclosure

Be Omni, Be Central Townhall Project

It is a discussion activity between senior executives and employees to communicate the directions of Omnichannel platforms of the Company that is consistent with employee work performance, especially existing employees who have not yet got accustomed to online works and must take time for adaptation. The project shows the Company's concern over employees and helps enable employees to be aware of the changes or innovation within the Company. In the previous year, 4 activities under this project were undertaken with the topics on Omnichannel platforms whereby the employees can watch online and express opinions through questionnaires on operating results.



Results Be Omni. Be Central 13,620 employees nh Townhall **Online Store Channels** 7,158 employees 2 Townhall **Facebook Live Channel** 3 2,325 employees Townhall **Central Application** 1,508 employees Townhall

3.4.1.3 Occupational Health and Safety

The Company views that the occupational health and safety culture within the organization and the working environment improvement have ensured safety and convenience while performing jobs as well as encouraged employees to have good sanitation which will build happiness and work efficiency of employees as well as contractors. Moreover, the COVID-19 outbreak situation in 2020 is another challenge causing concerns over employees and contractors. Since the retail business needs contacts with a large number of customers, the Company has then recognized the importance of strategies to handle and prevent the virus outbreak in work premises to foster confidence among employees, suppliers, investors and all stakeholders as key drivers of the development of efficient and sustainable business operations.

The Company places importance on occupational health and safety as well as working environment of employees at all levels, ranging from executives, office employees, store employees, and contractors of the Company. The Company is committed to operating business without causing incidents of injuries or damages to employees and contractors. The Company is committed to reducing work accidents to zero accident by establishing a loss of prevention (LP) unit of each business segment to lay down a policy framework and oversee management in a thorough and equal manner to employees at all levels. In addition, in 2020, the Company established a safety and environment policy in accordance with the international standards ISO45001 with details as follows:



Promotion of Occupational Health and Work Safety

The Company recognizes the responsibility towards safety of employees and contractors while performing tasks inside and outside the premises as well as cares for occupational health and well-being of employees. The Company has then undertaken projects to promote occupational health and work safety such as the identification of hazards and risk assessment before work that may cause accidents, trainings to provide online learning on safety and on-the-job training, firefighting and evacuation drills and provision of health services.

The Company has organized activities to foster good relationships among employees and expressed health concerns over employees, for example, the health check-up project for employees which is regularly conducted on a yearly basis. The Company has also supported sports and exercise activities by promoting sports competition activities at each branch of the Company, thus offering employees an opportunity for exercise to enhance good health and increasingly recognize the importance of exercise. The Company has established a safety, occupational health and working environment with details as follows:

(1)	Safety, occupational health and	(2)	The Company supports the	(3)	Tł
	work environment of employees is regarded as Central Retail's duties		improvements of working environment to ensure safety and		pr he
	and responsibilities for maintaining		promote employee's health		su
	and protecting safety as the first priority				ar

- (5) The supervisor at all levels must act as a role model as well as control and supervise that employees attend safety trainings organized by the Company and comply with the policy severely.
- (6) All employees must be aware of their own safety, colleagues as well as property of the Company while performing tasks all the time.
-) The Company supports and promotes safety activities which will help raise employee awareness such as trainings on public relations and safety competition.
- (7) All employees must ensure cleanliness and orderliness in working areas.
- (4) The Company organizes corporate social responsibility activities in safety, occupational health and working environment.
- (8) Employees at all levels must cooperate in the safety and occupational health project and can express opinions in improving working environment and methods to ensure the highest safety.

Based on the statistical data of accidents and illnesses caused by CRC employee performance during 1 January - 31 December 2020, it was found that minor accidents accounted for less than 1 percent of the total number of employees and no work-related illness or fatal accident was found.

Financial Statements Enclosure

	Work-Related Illnesses	Minor Accident Statistics*	Fatal Accidents
Central Retail Headquarters	0	3	0
Central Department Store	0	27	0
Robinson Department Store	0	11	0
Supersports	0	13	0
Power Buy	0	4	0
Central Food Retail**	0	24	0
Central Marketing Group	0	6	0
Thai Watsadu and Baan & Beyon	d O	45	0
Total	0	133	0

Remarks: * Minor accidents such as falls in stairways, slips, and hitting the gate. **Figures of Central Food Retail are inclusive of FamilyMart. Apart from the above-mentioned projects, the Company has also developed projects to support employees and contractors' good occupational health in work premises and strong health such as the annual health check-up project, the vaccination of 4 types of influenza project, and the annual water checking project in work premises. The Company has also set up a fitness center and an infirmary for employees, promoted good sanitation in the canteen and toilets to keep them clean all the time as well as established measures and supported projects to take care of employees amid the COVID-19 outbreak situation.

COVID-19 Preventive Measures The Company established procedures or strategies to handle the COVID-19 outbreak situation by increasing preventive measures in work premises such as temperature measurement before entering into the premises, door cleaning every 30 minutes, installation of alcohol gels in operating areas as well as organized lectures on the COVID-19 outbreak for the employees to understand the virus symptoms, modes of transmission, and prevention, given by lecturers who were doctors from Phayathai I Hospital, Huachew Hospital, and Bangkok Occupational Medicine Company Limited, and offered employees an opportunity to inquire and share knowledge and opinions.

Moreover, the Company insured the COViD-19 for all employees including Thais and foreigner as well as organized trainings to provide knowledge on selfprevention methods from the COVID-19 outbreak situation as well as supported facilities for employees at all levels to take care of health and safety of employees.

Project Results in 2020

- 100 percent of employees received cloth masks.
- 100 percent of store employees received face shields and gloves for work operations.
- 80,000 employees were insured against the COVID-19.
- Air purifiers were installed in office buildings.
- Vitamin C was handed out to employees at all levels.
- Work from home arrangements for employees were made during March May.
- No COVID-19 infected employee or contractor in work premises.

3.4.1.4 Labor Practice and Human Rights

The Company recognizes the importance of equitable treatment of employees and respect for human rights and freedom of expression as well as avoids breaches of rights of all stakeholder groups since the Company's business consists of a variety of business segments and employment of labor at different levels which may create risks to unfair labor treatment as well as breaches of rights along the value chain of the Company, especially child labor, labor abuse, and human trafficking which may have significant impacts on business operations such as labor strikes, end of support from suppliers and investors, social rejection, and negative corporate image.

The Company is committed to ensuring transparent employment and equal employee treatment by strictly complying with the labor laws at the national and international levels. The Company is aware of its responsibility for developing working environment, managing compensation and delivering welfare to enhance the employees' well-being by having the policy and good labor practices covering the employees in the organization, contractors, and related stakeholders as follows:

Fair Labor Practices Policy

The Company recognizes the importance of human resource development and fair labor practices which are factors that will help increase business value and enhance competitiveness and sustainable growth of the Company in the future. The Company has established policy and practices as follows



employees reporting such matters

Management of Agreements on Employment Conditions

Workforce Diversity and Equality

The Company regards employee diversity as a good opportunity for developing business and encouraging employees and all related parties to respect diversity by focusing on equitable treatment without discrimination of age, gender, nationality, religion, skin color, language, race, and physical disabilities or limitations. The Company has outstanding performance in employment of disabled employees to have equal roles and duties as the general employees. Moreover, the Company places importance on gender equality since it is aware that work ability does not mainly depend on gender and offers equal opportunity for women and men for leader roles at all levels.

Respect for Human Rights

The Company has a policy to support and respect human rights by treating related parties including employees, surrounding community and society with respect for humanity based on equality and liberty without violations of basic rights and discrimination of race, nationality, religion, language, skin color, gender, age, education, physical conditions or social status. Moreover, the Company has promoted the monitoring of compliance with human rights regulations by allowing participation in expression of opinions and complaint channels for those damaged by violations of human rights caused by the Company's business operations and compensate as deemed appropriate. The Company places importance and respects human rights strictly and has a fair labor practices policy without discrimination of race, religion, gender, skin color, language, race, child labor abuse, and sexual harassment. The Company is aware that human resource is a crucial factor of business. The Company has improved working environment and conditions to ensure quality of life for employees and allowed them to show their potential as well as receive trainings for increased work skills, and enhanced employees' knowledge and understanding of human rights principles for correct practices. In the past years, the Company did not act in violation of human rights. The Company employed persons with disabilities representing 0.52 percent. Such employment is still below the criteria pursuant to the Empowerment of Persons with Disabilities B.E. 2550 (2007) and as amended (Issue 2) B.E. 2556 (2013) Section 33. The Company has then provided services for occupations, concessions, product or service distribution locations, and any other assistance to the persons with disabilities pursuant to Section 35.

Employment of Persons with Disabilities

The Company continues the "Central Tham" project to assist and develop professional skills for persons with disabilities in accordance with Section 35 of the Empowerment of Persons with Disabilities Act by generating diverse employment for the persons with disabilities such as the chicken egg raising project, the Phoenix Oyster Mushroom cultivation project, the relaxing massage project, the plastic basket weaving project as well as collaborating with the Redemptorist Foundation For People with Disabilities as in accordance with Section 33 of the Empowerment of Persons with disabilities by hiring persons with disabilities to be full-time employees of the Company in Call Center positions and in repair and maintenance divisions under Power Buy and Thai Watsadu. This employee group will be treated and offered welfare equally with the general employees. The Company has also supported suitable facilities for daily life of persons with disabilities in work premises.

Employment of Persons with Disabilities

Full-Time Employment and Support to Foster Social Coexistence for the Persons with Disabilities

Support



Persons with disabilities through employment to reduce social inequality

236

Full-time

employees

Persons disabilities





In 2020, the Company received **"People with Disability Employment Award"** from the Ministry Of Social Development And Human Security. The Company has supported occupations for the persons with disabilities to hold suitable positions for sustainable self-reliance according to the vision and brand purpose of the organization to be Central to Life that creates happiness and delivers smiles to all Thai people.



3.4.1.5 Healthy and Safe Product

The Company has selected safe vegetables for customers by determining standard value of agricultural products which the farmers or suppliers must deliver as well as consumer goods which must be produced by the manufacturing factories by using safe and eco-friendly materials.

Jing Jai Farmers' Market Project

The Company has developed a Jing Jai Farmers' Market project since 2018 to offer local farmers an opportunity to display safe vegetable and popular products of the community in the area of department store under the Company by supporting trainings on retail, product logistics management, and rules and regulations relating to quality standards and safety of products. The Company also established a center for measuring the quality of agricultural products at all branches to enhance customer confidence in safety. Moreover, the farmers joining the project will be able to meet and directly listen to the opinions of consumers to build upon and improve their own products. The products sold at Jing Jai Farmers' Market are toxic-free agricultural products and organic agricultural products from local communities which respond to the needs of customers who have health and environmental concerns.



จริ้งใจ



Performance Results

Enclosure

- Expanded the Jing Jai Farmers' Market Project as of the end of December 2020 to a total of 23 branches nationwide
- 15,866 farmers or 3,529 households joining the project
- Participating farmers' income increased 3 times
- Generated over 193 million Baht to farmers joining the project

3.4.2 Results of Social Operations

Activities for Social and Environmental Benefits

Economic Value Creation of Community and Development of Local Products

The Company recognizes the importance of strengthening the community's economy to enhance good relationships with the community and build upon being the supplier in searching for local quality products that meet customer needs which will help promote the Company's competitiveness as well as build good corporate image and confidence of all stakeholder groups. The Company is committed to creating economic value to elevate the quality of life of the community members and drive the country's overall economy and promote long-term sustainable business operations.

Strategy for Economic Value Creation of Community

The Company is aware of constraints on knowledge that is crucial for business operations and factors of production of the community in different areas. The strategy then highlights the development of competency of community members by educating, developing skills, supporting equipment and infrastructure, distribution channels and marketing, and adopting the United Nations' Sustainable Development Goals (UN SDGs) as part of operating procedures.

Community development will be subject to the needs of villagers in the areas. The Company then organized field trips to understand their needs and expectations of the community and all stakeholder groups, conducted an assessment of impacts that may affect the society and the environment, and used opinions of the community and stakeholders for the development of operating procedures.

The Company undergoes corporate social responsibility through the "Central Tham" project, a project engaged by employees at all levels under the concept of creating shared values (CSV) to enable growth of the community and the Company. In this year, the key projects with focus on economic value creation of community included Mae Tha Organic Living and Sustainable Tourism and Ruam Jai Pattana Melon Community Enterprise.

1. Mae Tha Organic Living and Sustainable Tourism Project The Company collaborated with Earth Net Foundation and other sectors to undertake a Mae Tha Organic Living and Sustainable Tourism project in Mae Tha Subdistrict, Mae On District, Chiang Mai Province, to promote the development of prototype project as a comprehensive learning center for organic agriculture and as ecotourism destinations according to the needs of community members. The Company funded the project for 3,319,650 Baht for the construction and improvement of sorted room, training building, and building for product packaging, and the installation of air conditioners which will help the project to be undertaken in a more standardized and systematic manner. Moreover, the project encouraged a new generation of people to love their hometown.





Total members in 2020





Performance Results

- 60 households of farmers joining the project
- The comprehensive learning center for organic agriculture commenced its operation in the last quarter of 2020, with 129 participants in the training
- Generated average income per community household of 150,000 Baht per year
- Generated income for the community at 5 million Baht in 2020
- The Company selected organic products to be distributed in 7 branches of Tops Supermarket in Chiang Mai, Chiang Rai, and Lam Pang provinces.

2. Ayutthaya Smile Melon

The Company foresees the potential of farmers of Ayutthaya Smile Melon in producing quality products that meet the market needs. The Company therefore supported factors of production for Ayutthaya Smile Melon located in Lat Bua Luang District, Phra Nakhon Si Ayutthaya Province. The Company funded 4,205,128 Baht for the project for constructing the packing house and promoting to be agricultural tourist destinations by constructing training rooms for in-house melon planting as a learning center. Moreover, the Company improved landscape, managed the environment, built a café to develop into tourist destinations, and helped marketing and distribution channels. The melons from Ayutthaya Smile Melon were sold at Tops Supermarket under the brand of "Smile Melon", which was an income distribution to the community and created satisfaction for customers preferring eating good quality products.

Financial Statements Enclosure

Ayuthaya Smile Melon

30

Total members in 2020



MB annual income in 2020

Performance Results

- 30 households of farmers joining membership
- Over 10,173 visitors, expected to grow 2 times in 2021
- Income from tourism and sale of melons amounted to over 11.5 million Baht

Local Product Development

The Company is committed to conserving and inheriting culture and local wisdom to the next generation as well as developing local products that can create sustainable occupations for the community.

Local Product Development Strategy

Local products of various localities have their own distinguishing features. However, the changes in social context have impeded local products to respond to the needs of consumers in current era and are about to be forgotten by the next generation. Therefore, a local product development strategy focuses on building upon culture and local wisdom in a wide variety of forms to increase value that are interesting and needed by the new generation in the current era such as the development of ecotourism destinations or cultural tourist destinations, the design and application of usage to become modern and respond to the consumers in the current era.

The Central Tham project is divided into prominent sub-projects and focuses on developing local products such as the Na Muen Sri Community Handicraft Textile Learning Center project.



Na Muen Sri Community Handicraft Textile Learning Center Project

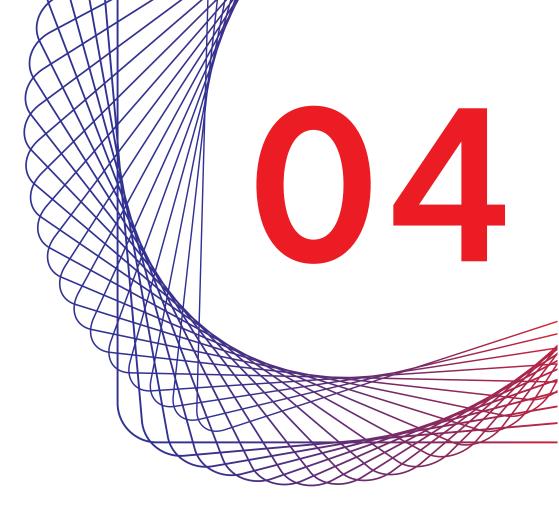
The Company undertook Na Muen Sri Community Handicraft Textile Learning Center in Na Yong District, Trang Province to build upon textile featured by ancient textile designs and unique colors and established a museum for textile learning center as well as developed bike lane to promote Na Muen Sri Community as a cultural tourist destination. Inside the museum features ancient textile with more than 100 years of age, displays stories and traditions regarding Na Muen Sri handicraft textile, profiles of passed away textile masters, Na Muen Sri handicraft textile under the concept of heritage design to modern Na Muen Sri handicraft textile" by leading designers to allow tourists to study the textile weaving process of community and purchase textile products of Na Muen Sri Community. Moreover, anyone interested in Na Muen Sri handicraft textile can buy products through other channels such as Na Muen Sri Handicraft Textile Facebook, Central Tham Market facebook. The project enabled the community to maintain its weaving occupation and pass on local wisdom to the next generation.



Performance Results

- Generated income of 9 million Baht for the community in 2020
- 10,800 visitors in 2020
- 159 households within the community joining the project

Note: More details can be found in the 2020 Sustainability Report.



Management Discussion and Analysis: MD&A

4.1 Operating performance and information for the year ended 31 December 2020

Overview of Operating Performance

The Coronavirus Disease 2019 (COVID-19) pandemic has brought an unprecedented challenge to the world's economy and Thailand's economy. All sectors are exposed to the public health crisis which has in turn caused an economic setback due to restrictions on economic activities according to the outbreak control measures, travel restrictions on domestic and international travelers, and lower consumer confidence. Although the government sector has established a wide range of relief measures to help mitigate the economic impacts, the economy has not yet recovered nor the consumer spending habits returned to normal.

2020 was a challenging year for the Company's operation. The COVID-19 pandemic inevitably affected the Company's business from the end of March to May. The Company strictly implemented the government sector's disease control measures. The operations of non-food stores in Thailand, Italy and Vietnam were temporary closed and resumed back to normal at the end of May. The Company has always emphasized and raised health and safety concerns for customers, employees, business partners, community, and society as a top priority. Since the early stage of COVID-19 pandemic, the Company has strictly implemented preventive measures for sanitation and health in all business premises and office of the Company to reduce transmission of the virus as well as provided support and assistance to its alliances and community in preventing the spread of the virus. The Company has also continued its intention to assist all communities, farmers, SMEs, and Thai people to enable the country to move forward strongly and survive the spread of COVID-19 together.

At present, the COVID-19 situation appears to be an ongoing pandemic in many countries. With the Company's diverse business platforms, including multi-category, multi-format and multi-market, the risks and impacts have then been reduced. Moreover, the Company has recently adjusted its management plan to ensure more flexibility and promptness by revising business models, increasing new sales channels and services as well as digital services to align with the New and Now Normal lifestyle, and controlling costs efficiently to reduce the impacts on profitability and maintain both short-term and long-term liquidity of the Company.

2020 Significant Developments of the Company

1) Omnichannel Acceleration

The Company has prepared and developed a Customer-Centric Omnichannel Platform for sales and services for many years. This has resulted in a leap of omnichannel sales volume during the past year in all business groups. For the year 2020, omnichannel sales volume contributed to 9.5% of total sales of the Company. During the COVID-19 pandemic, the Company has therefore established a strategy to increase sales channels while offering a complete omnichannel experience, and developed new sales trends and channels to provide convenience and offer new experiences to customers anywhere and anytime as follows:

- E-commerce websites of affiliated businesses for 24-hour easy shopping: In 2020, the Company launched omnichannel platforms in Italy via https://www.rinascente.it and via https://www.thaiwatsadu.com for construction materials and DIY groups.
- Mobile Application to meet all lifestyles through one application: In 2020, the Company launched a Central Mobile Application and improved Mobile Applications of Supersports and Tops.
- Social Commerce: In 2020, the Company debuted various types of new sales channels via social commerce including:
- o Chat & Shop: Easy shopping service like having a personal shopper via LINE Messenger Service
- o Call & Shop: Shopping service via telephone

 Facebook Live and Facebook Messenger: the live streaming of promotional products via Facebook Official Page and do easy shopping via Inbox during the live streaming

Furthermore, the Company has increased various pickup and delivery channels such as drive-thru or pickup of products at the nearest branch within one hour after making a purchase via E-commerce websites or mobile applications. The Company has also joined hands with partners such as Grab, for fast product delivery, or Dolfin, for promotion of E-payment instead of using cash to ensure customers' higher convenience and safety.

2) Transformation and Synergy Projects

The Company implemented the transformation and synergy strategy among business groups, resulting in last year's significant developments as follows:

- Fashion business The Company implemented the synergy between Central and Robinson Department stores by focusing on uplifting 73 department stores nationwide, increasing diversification of product brands, expanding business in all regions as well as enhancing service efficiency through professional teams and effective cost management. In 2020, the Company also rebranded 2 branches under Robinson Department Store to Central Department Store, namely Megabangna and Udonthani branches, to meet target customers. The Company plans to rebrand other 4-5 branches, expected to be completed by 2023.
- Food business The Company took over a 100% stake in FamilyMart last May. This allows the Company to fully manage FamilyMart, join force with Central Retail's food segment, and develop a new business model to respond to customers' New and Now Normal lifestyle, while also enhance business expansion opportunities via franchise model.

3) Continuous Branch Expansion and Renovation of Existing Branches

In 2020, the Company expanded strategic format branches, namely 1 branch of Robinson Lifestyle and 4 branches of Thai Watsadu in Thailand and opened 4 branches of GO! Mall in Vietnam. Moreover, the Company renovated 5 branches of Big C Hypermarket by rebranding Big C to GO!, department stores in Italy such as Flagship Milan and Florence branches, and other small-sized stores in Thailand.

In addition, the Company developed new store models in all business groups to meet the lifestyle of customers in Thailand such as Power Buy x B2S, Velo (Bike corner), Healthiful (healthy food and products), KIS (flagship beauty store), PETSTER (pet products), at TASTE, and in Vietnam such as go! (small-sized supermarket), KUBO (kids' playground), LookKool (lifestyle products).

4) Investment in Businesses with High Growth Potential

The Company made a tender offer for all COL Public Company Limited (COL) shares last September and bringing in the strengths of brands under COL such as OfficeMate, B2S and Meb to expand the coverage of CRC's retail portfolio as a leading Omnichannel retailing platform in hardline segment. The deal is expected to finish in 1Q2021.

Since 1 January 2020, the Company has applied Thai Financial Reporting Standards (TFRS), namely TFRS 9: Financial Instruments and TFRS 16: Leases, by adjusting entries according to the Notes to Financial Statements No.3.

Overview of the operating results for the year ended 31 December 2020.

For the year ended 31 December 2020, Central Retail Corporation Public Company Limited and its subsidiaries ("the Company" or "CRC") reported total revenue of THB 194,311 million, decreased by 12.8%, net profit was THB 341 million decreased by 97.2% from last year. The COVID-19 pandemic inevitably affected the Company's business. The government's measure enforced for temporary closure of department stores in fashion and hardline segments while food segment were impacted by limited operating hours in March till May. Despite government relief measure since mid-May, the situation was gradually improved until the 2nd wave of the pandemic in Thailand in December and Italy in November. In addition, the TFRS #9 Financial Instruments and TFRS #16 Leases has been adopted since 2020, impacting the Company's net profit to the decline by THB 1,298 million.

Financial Summary for the Year Ended 31 December 2020 and 31 December 2019

Revenue from soles from foshion segment 46,222 2.8.8 64,280 2.8.9 (8,088) -2.8.1 Revenue from soles from hordline segment 52,232 22.9 50,583 2.2.7 1.8.44 3.3 Revenue from soles from hordline segment 74,884 3.8.4 80,892 3.1 (13.82) -18.8 Revenue from rendal services 1.212 0.6 1.674 0.8 (462) -27.8 Investment Income - 0.0 3.2.83 1.5 (2.3.8) -10.0 Investment Income - 0.0 3.2.83 1.5 (2.3.8) -12.8 Other income - 0.0 3.2.83 1.6 (2.3.8) -12.8 Cost or lations on sine ¹⁰ .0.05 2.2.2 1.5.46 8.0 -2.8.9 Cost or lation sine sine ¹⁰ .0.05 2.2.2 5.0.83 2.00 (2.8.9) -2.8.9 Cost or lation sine sine ¹⁰ .0.05 2.2.9.5 1.0 2.8.9 .2.9.9 .2.9.9 .2.9.9 .2.9.9		Year end	Year ended		Year ended		Increase / (Decrease)	
Revenue from solies 173,138 89.1 195,355 977 (22,218) -1.14 Revenue from solies from fachtion segment 46,272 28.8 64/280 28.9 (18,058) -27.8 Revenue from solies from fachtion segment 52.22 26.9 50,683 22.7 16.49 3.3 Revenue from solies from fachtion segment 74,684 38.4 80.492 36.1 (5,603) -7.2 Revenue from mich services 1212 0.6 1674 0.8 (462) -27.8 Revenue from mich services 1212 0.6 1674 0.8 (462) -27.8 Invastment Incorne .00 3.283 1.5 (13.0) -35 Total revenue 194,311 100.0 222,77 100.0 (28,426) -28 Cot of selds of goods 133,033 685 142,672 64.1 (9,633) -68 Gross profit from sels ⁽¹⁾ .0105 2.22 52,683 27.0 (22,57) -23.9 Cot of selds of goods		31 Decembe	er 2020	31 December	2019			
Revenue from soles from foothion segment 46,222 23.8 64,280 28.9 (08,058) -28.1 Revenue from soles from foothion segment 52,232 29.9 50,583 22.7 18.44 3.3 Revenue from soles from foothion segment 74,884 3.4 80,492 3.6 16,800 22 Revenue from rendel services 1,212 0.6 1,674 0.8 (42,82) -276 Investment Income - 0.0 3,283 1.5 (2,32) -20.1 Investment Income - 0.0 3,283 1.5 (2,32) 28 Other Income - 0.0 3,283 1.6 (2,32) 28 Cost or lates of goods 130,03 6.8 14/2,572 6.41 (6,83) 18 Cost or lented and meding of services 1.915 1.0 2.184 1.0 (28,99 -23.9 Cost point from rent of and rendering of services 1.915 1.0 2.91 -24.3 Costas point from rent of rendering of services 1.6		THB millions	%	THB millions	%	THB millions	%	
Revenue from soles from hordline segment 52,22 26,9 50,83 2,2 1,1,49 3.3 Revenue from rendering of services 5,598 2,29 66,679 3.1 (1,32) -72 Revenue from rendering of services 1,212 0.6 1,674 0.8 (4,62) -726 Investment Income 3.0 2 0.6 1,674 0.8 (4,62) -726 Investment Income 3.0 2 0.2 0.3 1.5 (3,28) -100 Char income 14,062 72 15,194 6.8 (1,13) -75 Total revenue 14,060 222,737 00.0 (28,426) 6.8 (1,33) -75 Total revenue 133,033 6.85 142,672 6.41 (9,63) -6.23 Cost of instals of goods 133,033 6.85 7.19 6.469 7.48 (1,57) -2.23 Cost of instal of endering of services (2) 4.895 7.9 6.41 (1,57) -2.43	Revenue from sales	173,138	89.1	195,355	87.7	(22,218)	-11.4	
Revenue from soles from food segment74,88438.480,49236.1(5,80)7-22Revenue from rental services5.9982.96.0793.3(0.32)1-98Revenue from rental services1.2120.061.6740.8(462)2-26Investment Income3.020.22.510.015120.3Insuence compensation-0.03.2831.51(3.63)-7.52Total revenue194,311100.0222,737100.0(28,426)-1.28Cost of soles of goods133.036.85142,6726.41(9.63)-6.83Goss profit from soles ¹⁰ 1.9151.002.1841.00(2.69)-2.23Cost of soles of goods1.9151.002.1841.00(2.69)-2.23Cost of soles of goods1.9151.002.1841.00(2.69)-2.23Cost of soles of goods1.9151.002.1841.00(2.69)-2.23Cost of sole of goods1.9151.002.1841.00(2.69)-2.43Gross profit from rental and rendering of services ¹⁰ 4.4992.009.1832.00(1.41,44)-2.23Cost of rental and rendering of services ¹⁰ 2.9501.5541.005(5.38)-1.65Cost of rental and rendering of services ¹⁰ 2.9501.133.300-1.55Soling of profit cost services ¹⁰ 2.9501.133.300-1.55Cost of rental and renderin	Revenue from sales from fashion segment	46,222	23.8	64,280	28.9	(18,058)	-28.1	
Revenue from rendel excises 5,588 2.9 6,979 3.1 (1,32) 1-98 Revenue from rendeling of services 12 0.6 1.674 0.8 (462) -226 Invarance compensation - 0.0 3.283 15 (3.283) -1000 Other income 14,062 7.2 15,194 6.88 (1133) -75 Total revenue 194,311 1000 222,737 1000 (28,467) 6.41 (9,639) -6.88 Cast of ables of goods 133,33 85 142,677 6.41 (9,639) -6.88 Cast of ables of goods 139,33 85 142,677 6.41 (9,639) -6.83 Cast of ables of goods 1915 1.0 2,184 1.0 (28,93) -1.5 Scas profit from soles ¹⁰ 2,815 1.0 2,816 1.0 2,816 -2.36 Scas profit from soles ¹⁰ 5,915 2.90 5,915 2.90 -6.5 1.23 Scas profit from soles	Revenue from sales from hardline segment	52,232	26.9	50,583	22.7	1,649	3.3	
Revenue from rendering of services12120.61.6740.8.4622-276Investment Income3020.22.510.015120.3Invuence compensation40.0627215.1946.8(11.33)-75Total revenue19.4011000222.377100.0(28.426)-12.8Cort of sales of goods133.03368.5142.67264.1(9.639)-6.8Cort of sales of goods19.30368.5142.67264.1(9.639)-6.8Cort of sales of goods1.9151.002.2182.00(12.579)-2.33Cort of sales of goods1.9151.002.8141.00(28.426)-2.23Cort of sales of goods1.9151.002.8182.00(4.157)-2.43Cort of sales of goods4.9957.196.4697.48(1.575)-2.43Cort of sales of goods4.9957.196.4697.48(1.575)-2.43Cort of sales of goods4.9992.5059.1632.00(4.157)-2.43Seling greenes40.5142.0845.8522.06(5.338)-1.16Polit from operating activities2.2751.215.5497.00(3.232)-6.62Polit from spense (income)(6.84)-0.51.9856.7(5.386)-7.66Polit fort operating activities1.3031.4856.7(5.386)-7.65Polit fort operating activities1.94	Revenue from sales from food segment	74,684	38.4	80,492	36.1	(5,809)	-7.2	
Investment Income3020.22.510.1512.03Insurance compensation-0.03.2831.5(3.283)-1000Cher income14.0627.215.1946.8(1.03)-7.5Tod i revoue99.311000222.737100.0(28.426)-7.28Cost of solds of goods133.036.65142.6726.41(9.639)-6.86Gross profit from soles ⁽¹⁾ 0.0102.18410.0(2.629)-2.32Cost of send ind rendering of services1.9151.012.1841.01(2.69)-2.43Gross profit from rental and rendering of services4.8957.196.4697.48(1.575)-2.43Gross profit from services concept2.2751.215.5497.0(1.3,24)-8.54Find cosciates and joint ventures1.32-0.314.8556.7(1.5,39)-1.62Profit from spense (income)(5.43)-0.314.8556.7(1.5,39)-1.62Profit from spense (income)(5.43)-0.314.8556.7(1.5,39)-1.62Profit from spense (income)(5.43) <td< td=""><td>Revenue from rental services</td><td>5,598</td><td>2.9</td><td>6,979</td><td>3.1</td><td>(1,382)</td><td>-19.8</td></td<>	Revenue from rental services	5,598	2.9	6,979	3.1	(1,382)	-19.8	
Insuance compensation-0.03.2831.5(3.283)(-1000Other income14.0627.215.946.8(1.13)7.75Tool revoue19.4310000222.777000(2.62.68)(-2.6.83)Cast of soles of goods133.036.85142.6726.41(0.633)-6.88Cast of soles of goods1.002.22.770.00(2.6.42)-2.39Cast of soles of goods1.012.1841.00(2.69)-2.33Cast of tentol and rendering of services (**)4.8957.196.6697.88(1.575)-2.433Gross profit form rental and rendering of services (**)4.8992.505.51532.90(1.4154)-2.39Selling expenses4.6574.851.6644.851.664.990.66Administrative expenses2.5751.215.5497.034.851.16Administrative expenses1.320.133.92(1.575)-2.43Share of profit of associates and joint ventures1.320.131.161.161.16Profit (ss) before tax expense (income)(543)-0.31.4856.70(1.5.39)-155Profit for spense (income)(684)-0.52.4951.1(3.80)-155Profit for spense (income)(684)-0.62.10533.99-9.55Profit for spense (income)(684)-0.61.0334.8(0.575)-9.96Profit for the year1	Revenue from rendering of services	1,212	0.6	1,674	0.8	(462)	-27.6	
Other income 14,062 7.2 15,194 6.8 (1,133) 7.5 Total revenue 194,311 100.0 222,737 100.0 (28,426) -12.8 Cost of soles of gods Gads 44,2672 26,683 27.00 (28,426) -6.8 Cost of soles of gods Gads 44,2672 26,883 27.00 (2.57.9) -2.38 Cost of rental and rendering of services (*) 44,999 25.0 59,153 29.00 (41,54) -2.43 Gross profit from selve (*) 44,999 25.0 59,153 29.00 (41,54) -2.43 Gross profit from cental and rendering of services (*) 44,999 25.0 59,153 29.00 (41,54) -2.43 Gross profit from operating activities 40,015 43.05 45.855 20.00 (53,38) -1.00 Selling expenses 40,015 42.85 45.85 20.00 (32,74) -8.54 Administrative expenses 13.2 0.10 3.9 0.2 (25.9) -7.65	Investment Income	302	0.2	251	0.1	51	20.3	
Total revenue 194,311 100.0 222,737 100.0 (28,426) -12.8 Cost of sales of goods 133,033 68.5 142,672 64.1 (9,639) -6.8 Gross profit from sales ⁽ⁿ⁾ 2.32 52,683 2.70 (12,579) -2.39 Cost of rental ond rendering of services ⁽ⁿ⁾ 48.95 7.19 6,469 7.48 (1,575) -24.3 Gross profit from rental ond rendering of services ⁽ⁿ⁾ 48.99 25.0 59,153 29.0 (14,154) -23.9 Selling expenses 40,514 2.08 45,852 2.06 (5,338) -11.6 Administrative expenses 16,574 8.5 16,480 7.4 9.4 0.6 Profit from operating activities 2,275 1.2 15,549 7.0 (13,274) -85.4 Finance costs 2,950 -1.5 1,065 -0.5 (18,65) 17.8 Share of profit for sociates and joint ventures (54.3) -0.3 14,855 6.7 (15,398) -70.3	Insurance compensation	-	0.0	3,283	1.5	(3,283)	-100.0	
Cost of sales of goods 183,033 68.5 142,672 64.1 (9,639) -6.8 Gross profit from sales ⁽⁹⁾ 40,05 22.2 52,683 270 (12,579) -2.39 Cost of rental and rendering of services ⁽⁹⁾ 1,915 1.0 2,184 1.0 (269) -1.23 Gross profit from rental and rendering of services ⁽⁹⁾ 44,999 25.0 59,153 29.0 (14,154) -23.9 Selling expenses 40,514 20.8 45,852 20.6 (5,338) -11.6 Administrative expenses 16,574 8.8 46,869 7.4 9.0 0.8 Pofit from operating activities 2,950 -1.5 1,085 -0.5 (18,66) 17.8 Share of profit of associates and joint ventures 132 0.1 391 0.2 (25.9) -66.2 Profit (coss) before tax expense (income) (684) -0.5 2.495 11.1 (3,380) -16.54 Profit (coss) before tax expense (income) (884) -0.5 2.495 10.1 (3,380) -16.52 Profit (coss) before tax expense (income) (8	Other income	14,062	7.2	15,194	6.8	(1,133)	-7.5	
Gross profit from soles (*) 40,05 23.2 52,683 27.0 (12,579) -23.9 Cost of rental and rendering of services 1,915 1.0 2,184 1.0 (269) -12.3 Gross profit from rental and rendering of services 4,895 71,9 6,469 74.8 (1,575) -24.3 Gross profit 44,999 25.0 59,153 29.0 (1,575) -24.3 Gross profit from operating activities 44,999 25.0 59,153 29.0 (1,575) -24.3 Administrative expenses 16,574 8.5 16,480 7.4 9.4 0.6 Profit from operating activities 2,275 1.2 15,549 7.0 (13,274) -85.4 Finance costs 2,950 -1.5 1,085 -0.5 (18,65) 171.8 Share of profit of associates and joint ventures 132 0.1 3.93 0.2 (259) -65.5 Profit (tost) before tax expense (income) (684) -0.5 2.495 1.1 (3,380) -193.5 Profit for the year 341 0.2 12,359 <	Total revenue	194,311	100.0	222,737	100.0	(28,426)	-12.8	
Cost of rentol and rendering of services (*) 1,915 1,0 2,184 1,0 (269) -12.3 Gross profit from rental and rendering of services (*) 4,895 71.9 6,649 74.8 (1,575) -24.3 Gross profit 44,999 25.0 59,153 29.0 (1,41,4) -23.9 Selling expenses 40,514 20.8 45,852 20.6 (5,338) -11.6 Administrative expenses 16,574 8.5 16,480 7.4 9.0 (13,274) -85.4 Find no portating activities 2,275 1.2 15,59 0.0 (15,398) -118 Share of profit of associates and joint ventures 132 0.1 3.91 0.2 (259) -66.2 Profit (loss) before tax expense (income) (1634) -0.3 14,855 6.7 (15,398) -103.7 Tax expense (income) (1643) -0.3 14,855 6.7 (12,018) -132.7 Profit (loss) before tax expense (income) (1643) -0.2 12,359 1.0 (13,380) -135.7 Profit (loss) before tax expense (income)	Cost of sales of goods	133,033	68.5	142,672	64.1	(9,639)	-6.8	
Gross profit from rental and endering of services ⁽²⁾ 4,895 71.9 6,669 74.8 (1,575) -24.3 Gross profit 44,999 25.0 59,153 29.0 (14,154) -23.9 Selling expenses 40,514 20.8 45,852 20.6 (5,338) -11.6 Administrative expenses 16,574 8.5 16,480 7.4 9.4 0.6 Profit from operating activities 2,275 1.2 15,549 7.0 (13,274) 85.6 Finance costs 2,950 -1.5 1,085 -0.5 (1,865) 171.8 Share of profit of associates and joint ventures 132 0.1 391 0.2 (259) -66.2 Profit (loss) before tax expense (income) (543) -0.3 14,855 6.7 (15,398) -103.7 Tax expense (income) (684) -0.5 2,495 1.1 (3,360) -135.4 Profit (loss) attributable to owners of the parent 46 0.0 10,633 4.8 (0,57) -996 <td>Gross profit from sales ⁽¹⁾</td> <td>40,105</td> <td>23.2</td> <td>52,683</td> <td>27.0</td> <td>(12,579)</td> <td>-23.9</td>	Gross profit from sales ⁽¹⁾	40,105	23.2	52,683	27.0	(12,579)	-23.9	
Gross profit 44,999 25.0 59,153 29.0 (14,154) -23.9 Selling expenses 40,514 20.8 45,852 20.6 (5,338) -11.6 Administrative expenses 16,574 8.5 16,480 74 94 0.6 Profit from operating activities 2,275 1.2 15,549 7.0 (13,274) -85.4 Finance costs 2,950 -1.5 1,085 -0.5 (1,865) 17.8 Share of profit of associates and joint ventures 132 0.1 391 0.2 (15,388) -103.7 Tax expense (income) (684) -0.5 2,495 11 (3,380) -135.4 Profit (loss) attributable to owners of the porent 46 0.0 10,633 4.8 (10,587) -99.6 Operating information 18 5.5 22,455 10.1 (1,380) -52.5 Normalized EBITDA excel TFRS#9,16 10,675 5.5 22,455 10.1 (1,832) -52.5 Normalized Profit (Cost of rental and rendering of services	1,915	1.0	2,184	1.0	(269)	-12.3	
Selling expenses 40,514 20.8 45,852 20.6 (5,338) -11.6 Administrative expenses 16,574 8.5 16,480 7.4 9.4 0.6 Profit from operating activities 2,275 1.2 15,549 7.0 (13,274) -85.4 Finance costs 2,950 -1.5 1,085 -0.5 (18,65) 17.8 Share of profit of associates and joint ventures 132 0.0 3.91 0.2 (259) -61.5 Profit (coss) before tax expense (income) (184) -0.2 12,359 13.2 0.137 Tax expense (income) (184) -0.2 12,359 5.5 (15,988) -103.7 Profit for the year 341 0.2 12,359 5.5 (12,018) -99.6 Operating information 46 0.0 10,633 4.8 (10,587) -99.6 Normalized EBITDA excel TFRS#9,16 10,675 5.5 22,455 10.1 (11,780) -52.5 Normalized Profit (loss) excel TFRS#9,16 <td>Gross profit from rental and rendering of services (2)</td> <td>4,895</td> <td>71.9</td> <td>6,469</td> <td>74.8</td> <td>(1,575)</td> <td>-24.3</td>	Gross profit from rental and rendering of services (2)	4,895	71.9	6,469	74.8	(1,575)	-24.3	
Administrative expenses16,5748.516,4807.49.40.6Profit from operating activities2,2751.215,5497.0(13,274)-85.4Finance costs2,950-1.51,085-0.5(1,865)171.8Share of profit of associates and joint ventures1320.13910.2(259)-66.2Profit (loss) before tax expense (income)(543)-0.314,8556.7(15,398)-103.7Tax expense (income)(884)-0.52,4951.1(3,380)-135.4Profit for the year3410.212,3595.5(12,018)-97.2Profit (loss) attributable to owners of the parent460.00.634.8(10,57)-99.6Operating information8,9659.825,81411.6(6,849)-62.5Normalized EJIDA excel TFRS#9,1610,6755.522,45510.1(11,780)-52.4Normalized Profit (loss) excel TFRS#9,166.840.49.01640.0(8,322)-92.4Financial position239,180183,465145,98655,67430.3Total labilities183,465145,98654,94537,47925.7	Gross profit	44,999	25.0	59,153	29.0	(14,154)	-23.9	
Profit from operating activities 2,275 1.2 15,549 7.0 (13,274) -85.4 Finance costs 2,950 -1.5 1,085 -0.5 (1,865) 17.8 Share of profit of associates and joint ventures 132 0.1 391 0.2 (259) -66.2 Profit (loss) before tax expense (income) (543) -0.3 14,855 6.7 (15,398) -103.7 Tax expense (income) (884) -0.5 2,495 1.1 (3,380) -135.4 Profit for the year 341 0.2 12,359 5.5 (12,018) -97.2 Profit for the year 341 0.2 12,359 5.5 (12,018) -97.2 Profit for the year 341 0.2 12,359 5.5 (12,018) -97.2 Profit for the year 341 0.2 12,359 5.5 (12,018) -97.2 Profit for the year 341 0.2 12,355 10.1 (10,587) -99.6 Operating information 8	Selling expenses	40,514	20.8	45,852	20.6	(5,338)	-11.6	
Finance costs2,950-1.51,085-0.5(1,865)171.8Share of profit of associates and joint ventures1320.13910.2(259)-66.2Profit (loss) before tax expense (income)(543)-0.314,85567(15,398)-103.7Tax expense (income)(884)-0.52,4951.1(3,380)-135.4Profit for the year3410.212,3595.5(12,018)-97.2Profit (loss) attributable to owners of the parent460.010,6334.8(10,587)-99.6Operating information18,9659.825,81411.6(6,849)-26.5Normalized EBITDA excel TFRS#9,1610,6755.522,45510.1(11,780)-52.5Normalized Profit (loss) excel TFRS#9,166840.49,0164.0(8,332)-92.4Financial position103,54555,67430.330.331.45145,98637.47925.7	Administrative expenses	16,574	8.5	16,480	7.4	94	0.6	
Share of profit of associates and joint ventures 132 0.1 391 0.2 (259) -662 Profit (loss) before tax expense (income) (543) -0.3 14,855 6.7 (15,398) -103.7 Tax expense (income) (884) -0.5 2,495 1.1 (3,380) -135.4 Profit for the year 341 0.2 12,359 5.5 (12,018) -97.2 Profit (loss) attributable to owners of the parent 46 0.0 10,633 4.8 (10,587) -99.6 Operating information 18,965 9.8 25,814 11.6 (6,849) -26.5 Normalized EBITDA excel TFRS#9,16 10,675 5.5 22,455 10.1 (11,780) -52.5 Normalized Profit (loss) excel TFRS#9,16 684 0.4 9,016 4.0 (8,332) -92.4 Fiancial position 183,465 183,505 55,674 30.3 30.3 37,479 25.7	Profit from operating activities	2,275	1.2	15,549	7.0	(13,274)	-85.4	
Profit (loss) before tax expense (income)(15,398)-103.7Tax expense (income)(884)-0.52,4951.1(3,380)-135.4Profit for the year3410.212,3595.5(12,018)-97.2Profit (loss) attributable to owners of the parent460.010,6334.8(10,587)-99.6Operating information525,81411.6(6,849)-26.5Normalized EBITDA excel TFRS#9,1610,6755.522,45510.1(11,780)-52.5Normalized Profit (loss) excel TFRS#9,166840.49,0164.0(8,332)-92.4Financial position239,180183,50555,67430.330.3Total assets239,180183,50555,67430.3Total liabilities183,465145,98637,47925.7	Finance costs	2,950	-1.5	1,085	-0.5	(1,865)	171.8	
Tax expense (income) (884) -0.5 2,495 1.1 (3,380) -135.4 Profit for the year 341 0.2 12,359 5.5 (12,018) -97.2 Profit (loss) attributable to owners of the parent 0.46 0.0 10,633 4.8 (10,577) -99.6 Operating information U U U 1.1 (3,380) -135.4 EBITDA 0.2 12,359 5.5 (12,018) -97.2 Normalized EBITDA excel TFRS#9,16 18,965 9.8 25,814 11.6 (6,849) -26.5 Normalized Profit (loss) excel TFRS#9,16 10,675 5.5 22,455 10.1 (11,780) -52.5 Normalized Profit (loss) excel TFRS#9,16 684 0.4 9,016 4.0 (8,332) -92.4 Financial position 239,180 183,505 55,674 30.3 30.3 30.3 30.3 30.45 31.45,986 37,479 25.7	Share of profit of associates and joint ventures	132	0.1	391	0.2	(259)	-66.2	
Profit for the year3410.212,3595.5(12,018)-97.2Profit (loss) attributable to owners of the parent460.010,6334.8(10,587)-99.6Operating informationEBITDA18,9659.825,81411.6(6,849)-26.5Normalized EBITDA excel TFRS#9,1610,6755.522,45510.1(11,780)-52.5Normalized Profit (loss) excel TFRS#9,166840.49,0164.0(8,332)-92.4Financial position183,605183,50555,67430.3Total assets239,180183,60555,67430.3Total liabilities183,465145,98637,47925.7	Profit (loss) before tax expense (income)	(543)	-0.3	14,855	6.7	(15,398)	-103.7	
Profit (loss) attributable to owners of the parent460.010,6334.8(10,587)-99.6Operating informationEBITDANormalized EBITDA excel TFRS#9,1618,9659.825,81411.6(6,849)-26.5Normalized Profit (loss) excel TFRS#9,1610,6755.522,45510.1(11,780)-52.5Normalized Profit (loss) excel TFRS#9,166840.49,0164.0(8,332)-92.4Financial position103,054183,50555,67430.3Total assets239,180183,465145,98637,47925.7	Tax expense (income)	(884)	-0.5	2,495	1.1	(3,380)	-135.4	
Operating information EBITDA 18,965 9.8 25,814 11.6 (6,849) -26.5 Normalized EBITDA excel TFRS#9,16 10,675 5.5 22,455 10.1 (11,780) -52.5 Normalized Profit (loss) excel TFRS#9,16 684 0.4 9,016 4.0 (8,332) -92.4 Financial position Total assets 239,180 183,505 55,674 30.3 Total liabilities 183,465 145,986 37,479 25.7	Profit for the year	341	0.2	12,359	5.5	(12,018)	-97.2	
EBITDA18,9659.825,81411.6(6,849)-26.5Normalized EBITDA excel TFRS#9,1610,6755.522,45510.1(11,780)-52.5Normalized Profit (loss) excel TFRS#9,166840.49,0164.0(8,332)-92.4Financial positionTotal assets239,180183,50555,67430.3Total liabilities183,465145,98637,47925.7	Profit (loss) attributable to owners of the parent	46	0.0	10,633	4.8	(10,587)	-99.6	
Normalized EBITDA excel TFRS#9,1610,6755.522,45510.1(11,780)-52.5Normalized Profit (loss) excel TFRS#9,166840.49,0164.0(8,332)-92.4Financial positionTotal assets239,180183,50555,67430.3Total liabilities183,465145,98637,47925.7	Operating information							
Normalized Profit (loss) excel TFRS#9,16 684 0.4 9,016 4.0 (8,332) -92.4 Financial position 57.674 30.3	EBITDA	18,965	9.8	25,814	11.6	(6,849)	-26.5	
Financial position 239,180 183,505 55,674 30.3 Total labilities 183,465 145,986 37,479 25.7	Normalized EBITDA excel TFRS#9,16	10,675	5.5	22,455	10.1	(11,780)	-52.5	
Total assets 239,180 183,505 55,674 30.3 Total liabilities 183,465 145,986 37,479 25.7	Normalized Profit (loss) excel TFRS#9,16	684	0.4	9,016	4.0	(8,332)	-92.4	
Total liabilities 183,465 145,986 37,479 25.7	Financial position							
	Total assets	239,180		183,505		55,674	30.3	
Total equity 55,715 37,519 18,196 48.5	Total liabilities	183,465		145,986		37,479	25.7	
	Total equity	55,715		37,519		18,196	48.5	

⁽¹⁾ Percentage margin is calculated by dividing gross profit from sales by revenue from sales.

(2) Percentage margin is calculated by dividing gross profit from rental and rendering of services by revenue from rental and rendering of services.

The analysis of operating results for year ended 31 December 2020 and 31 December 2019

- 1. Revenue from sales of goods was THB 173,138 million, decreased by 11.4% from last year. Revenue from sales can be categorized as follows:
- 1.1 Revenue from sales from fashion segment was THB 46,222 THB million, decreased by 28.1% from last year which due to the ongoing COVID-19 pandemic. The Company strictly implemented the government sector's disease control measures and concerned on safety of all stakeholders, so the Company temporarily closed non-food stores in Thailand and Italy since March and re-opened in mid-May under condition of operating service hour, social distancing, and state quarantine. Although, the sales were gradually improved in June, still not recovered to normal situation. The situation has improved until the 2nd wave of the pandemic during the New Year celebration. The government's control measures temporarily closed department stores in Italy, while, in Thailand, the government limited operating hours and carried out an entry restriction in the risky area.

Although the Company has already planned for new sales channels, the strategy has to be accelerated due to COVID-19 by expanding channel through Chat & Shop, Call & Shop, E-commerce, and adopting the pro-active marketing via online channel. Hence, Omnichannel sales increased almost 263% compared to last year.

- 1.2 Revenue from sales from hardline segment was THB 52,232 million, increased by 3.3% from last year (excluding Nguyen Kim decreased by 3.4%), which mainly due to the consolidation of Nguyen Kim business in Vietnam since Jun 2020, 4 new stores of Thai Watsadu at Pakchong, Petchaburi, Chonburi and Nakhonsrithammarat. The growth in sales was a result from customers' growing demand for home decoration and improvement during COVID-19 lockdown and rising trend of work from home, as well as the government's supporting campaign "Shop Dee Mee Kuen" that helped to boost sales of durable goods, mobile phone and major appliances.
- 1.3 Revenue from sales from food segment was THB 74,684 million, decreased by 7.2% from last year, mainly resulted from food segment in Thailand due to the government's measure which restricted opening hours during COVID-19 pandemic. Despite the relief of the lockdown, the customers still spent less and cautiously. Moreover, during the 2nd wave of the pandemic, the government's measure was enforced in some risky area and affected the customers' spending as well. Hence, the underperformed convenient stores have been closed either temporarily or permanently. However, Food hypermarket and supermarket in Vietnam has reported the sales growth of both existing stores and total company growth, thanks to new stores at Tra Vinh, Quang Ngai, Boun Me Thuot, Tam Ky (go!) and Ben Tre.
- 2. Revenue from rental services was THB 5,598 million, decreased by 19.8% from last year, which was due to the closure of department stores, retails and plazas from COVID-19 and postpone of event activities in Robinson lifestyle center. Despite the relief of the government's measure in May, tenants' business did not resume to normal and was impacted by the 2nd wave of COVID-19. the Company still provided discount to support some tenants case by case as well as the discount of land and building tax to support the tenants.

ance Corporate Governance

- 3. Revenue from rendering of services was THB 1,212 million, decreased by 27.6% from last year, which was primarily due to the closure of department stores, retails and plazas from COVID-19.
- 4. Gross profit was THB 44,999 million, decreased by 23.9% from last year. Main components of the gross profit were as follows:
 - 4.1 Gross profit from sales was THB 40,105 million, decreased by 23.9% and gross profit margin was 23.2%, compared to 27.0% from last year which resulted by the declining of fashion segment's gross profit margin from discount given to customers to boost the sales and cleared obsolete stock. The increase mix of hardline and food segment which had lower margin than fashion together with the increase in online sales which also have lower margin.
 - 4.2 Gross profit from rental service and rendering of service was THB 4,895 million, decreased by 24.3% and gross profit margin was 71.9% compared to 74.8% from last year, which was driven by temporary closure of department stores, retails and plazas, low traffic and discount given to tenants due to COVID-19.
- 5. Selling expenses was THB 40,514 million, decreased by 11.6% (excluding Nguyen Kim decreased by 12.5%) from last year. The decrease was primarily due to expenses related to sales such as employee benefit, rental and service expenses, utility expenses, advertising and promotion expenses, credit card expenses and the COVID-19 subsidy from Thai and Italian government. In addition, with the adoption of TFRS #16, partial rental expenses were recorded in finance costs.

- 6. Administrative expenses was THB 16,574 million, increased by 0.6% from the same period of last year (excluding Nguyen Kim decreased by 3.1%). The increase was primarily due to loss from shrinkage and obsolescence attributed from Nguyen Kim to comply with CRC policy, the increase of IT expenses for Omnichannel, the expense for closure of CMG Malaysia, repair and maintenance cost for road in Rome for public benefit, offset with the decrease in land and building tax, employee benefit, and management fee.
- 7. Finance costs was THB 2,950 million, increased by 171.8% from last year. The increase was primarily due to the TFRS #16 impact by recording rental expenses to depreciation and finance cost and the increase of short-term loan from financial institution to reserve cash.
- 8. Share of profit of associates and joint ventures was THB 132 million, decreased by 66.2% from last year. The decrease was primarily due to profit fall from associates of Central Marketing Group and Central Watson, also the change of Nguyen Kim from associate to subsidiary company in June 2019.
- 9. Tax expense (income) was THB (884) million, decreased THB 3,380 million. The effective tax rate was 162.8% compared to 16.8% from last year due to net loss for the year and realized tax loss from investment in China (company closed) of THB 2,290 million and income not subject to tax (gain from foreign exchange) of THB 795 million.

e Corporate Governance

ce Financial Statements

Financial Position

- 1. Total assets as of December 31, 2020 and December 31, 2019 were THB 239,180 million and THB 183,505 million, respectively, which was an increase of THB 55,674 million or 30.3% YoY, The increase was primarily due to the impact of TFRS #16 Lease, which right-of-use assets increased of THB 67,029 million was offset with the decrease in leasehold rights of THB 21,042 million, cash and cash equivalent increased by THB 5,839 million, investment properties rose by THB 2,941 million, finance lease receivables increased by THB 2,177 million while inventories decreased by THB 3,140 million.
- 2. Total liabilities as of December 31, 2020 and December 31, 2019 were THB 183,465 million and THB 145,986 million, respectively, which was an increase of THB 37,479 million or 25.7% YoY, due to TFRS #16 impact which lead to an increase in lease liabilities of THB 57,809 million, Other current payables decreased by THB 13,463 million (2019: dividend payable amounting of THB 12,187 million paid in 2020), trade payables decreased by THB 5,531 million, bank overdrafts and short-term borrowings from financial institution decreased by THB 19,478 million while long-term borrowings increased by THB 22,431 million.
- **3.** Total equity as of 31 December 2020 and 31 December 2019 were THB 55,715 million and THB 37,519 million, respectively, which was an increase of THB 18,196 million or 48.5% YoY, The increase was primarily due to IPO, an increase of share capital THB 1,331 million, share premium THB 53,790 million, offset by the difference in value arising from acquiring of Robison PCL of THB 23,265 million, non-controlling interests decreased by THB 10,388 million and unappropriated retained earnings decreased by THB 2,404 million.

Capital Structure

As of 31 December 2020, the Company's capital structure comprised of total liabilities of THB 183,465 million, which included interest-bearing debt of THB 63,880 million (excluding lease liabilities, impacted by TFRS #16), and total shareholders' equity totaled THB 55,715 million. Net interest-bearing debt to equity ratio was at 0.9 times.

The Company emphasizes on the importance of effective management of its capital structure management to be resilient toward uncertainty economic condition and volatile capital markets as well as maintain its financing cost at an optimum level for its business going forward.

Statement of Cash Flows, liquidity, and capital resources

Our operations have been funded through a combination of cashflows from operating activities and cash flow from financing activities. Our primary uses of funds have been working capital requirements, primarily the purchase of merchandise, capital expenditure. The Company re-evaluate capital requirements regularly in light of our cashflow from operations and depending on market conditions, we may have to obtain additional debt or equity financing.

Statement of Cash Flows

Enclosure

For the year ended 31 December 2020, the Company reported the cash flows as follows:

- 1) Cash flows from (used in) operating activities of THB 11,961 million, decreased by THB 6,425 million or 34.9% from last year, mainly due to the decrease in profit before depreciation, financial cost, and tax (EBITDA).
- 2) Cash flows from (used in) investing activities of THB (8,779) million, decreased by THB 4,809 million or 35.4% from last year, mainly due to the decrease of acquisition of subsidiaries of THB 2,572 million, the decline of acquisition of property, plant and equipment, leasehold rights, other intangible assets of THB 2,931 million and the dividend received which decreased by THB 208 million.
- 3) Cash flows from (used in) financing activities THB 2,905 million, increased by THB 9,385 million or 144.8% from last year, mainly due to the increase of proceed of initial public offering of THB 22,457 million, the increase of proceed from long-term borrowing from financial institution (net) of THB 25,319 million, the decrease of dividend paid of THB 11,011 million, offset with the increase of repayment of short-term borrowings from financial institution (net) of THB 40,863 million and an increase in payment of lease liabilities of THB 8,046 million

Key Financial ratio

Profitability ratio

Gross profit margin was 25.0% and 29.0% for the years ended 31 December 2020 and 2019 respectively, primarily due to COVID-19 pandemic that lead to temporarily closed department store and others non-food stores as a result of fashion sales declined while the increase of contribution from food and hardline segment, which had lower gross margins than fashion segment, full year consolidated of Nguyen Kim, discount given to boost the sales, clear obsolescence as well as discount given to tenants.

CENTRALRETAIL ONE REPORT 2020

Operating margin was 1.3% and 7.6% for the years ended 31 December 2020 and 2019 respectively, primarily due to the decline of gross profit margin, an increase of shrinkage and obsolesces, IT expense for support the growth of omnichannel and impairment loss from closure of CMG Malaysia (Non- recurring item).

Net profit margin was 0.2% and 5.5% for the years ended 31 December 2020 and 2019 respectively, primarily due to the decline of gross profit margin, an increase of administration expenses in related to sales, financial cost due to adoption of TFRS#16 lease and TFRS#9, financial instrument. In addition, the Company recorded insurance claim in 2019 with amount of THB 3,283 million (Non-recurring items)

Return on equity (ROE) was 0.7% and 23.6% for the years ended 31 December 2020 and 2019 respectively, primarily due to decline of net profit.

Efficiency ratio

Return on assets (ROA) was 0.2% and 6.8% while return on fixed assets was 16.1% and 28.5% for the year ended 31 December 2020 and 2019 respectively, primarily due to the decline of net profit and increase of total assets due to adoption of TFRS#16 Lease (Right of use).

Current Ratio

Current Ratio was 0.8x and 0.6x and quick ratio was 0.4x and 0.2x for the year ended 31 December 2020 and 2019 respectively, primarily due to a decrease of current assets in 2020 from decrease of bank overdrafts and short-term borrowings from financial institution and trade payable.

Cash cycle was 22 days and 11 days for the year ended 31 December 2020 and 2019 respectively, primarily due to an increase of inventory days.

Financial Policy ratio

Net interest-bearing debt⁽¹⁾/**Equity** was 0.9x and 1.4x for the year ended December 2020 and 2019 respectively, primarily due to the increase of equity from the Public Initial offering.

⁽¹⁾ Net interest-bearing debts are excluding financial lease from TFRS 16 and deduct with cash and cash equivalents

4.2 Potential factors that may materially affect the financial condition or the operating results

Enclosure

The Company prepares its 2021 business plan based on the premise in which COVID-19 continues to affect business operations. Hence, the Company continuously monitors the financial performance on a quarterly basis and is ready to calibrate its business plan according to the changing economy and customer behavior together with cost-efficiency management. In addition, the advancement in vaccine availability and economic stimulus packages to alleviate the impact, consumption and tourism should also recovery at a solid pace, which in turn should be beneficial to the Company's business performance.

More details can be found in the topic "1.2 Nature of Business - Long term business plan".

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 auditor's report
2018, 2019 and 2020	Miss 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 and separate statements of financial position as at 31 December 2020, 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. The auditor audited consolidated and separate statements of 31 December 2018, 2019 and 2020 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 2018, 2019, and 2020, the results of consolidated and separate 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 2018, 2019, and 2020, 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 2018, 2019 and 2020

Statement of Financial Position

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

Assets

		Year Ended 31 December				
	2018		2019		2020	
	THB Million	%	THB Million	%	THB Million	%
Current assets						
Cash and cash equivalents	11,065	6.2	10,073	5.5	15,912	6.7
Other current financial assets	1,736	1.0	1,603	0.9	1,830	0.8
Trade receivables	4,546	2.6	4,383	2.4	4,570	1.9
Other current receivables	10,145	5.7	11,739	6.4	10,129	4.2
Short-term loans	104	0.1	40	0.0	44	0.0
Inventories	32,249	18.2	37,436	20.4	34,296	14.3
Other current assets	341	0.2	511	0.3	396	0.2
Total current assets	60,187	33.9	65,785	35.8	67,177	28.1

	Year Ended 31 December					
	2018		2019		2020	
	THB Million	%	THB Million	%	THB Million	%
Non-current assets						
Investments in associates and joint ventures	5,415	3.0	981	0.5	1,031	0.4
Other non-current financial assets	211	0.1	209	0.1	1,603	0.7
Long-term loans	363	0.2	-	-	-	-
Finance lease receivables	-	-	-	-	2,177	0.9
Investment properties	11,131	6.3	10,866	5.9	13,807	5.8
Property, plant and equipment	39,141	22.1	41,862	22.8	41,654	17.4
Right-of-use assets	-	-	-	-	67,029	28.0
Goodwill	27,037	15.2	27,500	15.0	27,948	11.7
Leasehold rights	20,758	11.7	21,042	11.5	-	-
Intangible assets other than goodwill	4,928	2.8	6,526	3.6	6,842	2.9
Deferred tax assets	1,472	0.8	1,604	0.9	3,382	1.4
Other non-current assets	6,714	3.8	7,129	3.9	6,530	2.7
Total non-current assets	117,170	66.1	117,721	64.2	172,003	71.9
Total assets	177,357	100.0	183,505	100.0	239,180	100.0

Total Liabilities and Equity

	Year Ended 31 December					
	2018		2019		2020	
	THB Million	%	THB Million	%	THB Million	%
Current liabilities						
Bank overdrafts and short-term loans from financial institutions	29,100	16.4	51,104	27.8	31,625	13.2
Trade payables	36,137	20.4	37,101	20.2	31,569	13.2
Other current payables	15,474	8.7	29,947	16.3	16,483	6.9
Derivative liabilities	-	-	-	-	12	0.0
Current portion of long-term borrowings (1)	5,190	2.9	428	0.2	2,763	1.2
Current portion of lease liabilities (2019: Current portion of finance lease liabilities)	34	0.0	31	0.0	6,471	2.7
Current income tax payable	1,305	0.7	902	0.5	125	0.1
Total current liabilities (1)	87,241	49.2	119,513	65.1	89,049	37.2
Non-current liabilities						
Long-term borrowings ⁽¹⁾	7,827	4.4	9,395	5.1	29,492	12.3
Lease liabilities (2019: Finance lease liabilities)	58	0.0	197	0.1	51,566	21.6
Deferred tax liabilities	2,971	1.7	3,215	1.8	2,669	1.1
Non-current provisions for employee benefits	1,681	0.9	2,467	1.3	2,228	0.9
Unearned lease income	5,468	3.1	6,213	3.4	5,673	2.4
Other non-current liabilities	4,785	2.7	4,987	2.7	2,788	1.2
Total non-current liabilities ⁽¹⁾	22,790	12.8	26,473	14.4	94,416	39.5
Total liabilities	110,030	62.0	145,986	79.6	183,465	76.7

		Year Ended 31 December					
	2018		2019		2020		
	THB Million	%	THB Million	%	THB Million	%	
Equity							
Share capital:							
Authorised share capital ⁽²⁾	4,700	2.6	6,320	3.4	6,320	2.6	
Issued and paid-up share capital ⁽²⁾	4,700	2.6	4,700	2.6	6,031	2.5	
Share premium:							
Share premium on ordinary shares	12,971	7.3	12,971	7.1	66,761	27.9	
Share premium on treasury shares	67	0.0	67	0.0	123	0.1	
Difference in value arising from restructuring transactions of entities under common control	(2,393)	(1.3)	(2,393)	(1.3)	(2,393)	(1.0)	
Retained earnings							
Legal reserve	211	0.1	632	0.3	632	0.3	
Unappropriated	38,573	21.7	12,549	6.8	10,145	4.2	
Difference arising from acquiring of non-controlling interests	-	-	-	-	(23,265)	(9.7)	
Other components of equity	1,227	0.7	(3,717)	(2.0)	(4,641)	(1.9)	
Equity attributable to owners of the parent	55,357	31.2	24,810	13.5	53,394	22.3	
Non-controlling interests	11,970	6.7	12,709	6.9	2,321	1.0	
Total equity	67,327	38.0	37,519	20.4	55,715	23.3	
Total liabilities and equity	177,357	100.0	183,505	100.0	239,180	100.00	

() In 2019, has reclassified the long-term loans from current liabilities to non-current liabilities.

(2) Compose of 470,000,000 shares, Par at 10 Baht/share as of 31 December 2018 and 4,700,000,000 shares, Par at 1 Baht/share as of 31 December 2019 and 6,031,000,000 shares, Par at 1 Baht/share as of 31 December 2020

Statement of Comprehensive Income

The table below presents details about statement of comprehensive income as of the date presented.

	Year Ended 31 December					
	2018		2019		2020	
	THB Million	%	THB Million	%	THB Million	%
Revenue						
Revenue from sale of goods	180,614	87.4	195,355	87.7	173,138	89.1
Revenue from rental services	6,415	3.1	6,979	3.1	5,598	2.9
Revenue from rendering of services	1,413	0.7	1,674	0.8	1,212	0.6
Investment income	739	0.4	251	0.1	302	0.2
Gain on disposal of assets	1,915	0.9	-	-	-	-
Gain on disposal of entities under common control	496	0.2	-	-	-	-
Insurance compensation	-	-	3,283	1.5	-	-
Other income	15,028	7.3	15,194	6.8	14,062	7.2
Total revenue	206,620	100.0	222,737	100.0	194,311	100.0

		Year Ended 31 December				
	2018	2018		2019		
	THB Million	%	THB Million	%	THB Million	%
Expenses						
Cost of sales of goods	129,937	62.9	142,672	64.1	133,033	68.5
Cost of rental and rendering of services	1,931	0.9	2,184	1.0	1,915	1.0
Selling expenses	44,613	21.6	45,852	20.6	40,514	20.8
Administrative expenses	15,547	7.5	16,480	7.4	16,574	8.5
Total expenses	192,028	92.9	207,188	93.0	192,036	98.8
Finance costs	1,186	0.6	1,085	0.5	2,950	1.5
Share of profit of associates and joint ventures accounted for using equity method	287	0.1	391	0.2	132	0.1
Profit (loss) before tax expense from continuing operations	13,693	6.6	14,855	6.7	(543)	(0.3)
Tax expenses (income)	2,588	1.3	2,495	1.1	(884)	(0.5)
Profit from operating activities	11,105	5.4	12,359	5.5	341	0.2
Loss for the year from discontinued operation, net of tax	1,073	0.5	-	-	_	-
Profit for the year	10,033	4.9	12,359	5.5	341	0.2

			Year Ended 31 D	ecember		
	2018		2019		2020	
	THB Million	%	THB Million	%	THB Million	%
Other comprehensive income						
Items that will be reclassified subsequently to profit or loss						
Exchange differences on translating financial statements	1,205	0.6	(1,250)	(0.6)	(452)	(0.2)
Loss on cash flow hedges	-	-	-	-	(11)	(0.0)
Net change in fair value of available-for-sale investments transferred to profit or loss	(237)	(0.1)	2	0.0	-	-
Income tax relating to items that will be reclassified	-	-	-	-	3	0.0
Total items that will be reclassified subsequently to profit or loss	968	0.5	(1,248)	(0.6)	(461)	(0.2)
Items that will not be reclassified to profit or loss						
Gain (loss) on investments in equity instruments designated at FVOCI	-	-	-	-	(86)	(0.0)
Gain (loss) on remeasurements of defined benefit plans	(106)	(0.1)	(384)	(0.2)	(14)	(0.0)
Income tax relating to items that will not be reclassified	21	0.0	78	0.0	21	0.0
Total items that will not be reclassified to profit or loss	(85)	(0.0)	(307)	(0.1)	(79)	(0.0)
Other comprehensive income for the year, net of tax	883	0.4	(1,555)	(0.7)	(540)	(0.3)
Total comprehensive income for the year	10,915	5.3	10,805	4.9	(199)	(0.1)

	Year Ended 31 December					
	2018		2019		2020	
	THB Million	%	THB Million	%	THB Million	%
Profit attributable to:						
Owners of the parent	10,931	5.3	10,633	4.8	46	0.0
Former shareholders before business restructuring	(2,307)	(1.1)	-	-	-	-
Non-controlling interests	1,409	0.7	1,726	0.8	295	0.2
Profit for the year	10,033	4.9	12,359	5.5	341	0.2
Total comprehensive income attributable to:						
Owners of the parent	11,521	5.6	9,130	4.1	(393)	(0.2)
Former shareholders before business restructuring	(1,981)	(1.0)	-	-	-	-
Non-controlling interests	1,376	0.7	1,675	0.8	194	0.1
Total comprehensive income for the year	10,915	5.3	10,805	4.9	(199)	(0.1)
Basic earnings (loss) per share	ТНВ		ТНВ		ТНВ	
Basic earnings (loss) per share from continuing operations	4.09	-	2.26	-	0.01	-
Loss per share from discontinued operations	(0.31)	-	-	-	-	-

ce Corporate Governance

vernance Financial Statements

Enclosure

CENTRALRETAIL | ONE REPORT 2020

Statement of Cash Flows

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

	Year Ended 31 December			
	2018	2019	2020	
		THB Million		
Cashflow statement				
Net cash from (used in) operating activities	17,017	18,386	11,961	
Net cash from (used in) investing activities	24,706	(13,588)	(8,779)	
Net cash from (used in) financing activities	(43,742)	(6,480)	2,905	
Net increase (decrease) in cash and cash equivalents, before effect of exchange rates	(2,020)	(1,682)	6,087	
Effect of exchange rate changes on cash and cash equivalents	(39)	(316)	186	
Translating foreign operations	2,061	1,006	(435)	
Change in subsidiary's accounting period	308	-	-	
Net increase (decrease) in cash and cash equivalents	310	(992)	5,839	
Cash and cash equivalents at 1 January	10,755	11,065	10,073	
Cash and cash equivalents at 31 December	11,065	10,073	15,912	

Cash flow figures include cash flows from (used in) discontinued operations. The following table presents our cash flows from (used in) discontinued operations for the periods presented.

	Year Ended 31 December		
	2018	2019	2020
		THB Million	
Cash flows from (used in) discontinued operations			
Net cash from (used in) operating activities	21,594	-	-
Net cash from (used in) investing activities	(18,125)	-	-
Net cash from (used in) financing activities	(3,224)	-	-
Net increase (decrease) in cash and cash equivalents	245	-	-

177

Corporate Governance

Financial Statements Enclosure

Other Financial Information

The table below presents a reconciliation of our profit from continuing operations to The table below presents adjustments to earnings, net of tax for the period presented. normalized net profit the periods presented.

	Year Ended 31 December			
	2018	2019	2020	
	THB Million	except perce	entage	
Reconciliation of normalized net Profit				
Profit from continuing operations	11,105	12,359	341	
Normalized items after tax	(2,457)	(3,343)	343	
Total adjustments to earnings after tax	8,648	9,016	684	
Normalized net profit margin (%) ⁽¹⁾	4.2	4.0	0.4	

⁽¹⁾ Percentage margin is calculated from total revenues excluding normalized items

	Year Ended 31 December		
	2018	2019	2020
	7	HB Million	
Adjustments to earnings, net of tax			
Net gain on foreign exchange	192	48	686
Impairment loss - reversal and others	(132)	234	138
Gain on disposal of assets	1,532	(73)	(37)
Gain on sale of available-for-sale investments	469	-	-
Gain on disposal of entities under common control	397	-	-
Gain on disposal of investment	-	151	-
Insurance claim	-	3,283	-
The adjustment of TFRS #9 and 16	-	-	(1,298)
One-time increase in provision for retirement benefits	-	(300)	-
Deferred tax asset in prior year which recognized in this year	-	-	168
Total adjustment to earnings, net of tax	2,457	3,343	(343)

4.3.3 Financial ratio

The table below sets out certain financial ratios for the periods indicated.

	Year Ended 31 December		
	2018	2019	2020
Liquidity Ratios			
Current ratio (times)	0.7	0.6	0.8
Quick ratio (times)	0.3	0.2	0.4
Cash flow liquidity ratio (times) ⁽¹⁾	0.0	0.2	0.1
Accounts receivable turnover (times)	37.0	42.8	38.0
Average collection period (days)	9.9	8.5	9.6
Inventory turnover (times)	3.7	3.8	3.5
Inventory days (days)	99.4	95.0	105.4
Accounts payable turnover (times)	3.6	4.0	3.9
Accounts payable days (days)	102.5	92.3	92.9
Cash cycle (days)	6.7	11.3	22.1
Profitability Ratios			
Gross profit margin (%) ⁽²⁾	30.0	29.0	25.0
Operating margin (%) ⁽²⁾	7.7	7.6	1.3
Non-operating profit margin (%) ⁽²⁾	8.8	8.4	7.4
Cash flow to income ratio (%) ⁽¹⁾	(31.4)	118.2	525.7
Net profit margin (%) ⁽⁴⁾	5.4	5.5	0.2
Return on equity (%) ⁽⁴⁾	16.6	23.6	0.7

	Year Ended 31 December		
	2018	2019	2020
Efficiency Ratios			
Return on total assets (%) ⁽⁴⁾	5.1	6.8	0.2
Return on fixed assets (%) ⁽⁴⁾	22.6	28.5	16.1
Total asset turnover (times)	0.9	1.2	0.9
Financial Policy Ratios			
Interest-bearing debt to equity (times)	0.6	1.6	1.1
Net Interest-bearing debt to equity (times)	0.5	1.4	0.9
Debt to equity (times)	1.6	3.9	3.3
Interest coverage ratio (times)	21.2	23.8	6.4
Obligation coverage ratio (EBITDA) (Time)	0.7	0.5	0.6
Dividend payout ratio (%)	66.4	303.2	n.a ⁽⁵⁾

⁽¹⁾ Cash flow ratio is calculated as cashflow exclude cashflows from discontinued operations

(2) Net sales = Revenue from sales of goods + Revenue from rental services + Revenue from rendering of services

⁽³⁾ Cost of sales of goods = Cost of sales of goods + Cost of rental and rendering services

⁽⁴⁾ Profit of the year = Profit from operating activities

⁽⁵⁾ Board of Director's meeting of the Company has a resolution to propose annual dividends based on the operating profit for the year 2020 of Baht 0.4 per share to shareholders for approval at the Annual General Meeting of Shareholder on 23 April 2021.

Financial Ratio Formula

Liquidity ratios

- Current ratio is calculated as total current assets divided by total current liabilities.
- Quick ratio is calculated as the sum of cash and cash equivalents, current investments, trade accounts receivables and other receivables divided by total current liabilities.
- Cash flow liquidity ratio is calculated as cash flow from continuous operation divided by average total current liabilities.
- Accounts receivable turnover is calculated as the sum of revenue from 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

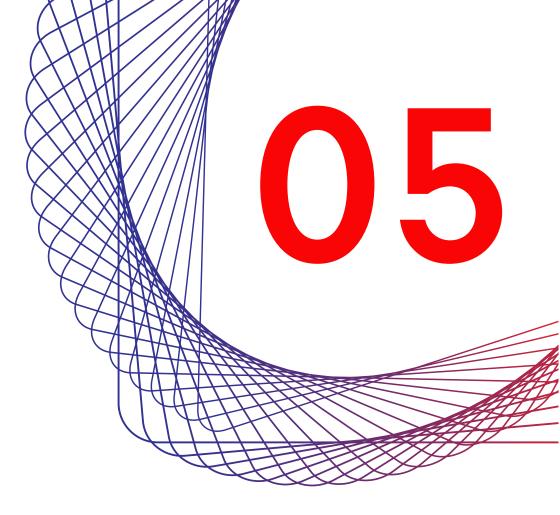
- Gross profit margin is calculated as gross profit (loss) divided by the sum of revenue from sale of goods, revenue from rental services and revenue from rendering of services multiplied by 100.
- Operating margin is calculated as operating income divided by the sum of revenue from sale of goods, revenue from rental services and revenue from rendering of services, multiplied by 100.
- Non-operating profit margin is calculated as the sum of investment income, other income and gain on disposal of assets divided by total revenue, multiplied by 100.
- Cash flow to income ratio is calculated as cash flow from continuing operation divided by operating income, multiplied by 100.
- Net profit margin is calculated as profit (loss) for the period divided by total revenue, multiplied by 100.
- Return on equity is calculated as profit (loss) for the period divided by average total shareholders' equity, multiplied by 100.

Efficiency Ratios

- Return on total assets is calculated as profit (loss) for the period divided by average total assets, multiplied by 100.
- Return on fixed assets is calculated as the sum of profit (loss) for the period and depreciation divided by the sum of net property, plant and equipment, net investment property, net leasehold rights, net rights of use and net other intangible assets, multiplied by 100.
- Total asset turnover is calculated as total revenue divided by average total assets.

Financial Policy ratio

- Interest-bearing debt to equity is calculated as total interest-bearing debt cash and cash equivalents divided by total equity.
- Debt to equity is calculated as total liabilities divided by total equity.
- Interest coverage ratio is calculated as the sum of Adjusted EBITDA divided by finance cost paid.
- Obligation coverage ratio (cash basis) is calculated as Adjusted EBITDA divided by repayment of short-term loans, current portion of repayment of long-term loans and dividend paid.
- Dividend payout ratio is calculated as dividend paid divided by profit (loss) for the period from continuing operation.



General Information

5.1 General Information (as at 31 December 2020)

Company's name	: Central Retail Corporation Public Company Limited
Type of Business	: Holding Company
Head Office	: 22 Soi Somkid, Ploenchit Road, Lumpini Sub-District, Pathumwan District, Bangkok
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	: THB1(One Baht)
Website	: http://www.centralretail.com
Telephone Number	: +66 (0) 2650 3600 Ext. 1654
Registrar	 Thailand Securities Depository Company Limited 93 The Stock Exchange of Thailand Building, 14th Floor, Ratchadapisek Road, Dindaeng Sub-District, Dindaeng District, Bangkok, 10400 Tel.: +66 (0) 2009 9000 Fax: +66 (0) 2009 9991 Website: www.set.or.th/tsd
Auditor	: KPMG Phoomchai Audit Ltd. 1 Empire Tower, 48 th - 51 st , South Sathorn Road, Yannawa Sub-District, Sathorn District, Bangkok 10120 Tel.: +66 (0) 2677 2000 Fax: +66 (0) 2677 2222 Website: home.kpmg/th/en/home.html

5.2 Other Material Information

5.2.1 Other information that may materially affect investors' decisions

The Group's retail businesses are under several laws of Thailand, Italy and Vietnam. Applicable and important laws that affect these businesses are summarized as follows:

A. Thailand

 Laws on town planning, building control, and environmental impact assessment (EIA)

1.1 Town and Country Planning Act

The Town and Country 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 of 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 zone, 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:

- Yellow Zone Type Yor I is a sparselypopulated 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 I 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 of 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.

ormance Corporate Governance

nce Financial Statements

- (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 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 width in front of its building. This zone prohibits warehouses, freight stations and logistics businesses.
- (6) Light Brown Zone Type Sorlis a zone for conserving Thai arts and culture. This zone bans certain activities, including a commercial business

occupying more than 1,000 square meters of space, warehouses, freight stations and logistics businesses.

(7) Blue Zone Type Sor is a zone for government agencies, public utilities, and public facilities. Land utilization in this zone must serve the purposes related to government agencies providing public utilities/public facilities or public benefits, government agencies, religions, education, public utilities, public facilities, and public benefits only.

The Town Planning Act has direct impacts on the Company's property development and business expansions including the increase of its branches. Any new branch established must comply with applicable local town plans.

1.2 Building Control Act

The Building Control Act B.E. 2522 (including amendments) ("Building Control Act") aims to control constructions and ensure that buildings are secure and safe. It therefore governs the constructions of various types of buildings, their utilization, modification, and demolition. Under this law are the process to request construction permits, which must be done prior to construction, and the process to request the certification for building constructions, which is issued after the construction is completed. Stipulations are different depending on each type of buildings. The Building Control Act affects the Company's businesses in regards 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.

Enclosure

1.3 Enhancement and Conservation of National Environmental Quality Act

The Enhancement and Conservation of National Environmental Quality Act of 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 Natural Resources and Environment Ministry's announcement on projects, businesses, or operations requiring an EIA and EIA criteria, methods and conditions dated 19 November 2018, which was promulgated in the Royal Gazette on 4 January 2019 and took effect the following day, and also the Natural Resources and Environment Ministry's announcements 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 Natural Resources and Environment Ministry's announcement on projects, businesses, or operations requiring an EIA and EIA criteria, methods and conditions dated 19 November 2018, which was promulgated in the Royal Gazette on 4 January 2019. A request for construction permit can be submitted only after the ONEP approves the FIA.

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:

- The law gives consumers an option to lodge a complaint to the Consumer Protection Board, when the nature of their compliant in fact falls under a specific law but executors of that law have not acted on their complaint within 90 days since the acceptance of their complaint or when the case is considered too urgent to wait any longer;
- (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; and
- (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 inst ructions, 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.

Anyway, 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 its innocence itself.

3. Law on trade competition

The Trade Competition Act B.E. 2560 ("**Trade Competition Act**") regulates and prevents monopoly, including reduced or restricted trade competition, by business operators. Under this law, "business operators" are defined as a vendor, producer for sale, person who orders or imports goods into Thailand for sale, buyer for production or resale of goods, or service provider in the business. The Trade Competition Act issues measures to control product/service selling prices, trade conditions, the partial/complete acquisition of assets/ takeover of another business, etc.

The Office of Trade Competition Commission has issued several announcements pursuant to the Trade Competition Act so as to prescribe guidelines for the enforcement of the law. One of the announcements gives the guideline on how to review unfair trade practices between retailers/wholesalers and manufacturers or vendors ("Announcement on Unfair Trade Practice Review Guideline"), which has taken effect from 20 July 2019. Based on the guideline, activities that may be unfair or cause damages to manufacturers/ vendors include:

 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; Corporate Governance

Financial Statements Enclosure

- (2) Demanding unfair economic benefits by requiring manufacturers/vendors to award benefits that they need not give or that is too much without any reason when taking into account interest manufacturers/vendors will likely get. These benefits, for example, are in the form of listing fees, fees for goods' special corners, performance fees or additional discounts on special conditions; rebates, and discounts for lost goods after acceptance, 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;
- (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 in 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 (Please see additional details under the Topic of Risk Factors Related to the Trade Competition Act. The Company is now under and facing anti-monopoly lawsuits pursuant to the law on trade competition").

4. Law on Direct Sale and Direct Marketing

The Direct Sale and Direct Marketing Act B.E. 2545 (including amendments) ("Direct Sale and Direct Marketing Act") aims to govern business operators engaged in direct sale and direct marketing for increased consumer protection. The Direct Sale and Direct Marketing Act defines "direct sale" as marketing goods or services directly to consumers at a distance with aim to sell goods or services to each consumer. This definition covers the direct presentation of goods to consumers via media such as internet or TV too. The electronic distribution of goods via the Group's websites or internet as a result is considered a direct sale business. The Group therefore has the duty to register itself as an operator of direct sale business with the Office of the Consumer Protection Board to comply with the law. For registration, direct-sale business operator

must submit documents to Office of the Consumer Protection Board for review. Only qualified operators shall be registered in line with legal requirements. For example, direct-sale 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-sale 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.

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 Finance Ministry'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 of 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 Bt100,000 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 Bt50,000; and (2) a transfer of e-Money or an electronic transfer of money involving more than Bt50,000. In addition, the Group must compare customer names against Thailand's list of high-risk persons and the Civil Court-designated highrisk 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 Public Health Ministry'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.

Corporate Governance

Financial Statements Enclosure

The Group's business operations involving the establishment of food shops/ food storages and unhealthy business operations that affect the hygiene of people are under the Public Health Act. Also, the Group must ensure that it does not cause a nuisance to people in its neighborhoods. For example, it must refrain from any activity that threatens health with noise, odor, or dust. Such polluting activities are governed by the Public Health Act.

7. Law on personal data protection

The Personal Data Protection Act B.E. 2562 ("Personal Data Protection Act") aims to protect personal data that has been compiled, used or disclosed by data controllers. Under the Personal Data Protection Act, "data controllers" mean a person or legal entity having the power to make decisions regarding collection, use or disclosure of personal data. Today, advanced technologies and communication systems make it easy to compile, use, disclose or seek benefits from personal data and such action may disturb or damage personal-data owners. The Personal Data Protection Act is executed by the Personal Data Protection Committee, which has the duty to supervise and take actions for the protection of personal data in regards to its collection, use, and disclosure, including

the formulation of necessary measures such as:

- 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) Data owners have the right to access or get a copy of personal data related to them and are put in the hands of data controllers, and to seek an answer as to how their personal data have been there without their prior consent.

In carrying out its retail businesses, 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.

However, as the Personal Data Protection Act has taken effect from 28 May 2019, personal data the Group had acquired prior to the date may be collected and used for purposes approved earlier by personal-data owners for as long as the Group prepares convenient methods to cancel the consent and inform personal-data owners of the option of consent cancellation.

8. Important draft laws related to business operations

-None-

B. Italy

. Law on retail businesses

Retail businesses in Italy is under its Legislative Decree 114/1998 ("Decree 114/1998") and other applicable regional laws. The Decree 114/1998 has categorized business places into three groups based on their "Sale Surface Area" (It refers to areas for selling activities, shelves, and other similar activities. It excludes storage spaces, areas for manufacturing process, offices, and service points, etc.). Each group of business places undergoes different procedures to start its operations. The process for the three groups of

business places can be summarized as follows: (a) Small Retail Business each with the sale surface area of no more than 150 square meters; (b) Medium Retail Business each with the sale surface area of between 151 square meters and 1,500 square meters; and (c) Large Retail Business each with the sale surface area of over 1,500 square meters. In a municipal area with more than 10,000 residents, maximum sale surface areas range between 250 and 2,500 square meters.

A small retail business may start its operation by submitting "SCIA" (SCIA refers to a certificate on the start of operations pursuant to Article 19 of Law 241/1990). Members of the private sector may submit SCIA for its activities, without the need to undergo an inspection by state officials. Their operations however are subject to checks to determine if they meet laws-prescribed criteria and conditions (Code on Buildings in Municipal Areas and Zoning Criteria). If municipal officials find that applicants lack a qualification or fail to meet any condition prescribed by laws, they may ban the operation within 60 days since SCIA submission. The ban shall not be imposed if applicants take necessary measures to comply with the qualification or the condition within 30 days since being informed by municipal officials.

Corporate Governance

ance Financial Statements

A medium or large retail business need a trade license. If applications for the license comply with municipal officials' stipulations related to retail plans and general regional regulations, municipal officials have the duty to issue the license to applicants. A medium retail business may open, relocate or expand its area (to the maximum area allowed for a medium retail business) with the license issued by municipal officials in its area. In an event that municipal officials do not reject an application for medium-retail-business license within a deadline (90 days since the submission of applications), applicants shall be considered as having been granted the license (in the process known as "Silent Consent").

The opening of a large retail business and its expansion are under regional regulations. Operators must comply with commercial-area regulation plans, with their shops adhering to environmental and town-planning rules. To open, relocate, or expand a large retail business, business operators must obtain a permit from municipal authorities in their area. Within 60 days since the submission of applications, municipal authorities must convene a committee meeting. This committee shall comprise three members namely a representative of the region, a representative of the province and a representative of the municipality. The permit can be granted only with the approval from the representative of the region. Regional authorities have the duty to formulate guidelines governing large retail businesses, including general guideline on when an applicant shall be considered as having got the permit if there is no clear rejection of their application (no more than 120 days since the committee holds its meeting).

Operators of retail non-food businesses have the duty to comply with "Good Reputation" stipulations of Article 71 of Legislative Decree 59/2010 (they must not be convicted of several types of crimes). Retail food business operators shall have to comply with specific guideline on their professions too.

In addition, the Parliament of Italy is now reviewing a draft law that may require shops and department stores to close on Sunday and national holidays. At present, it remains unclear as to whether the draft law will receive parliamentary approval and whether the said draft law will grant certain exemptions. There are also uncertainties about how local authorities will enforce this law, if it is introduced.

2. Law on food and beverage services

Enclosure

In Italy, services related to food and beverages including alcoholic drinks for members of the public or in a public space are under Law No. 287/1991 that is issued pursuant to Legislative Decree 59/2010 as well as regional/local laws/rules (including those of municipalities). Such services refer to the distribution of food and beverages to customers for consumption within the places of business (such as bars or restaurants) or a public space or an area designated for food/ beverage services (Article 1 of Law No. 287/1991).

Generally, to start or transfer a food/ beverage business requires the submission of a letter on the start of operations or SCIA (segnalazione certificate di inizio attività). With the submission, the business can be immediately launched while officials reserve the right to review documents or compliance with applicable regulations for 60 days since the submission (Article 54, Clause 1 of Legislative Decree 59/2010).

For a business unit located inside a protected area (such as old town, historical town, or art town), the start or transfer of food/beverage business is subject to provisions on official license applications and certain restrictions such as the maximum number of new businesses allowed (Article 54, Clause 3 of Legislative Decree 59/2010).

Starting a business requires compliance with regulations on town planning, laws on building controls, hygiene, and workplace safety (Article 54 Clause 6 of Legislative Decree 59/2010), as well as any technical standards issued by local authorities. Regarding a food/beverage business, Article 71 of Legislative Decree 59/2010 stipulates that business operators must comply with good reputation stipulations (as mentioned earlier for retail businesses) as well as requirements related to their professions. For example, the operators of food/beverage businesses must undergo training related to their operations, food/beverage preparations and management. Also, the operators must complete secondary education or higher education in the field of trade and food preparations. In addition, they must have operated food services/food and beverage services for a combined period of at least two years during the past five years prior to applying for a license (Article 71, Clause 5 of Legislative Decree 59/2010).

3. Laws on jewelry trade

Regarding stipulations on jewelry retail, Article 127 of Consolidated Act of Public Security (pursuant to Royal Decree No. 773 dated 18 June 1931 or "ICAPS") requires manufacturers, traders or agents of gems or precious items to seek and obtain a license from the chief of police departments in their areas (enforcing local officials). This license applies to all kinds of shops or retail outlets of the same company, regardless of where they are located (Article 127.4 of ICAPS). These legal stipulations apply to foreign traders, manufacturers and entrepreneurs engaged in the distribution of precious metals in Italy.

Agents, representatives and salespersons of the foreign entrepreneurs have the duty to seek the license by proving their status based on certificates issued by authorities of countries where their companies have been registered. The certificates must be certified by an Italian consulate too (Articles 127.5 and 5.6 of ICAPS). Article 243 of rule on ICAPS compliance, which is pursuant to Royal Decree No. 635 dated 6 May 1940, stipulates that manufacturers, traders, and agents of precious metals have the duty to seek a license from police chiefs even when they conduct their operations on an occasional basis. The issuance of licenses shall be subject to some ethical requirements as stated in Article 11 of ICAPS (for example, license holders must not be a convict of serious crimes against others, theft, robbery, extortion, kidnapping or a crime against the state or public order).

4. Laws on beauty-salon operators

Operations related to hair and beauty services pursuant to Article 241/90 and amendments require "SCIA", which must be submitted to the Single Productive Activities Desk (SUAP) of an applicable jurisdiction.

Whether conducted in a private or public place at a fee or without a fee, operations related to hair and beauty services are under subjective and objective legal requirements:

4.1 Subjective requirements refer to:

- a) Moral code pursuant to Article 71 of Royal Decree No. 59/2010 and amendments, as well as Royal Decree No. 159/2011 (Code of Mafia Suppression); and
- b) Professional stipulations pursuant to related laws.

4.2) Objective requirement refer to:

- a) Ownership of land and buildings (agreements on ownership, the right to reap benefits from, lease, and borrowing) that is registered under laws; and
- b) Compliance with regulations on land and buildings pursuant to sanitation, building and townplanning laws.

Manicurists, tattoo artists and body piercers may proceed with service checks through a jurisdiction of health services mentioned in regulations on land and buildings, equipment, goods and others, laws related to employees' health and safety, and rules on preventive measures for safety by consulting Circular 05.02.1998 No. 2.9/156 "Subject: Public Health Ministry's Policy Guideline on Tattoo and Body Piercing Procedures" and explanations mentioned in Circular 16.07.1998, which are given for efficient contacts related to health and sanitation with municipal offices.

Operators for the aforementioned businesses must meet, if any, professional qualifications, as required by laws.

5. Laws on personal data protection

EU Regulation No. 679 dated 27 April 2016 of the European Parliament and the Individual Protection Committee on the processing and free flow of personal data ("General Data Protection Regulation" or "GDPR") and the Italian Law No. 163 dated 6 November 2017, which was approved under Legislative Decree No. 101 dated 10 August 2018 ("Decree 101"), aim to lay down GDPR as a legal framework for Italy in regards to personal data protection that applies to companies and organizations in Europe. Personal data means any data that can be used to identify a person. Decree 101 has taken effect from 19 September 2018, automatically cancelling the Italian Law No. 196 dated 30 June 2003 ("Code of Data Protection") and introducing new stipulations for data protection that is 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; e Corporate Governance

rnance Financial Statements

assessments of data-protection impacts; and the appointment of data controllers. Violations against GDPR may result in an administrative punishment in the form of a fine of up to 20,000,000 Euro or no more than four per cent 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.

Enclosure

Under the Code of Consumer Protection, sellers have the duty to submit products to consumers without delay or within 30 days since 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 judgement 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 other 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 since their

ce Corporate Governance

nance Financial Statements

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.

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

Legislative Decree No. 231 dated 8 June 2001 ("**Decree 231**") lays down guideline on legal entities' administrative liabilities. This guideline applies to companies as well as associations, regardless of whether they are legally recognized as juristic persons or not. Duties and liabilities of legal entities are referred to as administrative duties and liabilities even when liabilities arise out of crimes. The Criminal Court shall be responsible for handling cases related to administrative liabilities through criminal proceedings.

Enclosure

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 represent 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:

- Criminal offences related to contacts with state officials such as bribery or embezzlement of public fund;
- (2) Computer crimes / criminal offences 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 of or providing false information to judicial officials;

193

Business Overview and Performance

nce Corporate Governance

Financial Statements

- (15) Environmental crimes (including actions that have just been classified as crimes namely polluting environment and causing environ-mental disasters);
- (16) Hiring illegal migrants;
- (17) Racist and xenophobic crimes; and
- (18) Some types of international crimes

Decree 231 states that organizations may use management and control system ("Control System 231") that is appropriate for the prevention of legal offences 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:

- 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;
- (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.

C. Vietnam

1. Laws on enterprises and investments

In 1999, Vietnam passed the Law on Enterprises for the first time to create a modern legal system for the establishments and operations of private 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. On 29 November 2005, the National Assembly of the Socialist Republic of Vietnam ("National Assembly of Vietnam") cleared the new Law on Enterprises (with amendments made through Law No. 38/2009/QH12 on 19 June 2009). It also passed Law on Investment with aim to streamline bureaucratic procedures and promote equal treatments towards Vietnamese and foreign businesses.

Enclosure

The aforementioned laws as well as regulations issued under them allowed foreigners to invest in Vietnam with some exceptions. For example, foreign investments were prohibited in projects that might cause damages or threaten national security, public morality or public health; broadcasting business; transportation business; educational or training operations; hospitals or clinics. Legal stipulations of Vietnam had to comply with international conventions that Vietnam had agreed to. In such context, foreign investments in Vietnam had increased after 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.

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) ("2014 Enterprise Law") and the Law on Investment No. 67/2014/QH13 on 26 November 2014 ("2014 Investment Law") to replace the old laws from 1 July 2015 onward. Although these new laws are unable to deliver tangible changes, they reflect Vietnam's efforts to ease foreign investors' burdens through the following amendments:

1.1 Connected transactions

While the 2014 Enterprise Law 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 under the 2014 Enterprise Law. In JSC cases, connected persons mean (1) any shareholder holding more than 10 per cent of the JSC's already-issued shares, his/her authorized person, and persons related to such person; (2) Members of the JSC Board of Directors/committees, managing director, chief executive officers, and persons related to them; (3) A business owned by Members of the JSC Board of Directors/committees/



e Corporate Governance

Audit Committee, 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 Directors/ committees/Audit Committee, managing director, or manager or having such persons as shareholders with the combined shareholding percentage over 10 per cent 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 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 obligations to the World Trade Organization, international conventions, and bilateral agreements to which Vietnam has been a party; and (2) Vietnamese laws. Vietnam's obligations to the World Trade Organization refer to stipulations of international conventions that govern foreign investments. According to these stipulations, Vietnam agrees to allow foreign investors to access all key businesses in the service sector. There are restrictions on foreign investments in Vietnam, though, pursuant to applicable Vietnamese restrictions and laws including the 2014 Enterprise Law, the 2014 Investment Law, and other specific laws that control some business sectors. In Vietnam, restrictions on foreign investors are mainly in the form of some bans on foreign investments, prescribed forms of investments, scope of investing activities, foreign shareholding restrictions, requirements for joint ventures with Vietnamese operators, and mandatory licenses for foreign investors and other requirements.

1.3 Investment protection

The 2014 Investment Law has general investment protection provisions. Under the law, there shall be no transfer of the ownership of a business to the state. In addition, the law protects the transfer of assets out of Vietnam and prescribes state support for infrastructure. Foreign investors may also choose how to settle a dispute between them and the government over their investments in Vietnam - taking the case to the Vietnamese arbitration committee or a Vietnamese court - for the purpose of ending the dispute and protecting their legitimate interests (except when stated otherwise by applicable agreements or international conventions to which Vietnam has been a party).

2. Acceptance and enforcement offoreignfinal rulings / verdicts

2.1 Final ruling of foreign arbitration committees

Article 424.1 of the 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 459.2(b) of the Civil Procedure Code, a Vietnamese court shall not accept and enforce a foreign arbitration committee's final ruling when finding that the acceptance and enforceability in Vietnam would contravene "the fundamental principle of Vietnamese laws" (A Vietnamese court may decide to not accept and enforce final rulings of foreign arbitration committees on other grounds too). Article 6 of the Law on Commercial Arbitration No. 54/2010/QH12 (passed by the National Assembly of Vietnam on 17 June 2010) stipulates that, "When parties in the dispute had agreed earlier that if any dispute arose, they would settle it through arbitration process but one of the parties brought the dispute to a court, that court must reject it except in events that the said agreement on arbitration 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 a Vietnamese court shall consider accepting and enforcing a foreign court's verdict if (1) it is passed in a country that has ratified the same and relevant international conventions as Vietnam or if the final ruling is passed by that country's court; or (2) if Vietnamese laws allow the acceptance and enforceability of that verdict; or (3) if it is based on a reciprocal basis even when Vietnam and the other country involved are not parties to the same convention. Therefore, a verdict of a federal/state court passed in the country that has not entered the same convention Corporate Governance

vernance Financial Statements

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" (A Vietnamese court may decide to not accept and enforce a foreign court's verdict on other grounds too).

Commercial activities in Vietnam

3. Law on trade and commerce

Trading and commercial activities in Vietnam are under the Law on Commerce No. 36/2005/QH11, which was passed by the National Assembly of Vietnam on 14 June 2005 ("Law on Commerce"). This law applies to profit-generating commercial contracts (This law may also apply to contracts between a commercial party and a non-commercial party if the non-commercial party agrees to comply with this law). Under this law, commercial activities are defined as activities done for the purpose of generating profits, including selling and buying, providing services, investing, commercial promotions and any activities that focus on profits. In general, Law on Commerce lays down the fundamental legal principle of commercial contracts namely the freedom of entering into contracts, making of contracts, and breaches of contracts.

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 prescribes public relations for the protection of the legal rights and benefits of the state as well as business operators, and the promotion of domestic manufacturing and exports. Under the Law of Foreign Trade Management, foreign trade activities mean activities conducted to exchange products between countries in the forms of exports, imports, temporary exports, temporary imports, trade, and transits, and any other activities related to international exchanges of products pursuant to Vietnamese laws and international conventions that Vietnam has ratified.

Enclosure

5. Law related to commerce in Vietnam

On 15 January 2018, the Vietnamese government issued Decree No. 09/2018/ ND-CP to promulgate the enforcement of the Law on Trade and Commerce and the Law on Foreign Trade related to foreign investors' /foreign businesses' trading activities and directly-related activities in Vietnam ("Decree 09"). From 15 January 2018, Decree 09 replaces Decree No. 23/2007/ND-CP of the Vietnamese government and dated 12 February 2007 that laid down guideline on trading activities and directly-related activities of enterprises invested by foreigners in Vietnam ("Decree 23"). Under the Decree 23 and circulars pursuant to the decree, investment certificates issued to enterprises that were invested by 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 enterprises invested by foreigners shall have to seek a separate license for their trading activities (**"Trade License"**). Moreover, such enterprises are barred from selling certain types of products such as tobacco, medicines, and gemstones under Circular 34/2013/TT-BCT (The Ministry of Industry and Trade, dated 24 December 2013) on strategic trading and directly-related activity plans of enterprises invested by foreigners in Vietnam.

5.1 Trade license

Enterprises invested by foreigners shall need a trade license to conduct trading activities as follows: (1) Retailing including retailing of rice, sugar, newspapers, magazines and tapes; (2) Imports and wholesaling of petroleum products and lubricants; (3) Transportation services excluding transport businesses that the Vietnam agrees to liberalize to comply with international conventions it has ratified; (4) Lease of goods except financial leases and leases of construction equipment to entrepreneurs; (5) Promotion services except advertising; (6) Trade intermediary services; (7) E-commerce services and (8) bidding services. Enterprises invested by investors that

engage in trading activities outside the scope of the aforementioned activities, for example export, import, and transportation (except petroleum products and lubricants) do not need to obtain a trade license.

A trade license is valid for five years in events that investors do not come from countries that have ratified the same international conventions as Vietnam, or in events that their business activities are not covered by those conventions, or in events that their traded products are not on the list of items entitled to market access under those conventions. The Decree 09 does not mention the validity of trade license for other trading activities.

The provincial department of industry and trade in provinces where enterprises invested by foreigners are located have the power to issue their trade license. The review process for a trade license takes 28 work days (including the time used to consult the opinions of the Ministry of Industry and Trade and relevant authorities).

An enterprise invested by foreign investors that operates without a trade license shall be liable to a fine of up to 20,000,000 Vietnamese dong (or about 862 US dollar).

5.2 Retail license

Under the Decree 23, enterprises invested by foreigners did not need to obtain a separate retail license for the establishment of their first retail outlet. However, the Decree 09 now stipulates that 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 in events that 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. In an event that the company involved does not have an investment registration certificate, its retail license shall be valid in accordance with the time mentioned in the document issued to the place where the retail outlet is located.

The provincial department of industry and trade in provinces where retail outlets are located have the power to issue retail licenses. The review process for the license to set up the first outlet, takes 20 work 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.

An enterprise invested by foreigners that operates without a retail license is liable to (1) a fine of up to 80,000,000 Vietnamese dong (or about 3,404 US dollar); (2) up to six months of business suspension; and (3) confiscation of revenue from their illegal businesses.

5.3 Liquor trade

The current regulation on the control of liquor production and trade is the Decree No. 105/2017/ND-CP, which was issued by the government on 14 September 2017 ("Decree 105"). This law 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, whole selling 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 alcoholselling licenses, alcohol-wholesaling licenses, and alcohol-retailing licenses (collectively referred to as "licenses to sell alcohol"). Alcohol sellers must comply with legal requirements to obtain the license to sell alcohol, for example, requirements on warehousing, food safety, trade systems, and contracts with business partners. A license to sell alcohol is valid for five years. It can be renewed.

5.4 Promotion

Promotion is a part of trade/commerce development and under both the Law on Trade and Commerce and Decree 81/2018/ND-CP, which was issued by the Vietnamese government on 22 May 2018. Promotion plans must be registered or reported to authorities. Promotion plans involving prizes requires registration with and permission from the provincial department of industry and trade / the Ministry of Industry and Trade prior to implementations. Relevant authorities must also be notified of other promotion plans.

5.5 Supermarkets

 \square

Supermarkets and shopping malls are categorized based on criteria laid down by Decision 1371/2004/QD-BTM of the Commerce Ministry (previously known as the Ministry of Industry and Trade). Such businesses must undergo inspections by the applicable Department of Industry and Trade too.

In addition, supermarkets and shopping malls must comply with local commerce/ trade network development plans. Supermarkets and shopping malls must also prepare their own internal rules and register them with provincial Department of Industry and Trade.

6. E-commerce

An enterprise invested by foreigners must obtain a trade license to operate e-commerce. In addition, the Vietnamese government passed Decree No. 52/2013/ ND-CP on 16 May 2013 to lay down 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. 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.

6.1 Notification of commercial websites to the Ministry of Industry and Trade

If traders, organizations or persons give information on their promotion and their sale of products/services on their solely-owned websites, they must notify the Ministry of Industry and Trade via its E-commerce Management Portal.

6.2 Registration of commercial website with the Ministry of Industry and Trade

Any commercial 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 Regulations on food and applicable authorities

Enclosure

Before 1 July 2011, Vietnam did not have a comprehensive food law. It had several overlapping laws and regulations that prescribed legal requirements on food safety, hygiene, product quality and standards. Dated 26 July 2003, Ordinance No. 12/2003/PL-UBTVQH11 governed food safety and hygiene. However, from 1 July 2011 onward, the said ordinance was replaced by Law No. 55/2010/QH12 on Food Safety dated 1 July 2011 ("Law on Food Safety"). Under the new law, requirements become stricter for events affecting public interests. Also, the Law on Food Safety lays down guideline on food safety during production and trade, food label, food advertising, remedial guideline for cases related to food safety, food-safety risk analyses, and state responsibility for food safety management (including other relevant topics) too.

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 agricultural produce, forestry and fisheries. While the Ministry of Science and Technology is in charge of using state power for product-quality control, the Ministry of Natural Resources and Environment focuses on environmental protection.

7.2 Food safety and hygiene

Law on Food Safety lays down 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 Vietnmase language as "Giấy Chứng Nhận Cơ Sở Đủ Điều Kiện An Toàn Thực Phẩm"). ce Corporate Governance

rnance Financial Statements

In addition, business venues related to food shall have to comply with additional regulations issued by relevant ministries. For example, Decree No. 55/2018/ND-CP dated 12 November 2018 of the Vietnamese government requires that food producers/traders comply with requirements related to (1) Establishment conditions; (2) Equipment and tools, and (3) staff who are directly related to food production and/or trade (In other words, they must comply with requirements on health, knowledge and practice, as well as acquire health certificate and the certificates of training in consumer goods safety and hygiene) (and other relevant conditions) in full.

This new law is different from Ordinance No. 12/2003/PL-UBTVQH11 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 lays

down specific safety requirements on some specific types of food, such as the origin conditions. 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 Public Health Ministry, 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 Public Health Ministry, 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, the certificate is valid for three years only.

Certificate of food safety knowledge

Enclosure

Staff directly involved in food production/ trade must undergo training and receive a certificate of food safety knowledge from the Public Health Ministry's Department of Consumer Goods Safety and Hygiene, or the National Agro-Forestry-Aquatic Quality Assurance Department of the Ministry of Agriculture and Rural Development or any institute meeting the qualifications prescribed by the minister of Industry and Trade. Such certificate is valid for three years.

Certificate of compliance with health standards

Staff directly involved in food production/ trade must obtain a "certificate of compliance with health standards", which is issued by a provincial or district public health authority.

7.3 Food Quality and Technical Standards

Food quality and technical standard requirements applying to both food and consumer goods are stipulated in Law on Product Quality No. 05/2007/QH12 dated 21 November 2007 ("Law on Product Quality") and Law on Standards and Technical Regulations No. 68/2006/ QH11 dated 29 June 2006 ("Law on Technical Standards"). Law of Product Quality stipulates the rights and duties of organizations and persons involved in food production/trade and product quality management. 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 laid down guideline on product quality and technical standards for agricultural and fisheries products.

Announcements on products

Before 2 February 2018, food products needed announcements that they complied with technical-standard requirements (Known in Vietnamese language as "công bố hợp quy") or that they complied with food-safety requirements (Known in Vietnamese language as "công bố phù hợp quy định an toàn thực phẩm") pursuant (\cap)

Corporate Governance

nance Financial Statements

atements Enclosure

to Decree No. 38/2012/ND-CP), which was issued by the government and dated 25 April 2015. Following the announcements of compliance with either technical-standard requirements or food-safety requirements, health authorities assigned by the Public Health Ministry or provincial health department shall issue certificates of the announcements on compliance with technical-standard requirements (Known in Vietnamese language as "Giấy Tiếp Nhận Bản Công Bố Hợp Quy") or compliance with food-safety requirements (Known in Vietnamese language as "Giấy Xác Nhận Công Bố Phù Hợp Quy Dinh An Toàn Thực Phẩm").

Decree No. 15/2018/ND-CP, which was issued by the government and dated 2 February 2018, has taken effect from 2 February 2018. For packaged food, food additives, food processing/ production aids, packaging/food containers, and primary packaging (with direct contact to food), manufacturers and food sellers may announce product information by themselves via (1) media; (2) their e-portal (such as websites), (3) announcements posted at its head office and also 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 any advertisement of food must receive a prior approval from an applicable agency. Decree 15/2018/ND-CP states that advertising message for consumer goods such as dietary supplements, medical food, special-purpose food, and foods for kids under 36 months of age must be registered with an applicable agency. After submission of documents to register advertising messages for food to the Public Health Ministry 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 43/2017/ND-CP, which was issued by the government and dated 14 April 2017, (Decree 43), regulates product labels as of now. 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 some specification information that must be in a foreign language.

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 15 November 2010 (effective from 1 July 2011), distributors also have to affix a product label on products they have sold and comply with regulations on label.

7.4 Imported/Exported Food

Law on Food Safety prescribes strict regulations on imported/exported food. Under the law, imported food must be registered and relevant authorities must be notified of compliance with import requirements for each import batch. For exported food, it must obtain many types of certificates from relevant authorities including sale certificates and certificates of origin. The Public Health Ministry, the Ministry of Agriculture and Rural Development, and the Ministry of Industry and Trade have the power to issue any additional requirements on imported/ exported food.

8. Vietnam's laws on land

8.1 Overview of Vietnam's land system

The people of Vietnam are owners of the land and the state is responsible for regulation to ensure that the people have access to long-term use of land.

Although the private sector is not permitted to own land, a person may acquire the legal right to use land in Vietnam. He or she is considered "a land user" in case of being awarded the right to long-term use of land. Such individuals have the virtual right of landholding. The Vietnamese may have the right over houses and apartments. The country's present system of land usage and management, as well as the rights and duties of land users, are stipulated in the Land Law No. 45/2013/QH13, which was approved by the National Assembly of Vietnam on November 29, 2013, and came into force on 1 July 2014, along with the regulations issued under the legislation.

The state lays down regulations regarding land, as well as the following matters: duration of land use, land allocation and lease, land revocation, usage objective for certain land plots, land evaluation, fees ance Corporate Governance

ance Financial Statements

for land use, land rental fees, land taxes, and rights and duties of land users. The right to land use is specified in accordance with the type of land usage, such as for agriculture, for non-agricultural purposes including residential and industrial purposes, and unused land), as well as the type of land users.

The right to land use may be obtained through: (1) Allocation by the state; (2) Lease by the state; (3) Concession awarded for winning an auction or a bidding organised by an authorised agency; (4) Renting from an authorised lessor (such as a developer of an industrial estate/zone); or (5) Transfer of the right to land use (in the form of barter, right transfer, inheritance, donation or funding). Enterprises invested by foreigners are not allowed to use land in the form of land development that charges fees for using land for their business (except for cases where the enterprises invested by foreigners use land for developing projects on investment and construction of residential buildings for sale & lease).

In case of land development, enterprises are required to pay land-use fees for the duration of land development. In case of land lease, enterprises may pay all the rent for the entire rental period or make

the payment annually. The method of payment affects the land-use right of enterprises regarding the rented or allocated land plots. Enterprises that pay the land-use fees without relying on state budget or make the payment in a full amount are entitled to various rights, including the right to mortgage or capital payment by invoking the right to usage of land and property in the land plots. 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 mortgage or capital payment with the property in the land plots. Enterprises invested by foreigners may use land for their business by paying the rental fees in advance or making an annual payment.

Lawful land users are entitled to the certificate of land-usage right under their name. Likewise, lawful owners of properties or buildings on the land have the right to the certificate of ownership. Such certificates are a basic proof of the land-usage right and property ownership, and the documents can be used by the land users or the property owners in claiming their relevant rights, in transferring, mortgaging or selling the right to use land or property, among others. 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 usage/rental comes to an end, the state considers 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 that period, the government has the lawful right to recall the land plots for the purposes of national defence and security, public interest, or economic development.

Enclosure

9. Labour Code of Vietnam

On 18 June 2012, the National Assembly of Vietnam issued the country's Labour Code (the "Labour Code"). Also, the government and the Ministry of Labour, Invalids and Social Welfare legislated different rules and regulations in line with the Labour Code, including ones involving employment contracts.

Under the relevant rules issued in compliance to the Labour 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 three months. An employment contract must include the followings: Names of the employer and the employee, the scope of work and job description, work time and break, wage or salary and method of payment, place of work, period 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 from 12 months to 36 months, or set a seasonal or temporary period lasting less than 12 months.

On 20 November 2019, a new labour law was promulgated and came into force from 1 January 2021 ("legal code"). Under the 2019 Vietnamese code of law, there are two types of labour employment contracts - one involving employment lasting no more than 36 months and one for employment with an indefinite period of time. Since 2021, the employment contract for a seasonal or temporary period lasting less than Corporate Governance

12 months has been cancelled under the current Labour Code. Employment contracts for employees hired for a specified period of time, for a seasonal period or for certain work for less than 12 months can be cancelled unilaterally by their employers before the contract expires - pursuant to Clause 1 Article 37 of the 2012 Labour Code. However, under the Labour Code of 2019, 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 stated in their employment contracts.

10. Vietnam's regulations on environment

The Law on Protection of Environment No. 55/2014/QH13 - approved by the Vietnamese National Assembly on 23 June 2014 - sets the general legal framework for protection of the environment in Vietnam, as well as the right and duty of persons and organisations 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.

Before 1 January 2015, project owners were required to prepare (1) an environmental impact assessment report (EIAR) or environmental protection undertaking (EPU) before starting the project. And from 1 January, 2015 onwards, they are required to prepare an environmental protection plan (EPP), depending on the type and size of the project involved.

A project to build a supermarket or any commercial/shopping centre with the first floor's area larger than 20,000 square metres requires preparation of an environmental impact assessment. In case the project's first-floor area measures between 10,000 and 20,000 square metres, an environmental protection plan is required.

Environmental impact assessments need an approval from a provincial committee of people, the Ministry of Natural Resources and Environment, and other ministries empowered to regulate such projects.

Prior to 1 January 2015, obligations on environment protection had to be registered with and acknowledged by a district-level committee of people or a community-level committee of people (that is authorised by a district-level committee of people). However, from 1 January 2015 onward, a plan for environmental protection must be registered with and acknowledged by a provincial natural resources and environment office, a district-level committee of people, a community-level committee of people, or an agency tasked with managing an industrial estate/zone, an economic park/zone or an export park/zone.

Enclosure

After receiving approvals from responsible agencies, an authorised agency may conduct examinations occasionally to ensure compliance with applicable environmental standards.

11. Vietnam's regulations and laws on fire safety

Before the construction of most commercial buildings (such as 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 authorised 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 test result forms the foundation for the project's investors to make their decision and to start the construction. Moreover, any company that owns a shopping mall, supermarket or grocery store with an area of 300 square metres and over, or a capacity of 1,000 cubic metres and more, is required to take fire/explosion insurance in line with applicable regulations.

12. Vietnam's laws on trade competition

On 12 June 2018, the National Assembly of Vietnam endorsed a new Competition Law No. 23/2018/QH14 ("**Trade Competition Law 2018**"), effective from 1 July 2019. This new legislation replaces Competition Law No. 27/2004/ QH11, which was issued by the National Assembly of Vietnam on 3 December 2004. The 2018 Competition Law has the following important principles that differ from the previous one: (1) The scope of enforcement - The 2018 legislation governs activities by both Vietnamese ce Corporate Governance

nce Financial Statements

and foreign legal entities or persons that "result or may result in restricted competition" in the Vietnamese market. The law also applies to public service agencies that are not an enterprise, such as hospitals or schools; (2) Calculation of market share - A new method of calculation is set to determine the market share of enterprises in the relevant market. The calculation is based on the percentage of goods and service volume that the enterprise involved sells or buys, in comparison to the total units of goods and service sold or purchased each month, each quarter or each year by all the enterprises involved in the market; (3) Anticompetitive practices agreements - The law prohibits any contract that restricts new competition, including deals on sharing customers, on avoiding transactions with enterprises that have not signed any contract together, on restriction of the product market, product sources, and the service provision to enterprises that have not signed any contract together, as well as other contracts that significantly result or may result in restricted competition; and (4) Business merger - Previously, any transaction that leads to economic concentration (such as a merger, combination or acquisition) is prohibited only in case such an action can result

in increasing the relevant enterprise's market share to over 50 per cent. However, under the 2018 legislation, a new definition for "economic concentration" focuses on the fact as to whether the transaction significantly results or may result in restricted competition.

13. Vietnam's law on consumer right protection

On 17 November 2010, the National Assembly of Vietnam approved the Law on Protection of Consumers' Rights No. 59/2010/QH12, which sets the regulations about the rights and duties of consumers, the liability of organisations or persons selling goods and/or services to consumers, the responsibility of social organisations in protecting consumers' interest, the resolution of disputes between consumers and organisations or persons selling goods and/or services, and the state's responsibility in defending consumers' benefits. This legislation specifies the following responsibilities of relevant agencies that supply goods and services 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; (4) Providing information about procurement of product parts and components; (5) Provision of manuals, guidelines, conditions, use life, place and process of product guarantee for warranty on goods and/or services; and (6) Notifying consumers of contracts accurately and completely before conducting a transaction, using contracts that are prepared in line with general format and conditions.

Enclosure

14. Vietnam's law on 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 June 19, 2009 ("Law on Intellectual Property Rights") with aim to keep pace with domestic and global economic development. This legislation provides protection on the following intellectual property rights in Vietnam: (1) Copyrights (literature, arts and scientific works) and related rights (performance, images and audios, broadcasts and encrypted satellite signals); (2) Industrial property rights (inventions, industrial designs, semiconductor circuit designs, trade secrets, trademarks, trade names and geographical indication); and (3) Plant variety rights (plant varieties and substances/materials used for plant propagation).

In particular, trademarks are protected in Vietnam whenever they are registered with the National Office of Intellectual Property. The agency also recognises trademarks registered through the Madrid System of international registration of marks (which are registered in a foreign country that is Vietnam's fellow signatory of the Madrid Protocol. Vietnam's protection also covers trademarks that are widely well-known. Registration of trademarks for products and services must comply with the international practices. The protection lasts 10 years and may be renewed for another 10 years - under the international "first to file" principle, and trademark owners who have registered in other countries before get the better right.

Registration of trademarks in Vietnam is a lengthy process - taking about a year. The process includes key steps as follows: Relevant agencies examine the application to ensure that it completely nce Corporate Governance

nance Financial Statements

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. Vietnam's law on bankruptcy

On 19 June 2014, the National Assembly of Vietnam approved a new bankruptcy law. Since 1 January 2015, the Bankruptcy Law No. 51/2014/QH13 ("Bankruptcy Law 2014") has replaced the Bankruptcy Law No. 21/2004/QH11 ("Bankruptcy Law 2004"), which was endorsed by the National Assembly of Vietnam on 15 June 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 a People's Court rules so. Under the previous Bankruptcy

Law 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. That is a significant improvement from the previous law but there is much uncertainty about how the new legislation will be applied and interpreted. To date, the government has not yet issued an official guideline on enforcement or interpretation of the law. Therefore, the bankruptcy process may be complicated, uncertain and time-consuming.

16. Rules regulating foreign currency exchange in Vietnam

In the past, Vietnam had implemented currency exchange control mechanisms with aim to prevent an outflow of foreign currencies from the country. The Vietnamese currency, dong, was required for domestic transactions and there were attempts to direct foreign currencies towards the national banking system. The State Bank of Vietnam was the main agency responsible for managing the country's policy on foreign exchange control.

Under Vietnam's current regulation on foreign exchange control, any person or organisation may exchange the dong into

a foreign currency at the exchange rate set by the lending institutions that are authorised 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 authorised lending institutions mentioned above

Overseas borrowing refers to a foreign legal entity lending money to a domestic legal entity. An overseas loan refers to either of the following: (1) Short-term loan, with repayment due within 12 months or shorter; or (2) Long-term loan, with repayment due beyond 12 months. 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 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. Any subsequent change from the original information in the registration with the State Bank of Vietnam shall be updated through formal revision with the State Bank of Vietnam.

Money borrowers are allowed to seek loans from overseas in these following cases: (1) To implement their "plan for business and production or an investment project" or that of the company in which they invest (this applies to long-term loans only); and (2) To restructure their overseas debts without increasing the cost of borrowing.

The borrowers must open a current account for foreign currency deposits with authorised 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, 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 2020, 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 per cent of shareholders' equity (based on the Company's consolidated financial statement for the year ending 31 December 2020), 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.I. ("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 from the Municipality of Rome and the Heritage Office, which are local authorities ("original construction permit"). Later, in 2012, the owner of a nearby building ("the plaintiff") protested that the original 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 metres of the building's area, or an equivalent of about 32.4 per cent the net sale surface of the Tritone branch.

In April 2018, the Municipality of Rome issued a new permit for construction and modification to rectify errors in the previous permit based on the opinions of the Heritage Office ("new construction permit"). The plaintiff later petitioned to the Administrative Court of Rome against the Heritage Office's view and the issuance of a new construction permit. The plaintiff asked the court to annul the new construction permit and order the construction and modification work to be dismantled. In case no demolition is carried out, the plaintiff requested that a minimum fine of 40 million euros (about 1,490 million baht) be imposed based on the plaintiff's valuation. The plaintiff also demanded about 5 million euros (about 186 million baht) in damages. In addition, the plaintiff petitioned to the President of Italy regarding the matter. This latter complaint was combined with the case previously filed with the Administrative Court of Rome. Later, Italy's Council of State issued Order No. 6580 on 2 October 2019 to declare the new construction permit invalid (This order resulted in termination of the plaintiff's petition regarding the previous 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 metres. 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 authorised authority (that is the Municipality of Rome) may invoke its authority under Section 38 of the Presidential Decree No. 380 dated 6 June 2001, for demolition of any structure built unlawfully. In case demolition is unfeasible (possibly due to safety or technical reasons), the author ised agency may impose a fine comparable to the market value of the building constructed unlawfully. On 12 December 2019, the Municipality of Rome issued a revised permit ("revised permit") to rectify errors in the original construction permit and the new construction permit. However, the plaintiff may protest the revised permit. In case the plaintiff succeeds in protesting the revised permit or the dispute under consideration, or if any flaw is found in the legal proceeding to counter the protest against the revised permit, the revised permit risks becoming void or invalid. If that is the case, it is possible that the Municipality of Rome or any specially authorised official may: (a) order partial or entire demolition of the construction and modification (no larger than about 4,000 square metres); or (b) order the shopping mall or Palazzetto C to be off-limits, or impose a fine for the construction and modification in case demolition is unfeasible. Such a demolition order may result in reduced net area of the shopping mall, which in turn could force the Group to close the shopping mall temporarily and adversely affect the Group's operations in Italy. In addition, such an order may have a negative impact on the relationship

with different brands that are awarded the right to use the affected area. Also, the Group could face demands resulting from contract infringement, which may have a significant negative impact on the Group's business, cash flow, operating results, financial status and business opportunities. Regarding the fine over construction and modification. REI as the building's owner will be held responsible directly for payment. However, in case REI fails to pay the fine, La Rinascente S.p.A. (a subsidiary of the Group) may have to shoulder the responsibility under the Italian law if La Rinascente S.p.A. is found to be directly involved with the planning and modifying the building in question. In that case, La Rinascente S.p.A. retains the right to petition the court in protesting such an order and may exercise the right to seek compensation for its paid fine from REI or any relevant administrative agency.

Thereafter, the Claimants raised an objection to the Council of State, arguing that the Municipality of Rome had no authority to grant the Amnesty Building 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 Amnesty Building 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 Amnesty Building Permit and claim for damages, which would entail further proceedings in the future.

Enclosure

5.3.2 Tax dispute in Italy

In November 2018, a local tax agency sent a written notification about the rules regarding tax evaluation on certain service businesses during 2013 - in which a Group subsidiary in Italy is part to Global Blue Italia S.r.l., a tax refund company dealing with taxes on tourist spendings. At present, the Group still offers the service which its subsidiary in Italy viewed as "intermediary service" and therefore is exempt from value added tax. However, the local tax agency deemed it as "service of advertising and sale promotion", which is subject to value added tax.

In January 2019, the Group appealed the notification on tax evaluation rules with the Milan Provincial Tax Commission, which ruled judgement on 19 September 2019 that the local tax agency's interpretation was incorrect. The commission agreed with the Group's interpretation that the service provided was an "intermediary service", which makes it exempt from value added tax. Also, the commission ordered the local tax agency to compensate the Group for the lawyer fees. In the meantime, Global Blue Italia S.r.l. requested Italy's federal tax agency to look into this matter. Recently, the federal tax agency confirmed that the implementation by Global Blue Italia S.r.l. (which is corresponding to that of the Group) was sensible and correct.

During 2020, the local tax agency appealed the aforementioned judgement by the Milan Provincial nance Financial Statements

ements Enclosure

Tax Commission with the city's Tax Court. In November 2020, the Group signed the closure of all litigations with a mediation agreement with the Italian Tax Authority, resulting in VAT payment plus an interest totally 0.84 million euros (about 31 million baht). The Group has recorded the amount of VAT and interest in its consolidated financial statement in the year ending 31 December 2020. Under the aforementioned agreement, the Group will not be levied by the local tax agency again regarding this matter.

5.3.3 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

Bt3,815 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 Bt22.6 million and an additional daily fine of 200,000 baht until a complete return of the rented land and demolition of the structures, in addition to damages of Bt3,581.2 million jointly responsible by the Group and the HCDS associated company. As of 31 December 2020, the case was being tried by the Civil Court of Southern Bangkok. The court called hearing of the plaintiff's witnesses on 14 and 15 July. and 2 November 2020 and hearing of the defendant's witnesses on 9 and 23 November 2020. On 2 February 2021, the Civil Court of Southern Bangkok dismissed the case and ordered the plaintiff to return the rental surety bond in full amount to the Group, plus interest of 7.5 per cent per annum (in accordance with the Group's countercharge). The court ruled that the Group did not breach the land lease or commit any infringement against the plaintiff. During the production of this publication, the plaintiff has the right to appeal the court's verdict.

Note: The exchange rate between the euro and the baht mentioned in this part refers to the official rate of 37.2578 baht for one euro announced by the Bank of Thailand as of 31 December 2020.

5.4 Secondary Market

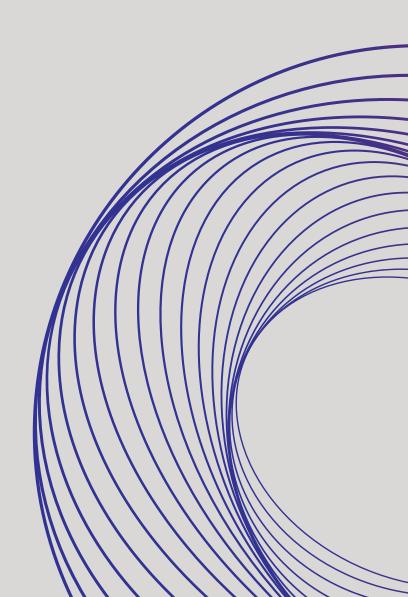
-None-

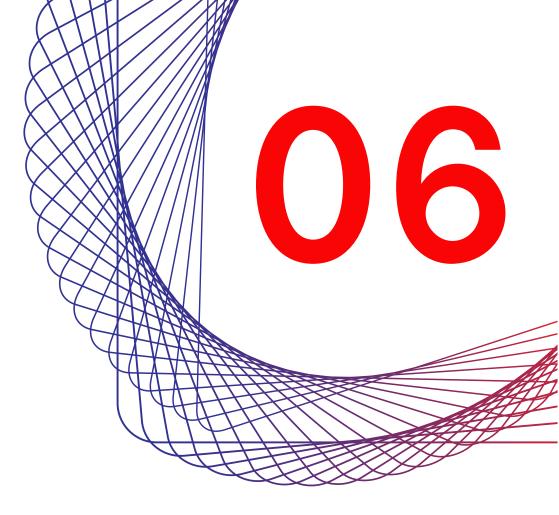
5.5 Regular Financial Institution

-None-



Part 02 Corporate Governance





Corporate Governance Policy

6.1 Overall of Policies and Corporate Governance Practice

During the course of business, the Board of Directors complied with the laws, regulations, its objectives and the shareholders' resolutions, and adhered to the Principles of Good Corporate Governance of Listed Companies according to the Stock Exchange of Thailand's principles and the Corporate Governance Code for Listed Companies 2017 according to the Securities and Exchange Commission (SEC)'s principles. The Company has adopted the Corporate Governance Code to be a guideline for the Company's operations to achieve operational efficiency and transparency to investors, leading to outsiders' trust in the Company's operation.

The Company's Good Corporate Governance Policy covers 5 categories of principles as follows:

Section 1: Rights of Shareholders

The Company recognizes and gives importance to the basic rights of shareholders as investors and company owners such as the rights to purchase, sell, and transfer their own shares; the right to receive the Company's profit; the right to receive clear and accurate information; the right to attend shareholders' meetings and vote on director appointment or dismissal, the right to appoint auditors, and the right to approve significant transactions affecting the Company's business operational directions such as the approval of dividend payment, the amendment of the Company's Memorandum of Association and Articles of Association, the approval of capital increase, capital decrease and special transaction.

The Company has the obligations in supporting and facilitating the shareholder's rights as follows:

- Support and promote all shareholders to be granted basic rights, including:
 - the right to purchase, sell, and transfer shares and to receive part of the profit.
 - the right to receive adequate and proper information to make decision that effect the Company and the shareholders.

- the right to attend shareholders' meetings and vote on significant transactions to make decisions on the Company's fundamental changes according to laws or policies by facilitating and encouraging shareholders and institutional investors to attend the meetings.

Enclosure

- any other rights the shareholders deserve as specified by laws.
- (2) For the shareholders' meeting, the Company uses the record date so that shareholders have sufficient time to consider the meeting document and information prior to the meeting date.
- (3) Provide details about date, time, place and meeting agenda, together with the descriptions and reasons for each respective agenda or supporting the resolutions requested in the ordinary and extraordinary general meeting of shareholders' invitations or in the meeting agenda attachments. Refrain from any action that may limit the shareholder's

rights of access to the Company's information, by delivering the documents to shareholders and registrar not less than seven (7) or fourteen (14) days (depending on the case) prior to the meeting date and advertising the meeting appointment in the newspapers for three (3) consecutive days prior to the meeting date. The Company will comply with principles and conditions of the laws or the related announcement and try its best to make the shareholders informed before the meeting date as soon as possible.

(4) The Company facilitates the shareholders to exercise their rights in proper meeting attendance and voting and refrain from any action that may limit the shareholder's rights of meeting attendance. For example, the Company will hold the meeting in an easily-accessible venue, attach the map showing the meeting venue in the meeting invitation, choose appropriate date and time, and allocate adequate time for the meetings.

210



Business Overview and Performance

Corporate Governance

Enclosure

(5) Prior to the meeting date, the Company will provide the shareholders opportunities to submit opinions, suggestions or questions in advance with clearly defined rules and inform the shareholders of the rules in the meeting invitation. The Company will also publish the rules on its website.

 (\cap)

- (6) Encourage the shareholders to use the proxy in the form that allows the shareholders to control their votes and to suggest at least one (1) independent director as a choice in appointing their proxies.
- (7) Provide the opinions of the Board of Director in each agenda item and attach the annual report and a proxy form with detail descriptions of the documents needed in granting proxy as supporting documents of the meeting invitation.
- (8) Before considering the agenda items, shareholders are informed about the voting and vote-counting procedures and shareholders' representatives are requested to witness the vote-counting.
- (9) During the shareholders' meeting, the Chairman will allocate proper time for shareholders to have chances in expressing their opinions,

suggestions or asking questions in each related agenda freely before voting on resolutions in any agenda.

- (10) Encourage all directors to attend the shareholders' meeting to answer questions in the meeting.
- (11) Prepare the vote casting in the shareholders' meeting for each item in case that there are many items in the agenda, such as the director appointment agenda.
- (12) The Company encourages the use of ballots for casting votes in every agenda for transparency and accountability in vote counting.
- (13) The Company assigns an independent party to jointly examine the vote counting in each agenda for transparency of the shareholders' meeting.
- (14) After the shareholders' meeting, the Company will prepare a complete and comprehensive minutes of the meeting which includes details of the important queries, opinions and suggestions for shareholders to later reviewed. Furthermore, the Company will publish the voting results of each agenda item and the minutes of the meeting on its website and the SET's channels.

Section 2: The Equitable **Treatment of Shareholders**

The Company observes the principle of affording equitable treatment to all shareholders without discrimination, whether major or minor ones, executive or non-executive, Thai national or foreign. Details are as follows:

- (1) Shareholders will be treated fairly and receive necessary information in timely manners from the Company.
- Shareholders have rights to vote (2)proportionally to the shares they own and have equal access to the information related to the Company.
- (3)Announce the shareholders' meeting, together with the agendas and director's opinions through SET, and publish the schedule in the Company's website. The Company will also prepare and distribute the shareholder's meeting invitation in Thai and English and publish on its website.
- Establish the principle that allows (4)minor shareholders to propose qualified persons for selection as directors prior to shareholders' meetings, with details regarding their qualifications and consent of those who are proposed.

- (5) Establish the principle that allows minor shareholders to propose additional agendas prior to shareholders' meetings for the fair and transparent consideration whether the proposed agenda will be added or not
- (6) Executive shareholders should not unnecessary add agendas without prior notice, especially the important ones that require shareholders to take time in consideration before making any decisions.
- In every shareholders' meeting, the (7)Company provide all shareholders equal opportunity. Before the meeting commences, the Chairman will inform shareholders about the meeting rules, voting procedures for each securities type and vote-counting procedures of each agenda item.
- Regarding the appointment of (8)directors, the Company will encourage an individual election, in which one shareholder has one (1) vote per share.
- (9) Directors have to report their interest in any agenda item at least before such agenda item is considered in the Board of Directors' meeting and must not take part in the

e Corporate Governance

e Financial Statements

decision-making process of such agenda item. The directors' interest should be recorded in the minutes of the meeting.

(10) Set written guidelines for the use or misuse of inside information and announce the guidelines to everyone in the organization. All directors and executives are required to regularly report their securities possession to the Company Secretary according to the laws and the information will also be disclosed in the Company's annual report.

Section 3: The Role of Interested Persons

The Company values the rights of all stakeholders, whether internal - the Company's shareholders and employees - or external - suppliers and customers. It acknowledges that supports and opinions from all stakeholders will benefit its business operation and development. Therefore, it will comply with the laws and related regulations, treat each group of stakeholders with consideration of the stakeholders' rights according to laws or agreements with the Company, and not violate those stakeholders' rights.

Furthermore, the Company takes the rights of all stakeholders into consideration, as detailed below:

1. Shareholders

The Company will conduct the business based on corporate governance, transparency and effectiveness, aiming to achieve good operating results and stable growth for the Company's sustainable and stable financial position, maximally benefiting its shareholders in the long term. It will also disclose the information transparently and trustworthily to the shareholders on its website and through investor relations officers.

2. Employees

The Company equally and fairly treats its employees, respects the rights of every employee and gives appropriate compensation, welfare and benefits not less than the legal requirement and comparable to other companies in the same industry. Furthermore, the Company focuses on the development of skills, knowledge, capabilities and potential of employees on a regular basis. For instance, the Company widely arranges trainings and seminars for employees and retains high caliber with the Company. The Company also sets the anti-corruption guideline and fosters all staff to comply with the laws and related regulations.

3. Suppliers

Enclosure

The Company establishes its own procedure for business partner selection by having the partners compete with equal information and selecting the partner fairly according to its business partner evaluation and selection principles. Also, the Company uses the proper form of agreement to offer fairness to all suppliers and ensures that all conditions of the agreement are met and the corruption and misconduct are prevented in every selection process. The Company strictly adhere to all terms of any agreement and keep the suppliers' information confidential without using such information for inappropriate benefit.

4. Competitors

Conducting business with fairness and transparency, competing fairly, refraining from taking commercial advantages over the competitors and refraining from seeking confidential information in illegal ways, and refraining from defaming its competitors with wrong accusations.

5. Customers

The Company is responsible toward its customer in maintaining the quality and standard of its products and services, as well as fulfilling the customers' needs completely or as much as possible, to satisfy customers in the long term. In addition, it cares for the health and hygiene of the consumers of its products, providing correct and complete information regarding the products and services. The Company also provides channels for customers to report the inappropriate products and services, so it can prevent and solve the problems quickly. The customer's confidential information will be protected and not illegally used for personal benefits or that of the related parties.

6. Creditors

The Company will strictly stick to the conditions and requirements of the contracts and financial obligations, as well as pay the principal, interests and collaterals in the related contracts. It will not dishonestly conceal the information or facts that may damage the creditors. In case that it cannot follow any of the conditions, it will notify the creditors immediately to agree on solutions.

7. Government

Conducting business by giving importance to the government, strictly adhering to laws and related regulations, as well as responding to the government's policy as it deemed necessary and appropriate, in consistent with its business operation method.

Business Overview and Performance

ance Corporate Governance

vernance Financial Statements

l Statements Enclosure

8. Communities, societies and environment

The Company pays attention to and takes importance on the safety and security of the communities, societies, environment and quality of life of those related to its business operation, encourages our employees to be in good conscience and have responsibility towards environment and society and requires them to strictly follow the laws and related regulations. Additionally, the Company makes efforts to participate in activities that help creating and preserving environment, society and supporting the local cultures where its business is operating.

Moreover, stakeholders can inquire, make complaints, inform any illegal conduct and report on the inaccuracy of financial reports, deficient internal controls or any misconduct of the Company via the Company's independent directors or audit committee members. the complaints and whistleblowing information will be kept confidential. The independent directors or audit committee members will investigate, find solutions (if any) and further report to the Board of Directors.

Section 4: Disclosure and Transparency

The Company is committed to correct, complete, timely and transparent disclosure of information, whether financial or non-financial, according to the principles of SEC and SET, as well as other information which may influence the Company's securities prices and then decisions of the investors and stakeholders. The Company will carry out as follows:

- Set mechanism to ensure that the disclosed information is correct, not misleading and adequate for the investors' decision.
- (2) Appoint Investor Relations officers to communicate with investors or shareholders. The Company will publish its information, financial and aeneral information to shareholders. securities analysts, credit rating agencies and related departments through various channels, namely the SEC, SET and the Company's website. Moreover, it places importance on updating information disclosure in Thai and English for the shareholders to receive information via the Company's website. It will frequently update the information available in the website, including

its vision, mission, financial statements, public relations, annual report, corporate structure and executives, as well as shareholding structure and major shareholders and meeting invitation letter.

- The Company will not disclose any (3) non-public information to any unauthorized employees, group of persons or person (including investors, mass media and analysts) until such information is made public. In the event that information has to be released to the auditor, underwriter, bank, legal counsel or other advisors, the Company ensures that such persons utilize it with due care in order to protect its privacy. If any undisclosed information is leaked, the Company will promptly unveil such information in accordance with the SET's regulation on information disclosure and other rules. If necessary, the Company will notify the SET to temporarily suspend the trading of the Company's securities.
- (4) The Company will disclose its financial statements, audited by skilled and qualified independent auditors. It has the policy to change the auditors who review, examine and report on its financial statements for seven (7) fiscal years, whether it is

consecutive or not, in order for the true independency of the auditor's report. The Company will be able to reassign the auditors once again at least after five (5) consecutive fiscal years, unless stated otherwise by law. It will publish the financial statements according to the specified principles and via the SET's channels for the benefits for shareholders and investors. Furthermore, the Board of Directors requires the Audit Committee to review the reliability and accuracy of the Company's financial report to ensure the trustworthiness.

- (5) Prepare management discussion and analysis (MD&A) to support financial statements disclosure in every quarter, in order for investors to be better informed and understand the changes to the Company's financial position and operating results in each quarter, apart from figures in the financial statements only.
- (6) Disclose the information regarding duties and responsibilities of the Board of Directors and subcommittees, a number of meetings and meeting attendance in the previous year, opinions and suggestions, continuous educations

nance Financial Statements

and occupational trainings, disclosure of remuneration policy for directors and senior executives, as well as types or methods of remuneration. However, the disclosed remuneration should include the one that each director received from being the director of subsidiaries.

(7) Disclose the audit expenses and other expenses relating to audit's services. Apart from disclosing information in the Annual Registration Statement (Form 56-1) and the annual report according to the SET's principles and channels, the Board will consider disclosing and regularly updating information in both Thai and English language via other channels such as the Company's website.

Section 5: Responsibilities of the Board of Directors

1. Structure of the Board of Directors and Subcommittees

The Company's Board of Directors consists of members with various qualifications in terms of knowledge, capabilities and experiences beneficial to the Company. The Board of Directors plays a significant role in defining policy and organization overview as well as overseeing, reviewing and evaluating the Company's business operation to ensure it is carried out as planned.

The Board of Directors consists of at least five (5) people, from which independent directors are at least one third (1/3) of all Company's director and at least three (3) persons to maintain the balance in proper consideration and voting. All independent directors should be qualified according to the announcements of Thai Capital Market Supervisory Board, SET's principles and regulations, rules and other related laws.

Each term of directorship is limited to three (3) years as prescribed by the relevant law. Directors may be re-elected if the Board of Directors views appropriate and necessary. Furthermore, the Company's directors and executives can take up position as directors of other companies within and outside the Group on the condition that it is in accordance with the regulations of the SEC, the Capital Market Supervisory Board and the SET as well as other relevant regulations, rules and laws. Such positions held outside the Company have to be reported to the Board of Directors. Each director may hold the director position at no more than five (5) listed companies. Independent director can be in office for not more than nine (9) consecutive years, except the Board of Directors is of the opinion that it is necessary and proper to extend the term of such independent director.

Moreover, the Board of Directors has appointed sub-committees to assist in the Company's governance as follows:

(1) <u>Executives</u>

Enclosure

consists of at least three (3) executive directors to support the Board of Directors in managing the Company's operations in accordance with the policies, plans, requirements, as well as the targets within the scope set by the Board of Directors.

(2) Audit Committee

consists of at least three (3) independent directors to support the Board of Directors in governing and auditing the management, internal control and compliance, as well as preparation of the financial reports in order to ensure transparency and trustworthy of the Company's operation and disclosure. At least one (1) Audit Committee should have knowledge or experience in accounting and finance to review the reliability of the financial statements.

(3) <u>Nomination and Remuneration</u> <u>Committee</u>

consists of at least three (3) nomination and remuneration committee members to nominate qualified persons to take up the positions of directors, members of the sub-committees, Chief Executive Officer and senior executives; to consider the methods and principles in paying remunerations to committees, sub-committees, Chief Executive Officer and senior executives (as per the definition of "executives" in the announcement of the Securities and Exchange Commission at KorChor. 17/2551 regarding the determination of definitions in notifications relating to issuance and offer for sale of securities); to consider the methods and principles in paying remunerations to committees, sub-committees, Chief Executive Officer and senior executives for submitting suggestions for approval of the Board of Directors and/or in the Shareholder's Meeting (as the case may be); as well as to consider the development plans for the Company's Chief Executive Officer and senior executives.

(4) <u>Risk Policy Committee</u>

consists of at least three (3) risk policy committee members to support the Board of Directors in stipulating the proper, adequate, effective and efficient risk management policy and providing a system or procedure to manage and limit overall risks to the acceptable level.

Furthermore, the Company has appointed the corporate secretary to carry out the Board of Directors' and the shareholders' meetings, support the work of the Board of Directors in respect to laws and regulations as well as coordinate to ensure compliance with resolutions of the Board of Directors' and the shareholders' meetings. Corporate Governance

Financial Statements Enclosure

2. The Board of Director's Duties and Responsibilities

The Board of Directors is accountable to the shareholders in conducting the Company's business operation. It has duty to define the Company's policy and direction as well as to ensure the business operation is carried out in accordance with the business goal, objective, vision, strategy and direction for the long-term benefit of shareholders within the legal framework and the Company's guidelines while considering the benefit of all stakeholders. Details of the role, duties and responsibilities of the Board of Directors are prescribed in its Charter. Additionally, the Board of Directors is responsible for the following matters:

(1) <u>Good Corporate Governance Policy</u>

The Company sets the Good Corporate Governance Policy in writing and proposes to the Board of Directors' meeting to approve such policy, with the purposes to serve as a guideline for the directors, executives and employees. The policy will be reviewed annually.

(2) Code of Conduct

The Company has the intention to carry out the business transparently, honestly, and with responsibility to the stakeholders, societies and environments. With approval of the Board of Directors, it has set up its Code of Conduct for its employees to adhere as follows:

- Section 1 Guidelines for business conduct
- Section 2 Guidelines for dealing with customers, suppliers, creditors and competitors.
- Section 3 Guidelines on conducting towards the Company Section 4 Guidelines on social
 - responsibility
- Section 5 Guidelines on violation or non-compliance to the Company's Code of conduct

The Company has announced its practices for acknowledgement and compliance by all employees via its intranet.

(3) Conflict of Interests

The Company manages the conflict of interest carefully, honestly, reasonably and independently under the good ethical framework mainly for the benefit of the Company. Person who has a conflict of interest and/ or connected person and person who has interest in any matter have to disclose information to the Company and must not take part in considering and approving such matter.

The Company also sets a policy related to the Related Party Transactions (RPT) and Conflict of Interest Transactions related to laws, regulations of the Office of SEC, SEC, the Thai Capital Market Supervisory Board and SET. The transactions will be disclosed in the Annual Report and the Annual Registration Statement (Form 56-1).

(4) Internal Audit

The Company has set up the efficient internal control system in both management and operation levels. The Company's Internal Audit Department is responsible for assessing the adequacy of the internal control system and report to the Audit Committee according to its plan.

(5) <u>Risk Management</u>

The Company has defined proper risk management system and procedures to appropriately reduce the impact towards the Company's business. Its Risk Policy Committee will set the comprehensive internal and external risk management policy, consistent to the business' strategies and directions and submit for approval to the Board of Directors.

(6) <u>The Committee's Report</u>

The Audit Committee has the duty in reviewing the financial statements with the Accounting Department and the auditor and then proposes to the Board of Directors on a quarterly basis. The Board of Directors is accountable for the financial statements of the Company and its subsidiaries and the financial information disclosed in the annual report.

3. The Board of Directors' Guideline

Guideline 1: Recognize the duties and responsibilities of the Board of Directors as the organizational leader who creates sustainable values to the business, understand the roles and recognize the responsibilities of the leader to ensure the good corporate management and govern the business to create values sustainably.

Guideline 2: Set and manage the main objectives and goals for sustainability, which are consistent with the value creation for the corporation, customers, stakeholders and the whole society.

Guideline 3: Be responsible in setting and reviewing the structure of the Board of Directors regarding the size, proportion of proper independent directors necessary in leading the organization to achieve the objectives and goals, as well as ensuring the transparency and clear director selection and nomination for qualified and efficient Board members.

Guideline 4: The Board of Directors should ensure that the Company has effective human resources management and development programs to guarantee that the Company has ample staffs with proper knowledge, skills, experiences and motivation. Also, the Board of Directors should make sure that the succession plan for the CEO and senior executives, the appropriate remuneration structure and the performance evaluation are in place.

Guideline 5: The Board of Directors should focus and promote innovation that creates value for the Company while benefiting clients, other stakeholders, society and the environment. Furthermore, the Board of Directors should ensure that management allocates and manages resources efficiently and effectively throughout all aspects to enable the Company to sustainable achieve its objectives and main goals.

Guideline 6: Ensure that the Company has effective and appropriate risk management system and internal control to achieve the corporate objectives effectively and compliance with related laws and standards.

Moreover, the Board of Directors will manage the conflict of interest between the Company, the management, the Board members or shareholders that may arise, and prevent the misuse of the Company's properties, information and opportunities, and transactions with related parties in inappropriate manners.

Guideline 7: In order to ensure the disclosure and financial integrity, the Board of Directors should make sure that the financial reporting system and major information disclosure are conducted accurately, sufficiently, in a timely manner and consistent with applicable regulations, standards and guidelines.

Furthermore, the Board of Directors should monitor the Company's financial liquidity and solvency and arrange mitigation plan for the event that the Company faces or tend to have financial difficulties. **Guideline 8:** To support the engagement and communication with shareholders, the Board of Directors will ensure that the shareholders are given opportunity to participate in the Company's important decisions.

4. The Board Meeting and Self-Evaluation

The Board of Directors shall meet at least quarterly or more frequently as it deems necessary. The meeting agendas are clearly set in advance and the agenda to follow-up the business operation is regularly fixed. The corporate secretary prepares and informs all directors of the meeting schedules in advance. The Company sends notice of the meeting along with agenda items and relevant documents to all directors no less than seven (7) days prior to the meeting date, except in urgent cases. Minutes of meetings are recorded, certified, kept for reference and made available for examination. In every meeting, executives and responsible staffs are invited to attend the meeting to present information to the Board of Directors for making accurate and prompt decisions.

The meeting resolution must be passed by a majority vote of the Board members attending the meeting. Each director has one (1) vote. In the event that any director has a conflict of interest in any matter, he/ she must not take part in the decision-making process of such matter. In case there are equal votes, the Chairman of the meeting has a casting vote.

The Board of Directors conducts a selfassessment at least once a year so as to improve its performance. Assessment aspects have been clearly identified in advance. The result of the Board of Directors' assessment is reported to the Board of Directors' meeting and will be disclosed in the annual report along with the assessment guideline and process starting from the year 2020.

5. Remunerations

The remuneration of the directors should be comparable to the standard practice in the industry, with consideration of the experience, duties and roles, scope of accountability and responsibility and the expected usefulness of each director. Those who are assigned more duties and responsibilities, such as being a member of sub-committees, should receive suitable additional compensations.

The Company has established the Nomination and Remuneration Committee to consider and submit the remuneration methods and principles of director for approval in the Shareholders' Meeting.

6. Director and Executive Development

The Board of Directors' policy is to support and facilitate trainings and educating sessions for the parties related to the Company's governance, such as directors, Audit Committee, executives and company secretary, in order for continuous operation improvement. The trainings and educating sessions may be held internally or by the outside institutions.

In case of any director replacement or new directors, the management will prepare documents with information useful to the operation of the new directors and orient them to the Company's business nature and business operation guideline.

The Board of Directors will rotate the assignments according to the expertise of the executives and employees, mainly with consideration of the appropriateness of the work and time. The CEO will decide the time period and review the operating results to draw up the work development and succession plan in order to improve the knowledge and skills of the executives and employees, enabling them to work on behalf of each other.

Policy to Prevent Misuse of Insider Information

The Company puts emphasis on preventing the use of its internal information. Therefore, it has set the policy to prohibit its directors, executives, employees and workers from misusing and disclosing nonpublic information that may have effect on its share price, significant and undisclosed information that may cause damage or disadvantage to the Company as well as the Company's confidential information directly or indirectly, whether or not for the benefit of themselves or other persons. Such policy also forbids the trading of the Company's share by using insider information.

The guidelines for preventing the misuse of insider information of the Company are summarized below.

1. The Company's directors and executives are educated on the duty to report their own shareholding, including that of spouse, cohabiting couple and children under legal age, according to the Section 59 and the Section 275 of the Securities and Exchange Act B.E. 2535 (1992) (as amended), as well as the acquisition or disposal of shares held by themselves, spouse, cohabiting couple and children under legal age according to the Securities and Exchange Act B.E. 2535 (1992) (as amended) to the Securities and Exchange Commission, Thailand ("SEC"). 2. The Company's directors and executives, including their spouse, cohabiting couple and children under legal age, must prepare and disclose their holding of the Company's share and any change in the status of such shareholding to the SEC as specified in the Section 59 of the Securities and Exchange Act B.E. 2535 (1992) (as amended) and also hand in a copy of such shareholding report to the Company within the same date.

3. The directors, executives, employees and workers of the Company and its subsidiaries, who are aware of important information that may have effect on the change of the share price, have been forbidden to trade the Company's share thirty (30) days prior to the disclosure of its financial statement or such information until at least 24 hours has elapsed after the disclosure. The persons, who involve with such information, must not release it to others till it is reported to the Stock Exchange of Thailand.

4. The directors, executives, employees and workers of the Company and its subsidiaries are not allowed to use the internal information or nonpublic information that may have effect on the change of the Company's share price, which is obtained from the performance of duties, for buying, selling, offering to buy, offering for sale or persuading others to buy, sell, offer to buy or offer for sale the Company's share or other securities (if any), either directly or indirectly, that may cause damage for the Company or for the benefit of themselves or other persons. Besides, such information must not be disclosed to other persons for the above-mentioned purposes whether or not for the exchange benefit.

5. The current and former directors, executives, employees and workers of the Company and its subsidiaries must not release the internal information or confidential information of the Company or its counterparties, which is obtained from the performance of duties, to other persons even though the disclosure of such information may not damage the Company and its counterparties. Such information must be used only for the Company's benefit, not for direct or indirect benefit of the directors, executives or employees and whether or not for the exchange benefit.

6. Any violations of the abovementioned guidelines are considered as the disciplinary offenses according to the Company's work rule. The Company will consider the disciplinary actions ranging from verbal and written warning, probation to dismissal.

Policy to Prevent the Conflict of Interest

The Company defines its Preventing Conflict of Interest Policy based on the principle that the decision for entering into any transaction must be for the highest benefit of the Company and shareholders. The Company should avoid any activity, which may create a conflict of interest, by adhering to the following principles:

1. Directors, executives and employees should refrain from conducting the same and competing business with the Company or its subsidiaries, except they can demonstrate that there is a measurement to ensure such conduct has no impact to the Company or it is for the utmost benefit of the company and overall shareholders. Also, directors and executives have to report such conduct to the Internal Audit Department, while employees must report to their supervisors.

2. Directors and executives should disclose their business transaction or activity, which may create a conflict of interest with the Company or its subsidiaries, to the Internal Audit Department, for instance,

> 2.1 any joint investment or benefit with counterparty of the Company or its subsidiaries; and

Corporate Governance

Financial Statements Enclosure

2.2 any position taken up or being an advisor of counterparty of the Company or its subsidiaries; and

2.3 any direct or indirect product or service trading with the Company or its subsidiaries.

Directors, executives and employees З. must not misuse the confidential information of the Company or its subsidiaries, such as plan, revenue, meeting resolution, business forecast and auction price, for their own benefit, whether it creates any damage to the Company or not. They must stringently follow this Preventing Conflict of Interest Policy.

4. Directors, executives and employees should abstain from holding significant securities of the same and competing business with the Company or its subsidiaries that may interfere or affect their appropriate performance of duties. In case such securities are obtained prior to taking up position at the Company or prior to the Company or its subsidiaries entering into such business or such securities are obtained by inheritance, they must report to the Internal Audit Department or their supervisors (as the case may be).

Anti-Corruption Policy

The Company recognizes the importance of anti-corruption and intends to operate business with good morals and under good corporate governance framework as well as adhere to the Code of Business Ethics. Also, the Company takes responsible for the society, environment and all stakeholders by conducting transparent and fair business which can be auditable.

To make certain that the Company has policy specifying appropriate responsibility, guidelines and rules for its business operation to prevent all types of corruption in all of the Company's activities and that the Company's decision and business operation involving with the risk of corruption have been thoroughly considered and conducted, the Company has arranged for the written Anti-Corruption Policy to be clear guidelines for doing business and developing to sustainable organization.

1. Definition

"Corruption" means misusing authority to obtain improper benefit, giving or receiving bribe in the form of offering, promising, offering assurance, requesting, giving or receiving money, assets or other benefits from/ to the government officials, private agencies or third parties, either directly or indirectly, so as to incorrectly influence the performance of their duties or to wrongly acquire or maintain business.

"Charity" refers to activity involving money donation which bring about no tangible return.

"Donation for Public Interest" means donation for project or activity which creates benefit for the community, society and public group, meanwhile, the Company may not get tangible return.

"Political Contributions" means providing assistance under the Company's name in the form of financial or other means of political support to subsidize political activities. Political contributions in the form of financial support includes money lending whereas in-kind support incorporates offering objects or services, political party promoting or supporting advertisement, purchasing ticket for the purpose of fund-raising, donating money to organizations which closely relate with political parties, etc. Nevertheless, this excludes support for democratic process as stipulated by law.

"Sponsorships" means the giving of money for service or benefit which is difficult to evaluate and monitor and may be linked to corruption, for instance, sponsorship which has a hidden target by using sports for charity or exploiting charitable organizations to take advantage from the consideration of the government officials or relevant parties. (The advantages from consideration are, for example, providing contract, business opportunity or bidding, reducing or cancellation of fee, giving, helping or withdrawing rule to acquire license, which is not in line with the official normal process, cancellation or reducing legal obligations or giving access to the government officials.)

"Government Officials" refer to the government officials as defined by the Anti-Money Laundering Act and include officials, state enterprise officials, employees, representatives or other persons representing the following agencies:

- Ministry, bureau, division or government sector (e.g. Revenue Department, Immigration Office, etc.);
- International organizations (e.g. World Bank, International Monetary Fund, etc.);
- Political parties, political positions, political candidates (both government party and government opposition) and local administrators;
- Governing agencies (e.g. Securities and Exchange Commission, Bank of Thailand, Stock Exchange of Thailand, etc.); and

 (\cap)

 State enterprises or companies or other agencies owned or controlled by the government or government agencies.

"Personnel of the Company and its Subsidiaries" refers to directors, executives, full-time employees, temporary staff and contract staff of the Company and its subsidiaries. (Directors and executives of the subsidiaries mean only directors and executives who are nominated by the Company and appointed as directors and executives of the subsidiaries.)

2. Anti-Corruption Policy

- 2.1 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.
- 2.2 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.

3. Duty and Responsibility

- 3.1 The Board of Directors has duty and responsibility to define and approve the Anti-Corruption Policy as well as arrange for the system to effectively promote the anticorruption in order to ensure it is recognized and implemented as the organizational culture by the management.
- 3.2 The Audit Committee has duty and responsibility to verify the Company has sufficient internal control and operates business in accordance with the Anti-Corruption Policy, rules and applicable laws.
- 3.3 The management is responsible for setting up systems and measures as well as promoting, supporting and overseeing to ensure that employees and all relevant parties abide by the Anti-Corruption Policy. In addition, the management has to review the appropriateness of the systems and measures in order to be in accordance with changes in business, rules and laws.

3.4 The Internal Audit Department has duty to audit and review the operation to assure it is conducted correctly and in line with the policy, guidelines, regulations and applicable laws. The Internal Audit Department has to make sure the Company has proper and adequate internal control system to manage potential corruption risk and make report to the Audit Committee.

Enclosure

- 3.5 Personnel of the Company and its subsidiaries has to abide by the Anti-Corruption Policy by not involving in corruption, either directly or indirectly.
- 3.6 The Company proceeds to make directors and executives of its subsidiaries and affiliates who are nominated by the Company and appointed as directors and executives of its subsidiaries or affiliates (as the case may be) accept to abide by the Company's Anti-Corruption Policy.

4. Scope and Guidelines

4.1 The personnel of the Company and its subsidiaries must perform duty with care in regard to the following forms of corruption:

- Giving and Receiving Bribe Giving and receiving bribe of all forms for an exchange of business benefit, including authorizing others to act on behalf, are forbidden.
- Gift, Entertainment and Other Benefits

Giving and receiving gift, asset, entertainment or other benefits to/ from clients, counterparties or relevant parties must be conducted in accordance with the Company's guidelines and regulations.

Political Contribution

The Company has a policy not to assist or support any political party, political group or politician, either directly or indirectly.

 Receipt of Donation, Charity, Donation for Public Interest and Sponsorship

Receipt of donation, charity, donation for public interest and sponsor ship must be conducted according to the following rules:

 Conduct with transparency and legally, not against good morals or creating damage to the society. 2. Do not involve with bribing or lead to be claimed for bribing.

 (\cap)

- Follow the Company's review and approval processes as defined in the Company's guidelines and regulations.
- If there is any doubt on violation of law, the Legal Department has to be consulted in writing. Other significant issues have to be considered by the management.
- 4.2 The Company strives to create and maintain its organizational culture on zero-tolerance on corruption, either it conducts with public or private sectors.
- 4.3 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.

- 4.4 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.
- 4.5 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.
- 4.6 The Anti-Corruption Policy covers in the human resource management process ranging from recruiting, promotion, training to evaluation. 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.

4.7 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.

Enclosure

4.8 The Company discloses the Anti-Corruption Policy, which is under Thailand's anti-corruption law, via both internal and external media, for instance, notifications, website and annual report.

5. Complaint or Corruption Issues

- Any act involving corruption of the Company, either direct or indirect, for instance, the offering/ receiving bribe to/ from the government officials or private agencies by the Company's personnel
- 2) Any act which is not in line with the process as stipulated in the Company's rules or has impact on the Company's internal control system and may lead to corruption
- Any act which may make the Company lose its benefit or affect its reputation

 Any act which is illegal, unethical or against the Company's guidelines or Principles of Business Ethics

6. Channels for Complaints

The Board of Directors obtains reports or complaints on acts suspected to involve in corruption with the Company, either directly or indirectly, via channels specified in this policy. Complainants must provide details of complaints along with their names, addresses and contact telephone numbers to Mr. Phisoot Suksangtip, Head of Internal Audit Department via his email (SuPhisoot@central.co.th) or by post:

Head of Internal Audit Department Central Retail Corporation PCL 22 Soi Somkid, Ploenchit Road Lumpini Sub-district, Pathumwan District, Bangkok 10330

In case of complaining towards the Chief Executive Officer, complaints have to be filed directly with the Chairman of the Audit Committee via his email (mopratana @central.co.th) or by post:

The Chairman of the Audit Committee Central Retail Corporation PCL 22 Soi Somkid, Ploenchit Road Lumpini Sub-district, Pathumwan District, Bangkok 10330 (\cap)

Ince Corporate Governance

ernance Financial Statements

atements Enclosure

Person who can make 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.

7. Protection Measures and Information Privacy

In order to protect the right of whistleblowers or reporters who act in good faith, the Company will conceal their names, addresses or other information showing their identity and maintain such information confidential. Disclosure of such information is made only to persons who are responsible for the verification process.

In case of complaining towards the Chief Executive Officer, the Audit Committee has duty to protect reporters, whistleblowers, witnesses and persons who provide information for investigation from trouble, damage or unfair treatment as a result of making complaints, providing information or witnessing. Complainants are requested to directly contact the Audit Committee.

• If the complaints are not made towards the Chief Executive Officer,

the Chief Executive Officer has duty to use his discretion to proceed with such complaints as deem appropriate to protect reporters, whistleblowers, witnesses and persons who provide information for investigation from trouble, damage or unfair treatment as a result of making complaints, providing information or witnessing.

The Chief Executive Officer can assign any executive to act on his behalf to protect reporters, whistleblowers, witnesses and persons who provide information for investigation. Such assigned executive must not relate with the complaint issues, either directly or indirectly (e.g. the accused person is a direct subordinate).

Persons involving in the complaint process have duty to keep information, complaints and evidence strictly confidential and must not disclose such information to others, except it is required by law.

8. Investigation, Procedures and Disciplinary Action

 Upon receipt of report, the Chief Executive Officer or the Audit Committee is responsible for screening and investigation.

- During investigation, the Chief Executive Officer or the Audit Committee may assign representative to periodically inform the progress of investigation to reporters or whistleblowers.
- 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 Chief Executive Officer 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.

9. Dissemination of the Anti-Corruption Policy

In order for everyone in the organization to acknowledge about the Anti-Corruption Policy, the Company conducts as follows:

- Put notification on the Anti-Corruption Policy in the place where it can be easily seen by everyone in the organization.
- Disseminate the Anti-Corruption Policy via several channels of the Company, for instance, website, email, annual report and annual registration statement (Form 56-1).
- Regularly review the Anti-Corruption Policy at least once a year.

Supervision and Governance of Subsidiaries and Associates

Please see the information in 8.1.3

6.2 Code of Business Ethics

The Company publicizes it Code of Conduct to the employees via e-mail and Intranet as well as arranges training programs and online tests on such matter.

The Company sets the following code of business ethics for directors, executives and employees, who are its representatives, to adhere to in performing duties

1. Shareholders

The Company will conduct the business based on corporate governance, transparency and effectiveness, aiming to achieve good operating results and stable growth for the Company's sustainable and stable financial position, maximally benefiting its shareholders in the long term. It will also disclose the information transparently and trustworthily to the shareholders on its website and through investor relations officers.

2. Employees

The Company equally and fairly treats its employees, respects the rights of every employee and gives appropriate compensation, welfare and benefits not less than the legal requirement and comparable to other companies in the same industry. Furthermore, the Company focuses on the development of skills, knowledge, capabilities and potential of employees on a regular basis. For instance, the Company widely arranges trainings and seminars for employees and retains high caliber with the Company. The Company also sets the anti-corruption guideline and fosters all staff to comply with the laws and related regulations.

3. Suppliers

The Company establishes its own procedure for business partner selection by having the partners compete with equal information and selecting the partner fairly according to its business partner evaluation and selection principles. Also, the Company uses the proper form of agreement to offer fairness to all suppliers and ensures that all conditions of the agreement are met and the corruption and misconduct are prevented in every selection process. The Company strictly adhere to all terms of any agreement and keep the suppliers' information confidential without using such information for inappropriate benefit.

4. Competitors

Conducting business with fairness and transparency, competing fairly, refraining

from taking commercial advantages over the competitors and refraining from seeking confidential information in illegal ways, and refraining from defaming its competitors with wrong accusations.

5. Customers

The Company is responsible toward its customer in maintaining the quality and standard of its products and services, as well as fulfilling the customers' needs completely or as much as possible, to satisfy customers in the long term. In addition, it cares for the health and hygiene of the consumers of its products, providing correct and complete information regarding the products and services. The Company also provides channels for customers to report the inappropriate products and services, so it can prevent and solve the problems quickly. The customer's confidential information will be protected and not illegally used for personal benefits or that of the related parties.

6. Creditors

The Company will strictly stick to the conditions and requirements of the contracts and financial obligations, as well as pay the principal, interests and collaterals in the related contracts. It will not dishonestly conceal the information or facts that may damage the creditors. In case that it cannot follow any of the conditions, it will notify the creditors immediately to agree on solutions.

7. Government

Conducting business by giving importance to the government, strictly adhering to laws and related regulations, as well as responding to the government's policy as it deemed necessary and appropriate, in consistent with its business operation method.

8. Communities, societies and environment

The Company pays attention to and takes importance on the safety and security of the communities, societies, environment and quality of life of those related to its business operation, encourages our employees to be in good conscience and have responsibility towards environment and society and requires them to strictly follow the laws and related regulations. Additionally, the Company makes efforts to participate in activities that help creating and preserving environment, society and supporting the local cultures where its business is operating.

6.3 Significant Change and Development of Policy, Practices and System of Corporate Governance in the Previous Year

6.3.1 Significant Change and Development of Corporate Governance

In 2020, the Board of Directors improved the corporate governance system in accordance with the principles of good corporate governance as follows:

- The Board of Directors reviewed the charters of the Board of Directors and sub-committees, the good corporate governance policies and practices by making appropriate changes in the policies and charters, such as the Risk Management Policy, the Risk Policy Committee Charter, and Charter of the Board of Directors.
- 2. The Board of Directors appointed the Corporate Governance and Sustainability Committee as a subcommittee to assist the Board of Directors in corporate governance and sustainability and endorsed the Charter of such sub-committee.
- The Board of Directors approved that the Company offered minority shareholders to propose an agenda and nominate the director in place

of those retired by rotation in 2021 7. Annual General Meeting of Shareholders.

- The Board of Directors approved the annual assessments, consisting of a self-assessment of individual director and an assessment of the Board of Directors as a whole as well as assessment of the sub-committees. The Board of Directors and sub-committees conducted their annual assessment and presented the assessment results to the Board of Directors for consideration.
- 5. The Board of Director arranged one meeting among the non-executive directors.

6.

The Board of Directors approved the establishment of a compliance unit to supervise personnel and internal units and ensure that their performance of duties or tasks were in strict compliance with relevant rules and regulations, both internally and externally, domestically and internationally, and the principles of good corporate governance. The Board of Directors approved to determine the minimum quorum for passing resolutions of the Board of Directors meeting, which shall be not less than two-thirds of the total number of the directors, except for the case that the directors having conflict of interest abstain from voting or leave the meeting room, thus making the number of the directors to be fewer than the number required pursuant to the policy.

8. The Board of Directors approved to determine a policy on directorships in other companies of the top executive as follows:

The Company's top executive may hold directorships in other companies, but such directorships shall not hinder the performance of duties in the Company and such companies shall not undertake any business in the same nature or in competition to the business of the Company. The Board of Directors resolved to push forward the Company's membership of Thailand's Private Sector Collective Action against Corruption (CAC) by assigning the Audit Committee to be responsible for this matter.

9.

- The Board of Directors approved to set up an Employee Joint Investment Program (EJIP) which will begin in April 2021.
- The Board of Directors approved to establish a policy, stipulating that the directors shall disclose any change in their securities holding to the Board of Directors meeting for acknowledgment on a quarterly basis.

Moreover, the Board of Directors approved that the Company shall disclose additional information on corporate governance on the Company's website and the Annual Report for the investors, shareholders, and public. More details can be found in related topics. .

6.3.2 Unaccomplished Principles of Good Corporate Governance for Listed Companies 2017

In 2020, the Board of Directors considered and reviewed the implementation of the Principles of Good Corporate Governance for Listed Companies 2017 (CG Code) to the business context of the Company and recorded unaccomplished principles and reasons as part of the Board of Directors' resolution.

The Company's unaccomplished principles and reasons are as follows:

 Determination of the number of directors for at least 5 directors but not more than 12 directors.
 The Company operates business by holding shares in other companies, thus resulting in a large number of subsidiaries. Therefore, the Company needs several directors with knowledge and expertise in different areas. The Board of Directors consists of 15 directors in total, with knowledge and expertise in accordance with the skill matrix stipulated by the Company to ensure alignment with its business. The Chairman of the Board of Directors shall be an independent director.

Although the Chairman of the Board of Directors, who is the person with suitable knowledge and capabilities and well performs his duties, is a non-independent director; however, he holds no shares in the Company and is not the same person as the Chief Executive Officer, thus still maintaining checks and balances in management

The Nomination Committee and the Remuneration Committee shall mostly consist of independent directors.

The Nomination and Remuneration Committee consists of two-fourths or half of the members who are independent directors. As the Chairman of the Committee is also an independent director, therefore, the meeting agenda and schedule can be independently determined.

All directors and related executives shall attend the shareholders' meeting to allow the shareholders to ask questions on related issues. In the 2020 Annual General Meeting of Shareholders, all directors and related executives were present, except one director who was absent due to urgent assignments.

Enclosure

6.3.3 Other Practices Following the Principles of Good Corporate Governance in Support of the Assessment

The Company received "Very Good" or "4-Star" Corporate Governance Report (CGR) Rating of 2020 from the Thai Institute of Directors (IOD) and 100 scores on the AGM Checklist.

The Company always gives importance on operating its business inline with principles of good corporate governance. Apart from the aforementioned information, the Company has also complied with the principles of good corporate governance in other areas as follows:

• Functions of Investor Relations

The Board of Directors strongly emphasizes the importance of disclosure of both financial and nonfinancial information in an accurate, complete, transparent, thorough, and timely manner. For benefit the

shareholders and investors in their decision-making, the Company publicizes the information to both domestic and international investors and stakeholders through various channels, for example, disclosing the information and reports via the SET, the SEC, news release, and the Company's website under the heading of Investor Relations (https://www.centralretail. com/en/investor-relations/home). The information disclosed on the website is always updated. It includes the Company's business operation, past operating results, financial reports, Management Discussion & Analysis, stock prices, shareholder information, shareholder structure, dividend payment, annual registration statement (Form 56-1), annual report (Form 56-2), notice of shareholders' meeting, minutes, news disclosed to the SET, press release as well as IR presentation prepared for investor meetings, both domestically and internationally.

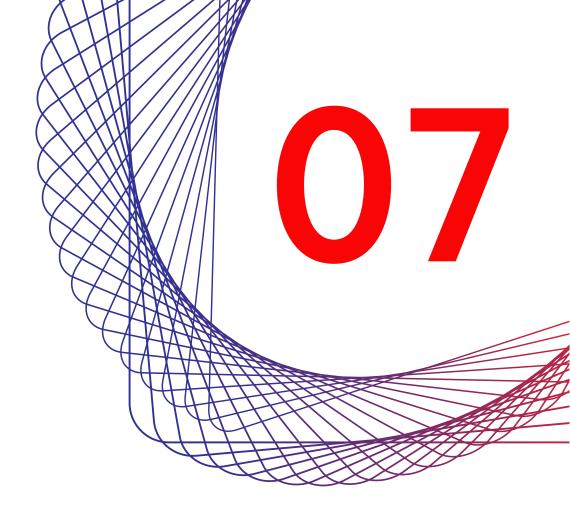
To ensure that the functions have been performed by the Investor Relations in an accurate, complete, and transparent manner as well as in compliance with the laws, public regulations, and the Company's regulations and the SET's regulations, the Investor Relations will directly report to the Chief Financial Officer and work closely with senior executives to formulate a policy and quarterly and annual plans as well as operating guidelines and approaches for developing CRC's investor relations practices on a par with leading reginal listed Companies. The operating results and opinions of shareholders, investors, and analysts are reported to the Board of Directors 4 times a year. Also, a meeting with the Deputy Chief Financial Officer is regularly held on a monthly basis.

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

The Company's senior executives give priority to the enhancement of good relationships with the investors by allocating their time to participate in the activities organized by the Investor Relations in order to announce the Company's policies and business directions, and hold investor meetings on a regular basis. In 2020, the COVID-19 outbreak situation obstructed the Company's investor meetings both domestically and internationally; however, the Company changed communication channels with the investors by adopting electronic means. The documents and VDOs related to investor meetings are publicized on the Company's website under the heading of Investor Relations to allow investors' access to comprehensive retrospective database.

The Company has continuously carried out a variety of forms of activities to enable the senior executives and Investor Relations to meet and provide the information to related persons in different opportunities as follows:

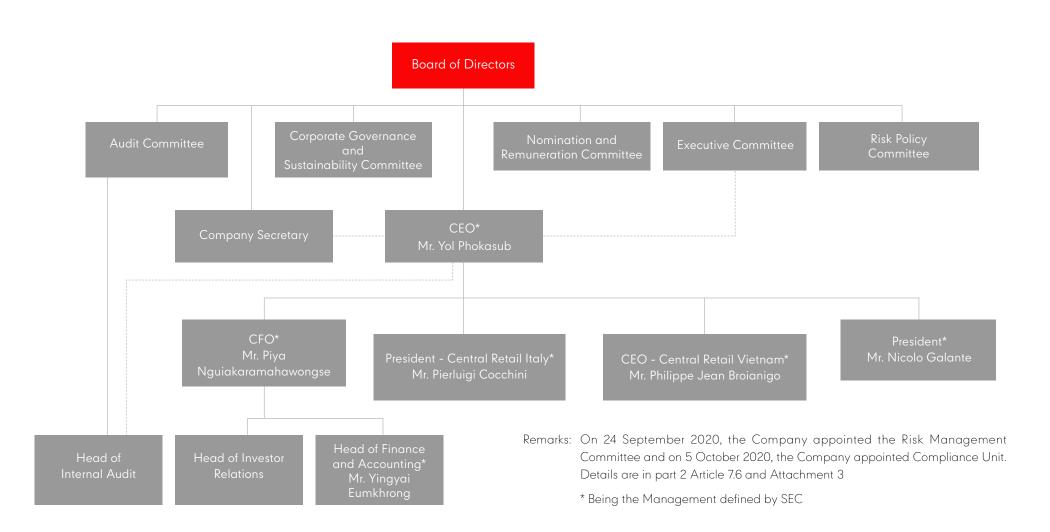
Investor Relations Activities in 2020	Number of Times	Number of Participants
1. One-on-One Meeting/Company visits	4	7
2. Conference Calls	109	301
3. Analyst & Fund Manager Meetings	4	314
4. Opportunity Day/ Thailand Focus	2	86
5. Investor Conferences	11	216
6. Non-Deal Roadshows	11	136
7. Site visit	1	15
Total	142	1,075



Management Structure / Director, Sub-committee, Management, Employee and other information

7.1 Management Structure

as at 31 December 2020 is as follows:



7.2 Directors' Information

As of 31 December 2020, the Company consists of 15 directors whom having expertise that matched the Company's need. 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 Sustainability Committee	Executive Committee
1.	Dr. Prasarn Trairatvorakul	Chairman	-	-	-	-	-
2.	Mr. Suthichai Chirathivat	Vice Chairman		-	-	-	-
З.	Mr. Suthikiati Chirathivat	Vice Chairman	-	-	-	-	-
4.	Mrs. Pratana Mongkolkul	Independent Director	С	-	-	-	-
5.	Mrs. Patareeya Benjapolchai	Independent Director	D	D	-	С	-
6.	Dr. Atchaka Sibunruang	Independent Director	-	-	С	D	-
7.	Mr. Sompong Tantapart	Independent Director	D	-	D	-	-
8.	Mr. Kanchit Bunajinda	Independent Director	-	С	-	-	-
9.	Mr. Suthiphand Chirathivat	Director	-	-	D	-	-
10.	Mrs. Yuwadee Chirathivat	Director	-	-	-	-	D
11.	Mr. Suthilaksh Chirathivat	Director	-	-	-	-	-
12.	Mr. Prin Chirathivat	Director	-	D	-	-	-
13.	Mr. Tos Chirathivat	Director	-	-	D	-	С
14.	Mr. Pichai Chirathivat	Director	-	-	-	D	-
15.	Mr. Yol Phokasub	Director and CEO	-	D	-	D	D

C = Chairman D = Director

The details of directors described in Enclosure 1 of this document.

Report of Changes in CRC's Shares of Directors and Executives

		CRC's	Shares	
Name	As at 20 February 2020	Changes Increase (Decrease)	As at 31 December 2020	% of total shares
1. Dr. Prasarn Trairatvorakul	-	-	-	-
2. Mr. Suthichai Chirathivat	43,287,569	-	43,287,569	0.718%
3. Mr. Suthikiati Chirathivat	38,835,033	-	38,835,033	0.644%
4. Mrs. Pratana Mongkolkul	-	-	-	-
5. Mrs. Patareeya Benjapolchai	-	-	-	-
6. Dr. Atchaka Sibunruang	69,700	-	69,700	0.001%
7. Mr. Sompong Tantapart	-	-	-	-
8. Mr. Kanchit Bunajinda	-	-	-	-
9. Mr. Sudhisak Chirathivat *	46,109,870	-	46,109,870	0.765%
10. Prof. Dr. Suthiphand Chirathivat *	43,850,621	-	43,850,621	0.727%
11. Mrs. Yuwadee Chirathivat	17,029,945	-	17,029,945	0.282%
12. Mr. Suthilaksh Chirathivat	43,951,987	944,000	44,895,987	0.744%
13. Mr. Prin Chirathivat	56,382,900	100,000	56,482,900	0.937%
14. Mr. Tos Chirathivat	38,936,816	400,000	39,336,816	0.652%
15. Mr. Pichai Chirathivat	52,488,462	739,000	53,227,462	0.883%
16. Mr. Yol Phokasub	302,200	-	302,200	0.005%
17. Mr. Nicolo Galante	46,500	-	46,500	0.001%
18. Mr. Piya Nguiakaramahawongse	267,300	-	267,300	0.004%
19. Mr. Philippe Jean Broianigo	69,700	-	69,700	0.001%
20. Mr. Pierluigi Cocchini	-	-	-	-
21. Mr. Yingyai Eumkhrong	-	-	-	-

Remark:

1. Central Retail Corporation Public Company Limited has a registered capital of THB 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.

2. According to SEC regulation, ordinary shares of a company held by the directors and executives defined in SEC's regulation include those held by a spouse, partners in a de facto relationship and minor children shall be reported to SEC within 3 days from the trading date. Any director or executive who fails to comply the aforementioned action shall be liable to a fine not exceeding THB 500,000 and shall be liable to a fine not exceeding THB 10,000 per day until completely reported.

3. The Public Limited Companies Act requires divulging the ordinary shares and debentures in the company and in affiliated companies held solely by a Board member as an individual. Moreover, the director shall indicate the total number of shares increasing or decreasing during an accounting year (if any). Any director who fails to comply with section 88 or does comply with section 88 but incompletely or inaccurately as to truthfulness shall be liable to a fine not exceeding THB 20,000.

4. Notification of the Office of the Securities and Exchange Commission No. SorJor. 38/2561 defined "executives" means the manager, the next four executives succeeding the manager, every person holding an equivalent position to the fourth executive, and shall include the persons holding an executive position in accounting or finance at a managerial or equivalent or higher level.

5. The shares prescribed in the above table has included shares held by a spouse, partners in a de facto relationship and minor children (if any) of directors and executives.

* Mr. Sudhisak Chirathivat resigned from the director positions in the Board of Directors on 31 October 2020. Then, on 13 November 2020, the Company resolved to appoint Professor Dr. Suthiphand Chirathivat to hold director positions in the Board of Directors in replacement of the resigning director, Mr. Sudhisak Chirathivat.

Authorized Directors to bind the Company

Mr. Suthichai Chirathivat, Mr. Suthikiati Chirathivat, Mr. Suthiphand Chirathivat, Mrs. Yuwadee Chirathivat, Mr. Suthilaksh Chirathivat, Mr. Prin Chirathivat, Mr. Tos Chirathivat, Mr. Pichai Chirathivat, Mr. Yol Phokasub two of nine directors co-signing with company seal affixed.

7.2.1 The Composition of the Board of Directors

The Company's directors consist of 5 independent directors from 15 directors, equivalent to 33.33% of all directors. Moreover, the Company consists of 1 executive director from 15 directors, equivalent to 66.67% of all directors.

The Audit Committee consists of 3 independent directors which Mrs. Pratana Mongkolkul has knowledgeable and experience to review the financial statements.

7.2.2 The Information of Directors in the Company's Subsidiaries

										Subsid	diaries									
List of Directors	CDS	ROBINS	TWT	CMK	CTD	CNGI	CGO	CFR	CFM	SPS	C Trading	John Master	Kiko Garment	PWB	NK Trading	Cap C	LC Investment	LC Ha Nam	LC Trading	LR
Mr. Suthichai Chirathivat	/							/		/	/			/						
Mr. Suthikiati Chirathivat	/										/			/						
Mr. Suthilaksh Chirathivat	/		/		/			/	/	/				/		/				
Mr. Sudhisak Chirathivat		/									/									
Mrs. Yuwadee Chirathivat	/	/					/													/*
Mr. Tos Chirathivat	/				/			/								/				/*
Mr. Prin Chirathivat	/	/		/	/			/	/		/	/*	/*			/				/*
Mr. Pichai Chirathivat											/	/*	/*							
Mr. Yol Phokasub				/				/	/											
Mr. Piya Nguiakaramahawongse		/																		

	Subsidiaries																			
List of Directors	CDS	ROBINS	ΤWΤ	CMK	CTD	CNGI	CGO	CFR	CFM	SPS	C Trading	John Master	Kiko Garment	PWB	NK Trading	Cap C	LC Investment	LC Ha Nam	LC Trading	LR
Mr. Philippe Jean Broianigo															/					
Mr. Pierluigi Cocchini																				/
Ms. Jariya Chirathivat	/		/					/		/				/	/*		/*	/*	/*	
Mr. Narongrit Chirathivat	/						/	/		/				/		/				
Mr. Kriangsak Chirathivat	/										/	/*	/*							
Mrs. Nidsinee Chirathivat	/																			
Mr. Watt Chirathivat	/																			
Mrs. Sirikate Chirakiti	/																			
Mrs. Sukanya Promphan	/							/		/										
Mr. Suthichart Chirathivat	/							/		/	/			/						
Mr. Sudhitham Chirathivat		/						/							/					/*
Mr. Wuttikiat Techamongklapiwat		/																		
Mr. Fumio Hiraoka			/																	
Mr. Masahiro Hirata			/																	
Mr. Toshiyuki Inada			/																	
Mr. Hidetoshi Sugimoto				/																
Mr. Stephane Coum				/				/	/											
Mr. Takashi Matsumoto				/																
Mrs. Supatra Chirathivat						/														

										Subsi	diaries									
List of Directors	CDS	ROBINS	ТWT	CMK	CTD	CNGI	CGO	CFR	CFM	SPS	C Trading	John Master	Kiko Garment	PWB	NK Trading	Cap C	LC Investment	LC Ha Nam	LC Trading	LR
Mr. Kowin Kulruchakorn						/														
Mr. Worawoot Ounjai						/	/													
Mr. Panet Mahankanurak							/													
Mr. Parivat Sopasi								/	/											
Mr. Alistair Charles Taylor									/											
Mr. Suthisarn Chirathivat					/					/				/	/*					
Ms. Wallaya Chirathivat										/										
Mr. Nath Vongphanich					/					/										
Mr. Pong Skuntanaga					/									/						
Ms. Sukulaya Uahwatanasakul					/						/									
Mrs. Jintana Bunyarat											/	/*	/*							
Mrs. Suzana Binti Husin												/	/							
Mrs. Triprang U-nontakarn												/*	/*							
Mr. Vittorio Radice																				/

Remarks: For the overseas companies, * refers to directors who residing in Thailand.

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

7.2.3 Information of the Board's Authorities, Duties and Responsibilities

The Board's Authorities, Duties and Responsibilities

As the representatives of shareholders, the Board of Directors has the authorities, duties and responsibilities were determined as follows:

- Perform duties and oversee the Company's business in consistent with laws, the Company's objective, articles of association, resolution of the Board of Directors' and the shareholders' meetings with responsibility, honesty and due care for the interest of the Company and all shareholders.
- (2) Define vision, strategy, business direction, objective, policy, target, business plan, budget and management structure as well as delegate authority of the Company and its subsidiaries as proposed by the management. Oversee the business operation and the performance of the management or any assigned persons. Support the use of technology to effectively and efficiently increase the business opportunity and the operating result in accordance with the set vision. strategy, business direction, objective, policy, target, business

plan and budget in order to create the highest value to the Company and shareholders. The Company's strategy, business direction, plan and budget are reviewed at least once a year so as to be able to adapt to any changes in economy, market and competition.

- (3) Continuously and regularly monitor and assess the performance of duties of the management and sub-committees to ensure they are in line with the strategy, business plan and budget.
- (4) Ensure that the remuneration framework, policy and structure are properly set. Such remuneration policy should be able to incentivize the directors, sub-committees, executives and employees at every level to perform their duties in accordance with the organization's objective and main goal and for the long-term benefit of the organization. Also, consider the appropriate proportion of remuneration among salary and remuneration that is linked to the organization's short- and long-term performance, business size and individual responsibility. Ensure that the remuneration paid, which is proposed by the Nomination and Remuneration Committee, is comparable with that of other listed companies which have equal size in the same industry.

- (5) Establish the succession plan to prepare candidates for the positions of CEO and senior executives and oversee the personnel development so that the Company has enough calibers with proper motivation. The progress of the succession plan is periodically reported to the Board of Directors by the CEO at least once a year.
- (6) Ensure that the Company and its subsidiaries have appropriate and efficient accounting system and credible financial reporting and auditing, which is in line with the general certified accounting standards of the country where the Company operates the business. Make certain that the Company has sufficient and proper internal control and internal audit systems, the documents are kept for later inspection and technology is used to disclose information.
- (7) Continuously monitor the performance of the Company and its subsidiaries to ensure it is in I ine with the Company's plan and budget.
- (8) Oversee the safeguard of information, define the data privacy policy, the management of sensitive information that may affect the Company's share price, the silent period for trading the Company's share prior to the disclosure of information that may affect the

Company's share price, and ensure that employees and related persons abide by the applicable policies.

- (9) Acknowledge the reports of the Audit Committee as well as other sub-committees and ensure that the Company has the whistleblowing channels and procedures to deal with such reporting.
- (10) Approve the acquisition and or disposal of assets (in case the transaction size does not require the shareholders' approval), new business investment and any other operations in accordance with laws, notifications and applicable regulations.
- (11) Approve the connected transaction (in case the transaction size does not require the shareholders' approval) in accordance with laws, notifications and applicable regulations as well as the principle for the trading agreement with general trading condition for the transactions entered into by the Company or its subsidiaries with the directors, executives or related persons in order to be the framework for the management to conduct the transactions under the scope of laws and applicable regulations.
- (12) Approve the interim dividend pay ment (if any) for the Company's shareholders and report such payment to the next shareholders' meeting.

- (13) Review the risk management policy and process and conduct the performance review.
- (14) Ensure there is no conflict issue between the Company's stakeholders and its subsidiaries. In the event that any director has an interest in any matter or any change in the shareholding in the Company and / or its subsidiaries, such director has to promptly inform the Company.
- (15) Define the good corporate governance policy, the social responsibility policy as well as the anti-corruption policy and ensure efficient compliance.
- (16) Consider and propose the directors' remuneration (both financial and non-financial) along with other benefits, as recommended by the Nomination and Remuneration Committee, to the shareholders' meeting for approval.
- (17) Establish the sub-committees, such as the Audit Committee and / or other sub-committees, to assist and support the Board of Directors as deem appropriate as well as appoint the CEO.
- (18) Appoint the corporate secretary in accordance with the law on securities and exchange to assist the Board of Directors in performing its duties in operating the Company's business in accordance with laws, notifications and applicable regulations.

- (19) Request additional information from various units of the Company and its ubsidiaries for making decision.
- (20) Seek further professional opinion from external consultants, if necessary, for making proper decision.
- (21) Prepare the annual report and take responsible for preparing and disclosing the financial statements, which reflect the Company's financial position and performance in the previous year and have been audited by the Company's auditor prior to proposing to the shareholders' meeting.
- (22) Conduct the Board self-assessment both as a whole and as an individual in order to review the performance, problems and difficulties in each year and utilize the assessment result to develop and improve the performance in various aspects.
- (23) Arrange the annual general meeting of shareholders within four (4) months from the end of the Company's accounting period.
- (24) Approve any matters by considering the benefit of the Company's shareholders and all stakeholders with fairness.
- (25) Authorize any director or a group of director or others to perform any act on behalf of the Board of Directors.

The delegation of authority, duty and responsibility of the Board of Directors shall not have any characteristics that enable the authorized person to approve the connected transaction of himself / herself or related person (as defined in the notifications of the Securities and Exchange Commission and / or the Capital Market Supervisory Board) or the transaction which may have a conflict of interest with the Company or its subsidiaries, except the transactions that are in line with the policy or guideline approved by the shareholders' meeting or the Board of Directors.

Enclosure

(26) Review the charter of the Board of Directors at least once (1) a year.

Authority, Duties, and Responsibilities of the Chairman of the Board of Directors and the Chief Executive Officer

To ensure checks and balances between the Board of Directors and the management, the Company prescribes that the Chairman of the Board and the Chief Executive Officer are not the same person. The Chairman of the Board acts as the head of the Board of Directors in supporting the management's operation, but is not involved in daily operation which is the duty of the Chief Executive Officer. The authority and duties of both positions are segregated as follows:

Chairman's Authorities, Duties and Responsibilities

The Chairman of the Board of Directors summons the directors by delivering the meeting notice together with the agenda and supporting documents to all directors no less than seven (7) days prior to the meeting to allow the directors to have adequate time to study the information. Except for urgent matters, the meeting can be notified via other means or can be called as soon as possible. If the Chairman of the Board is absent or unable to discharge his duties, if the Vice Chairman is present in the meeting, he / she shall preside over the meeting. However, if there is no Vice Chairman or there is the Vice Chairman, but he /she is absent or unable to discharge his / her duties, the directors attending the meeting shall select one of the directors to preside over the meeting. In each Board of Directors meeting, the Chairman of the Board shall run the meeting in accordance with the sequence of agenda. For the vote casting, in case of tie votes, the presiding Chairman is entitled to the casting vote.

Chairman of the Board is the Chair of shareholders meeting. If the Chairman of the Board is absent or unable to discharge his duties, if the Vice Chairman is present in the meeting, he / she shall preside over the meeting. However, if there is no Vice Chairman or there is the Vice Chairman, but he / she is absent or unable to discharge his / her duties, the shareholders's meeting shall select any one of the attending shareholders to preside over the meeting. Corporate Governance

Chief Executive Officer's Authorities, Duties and Responsibilities

Executive Officer's authorities, duties and responsibilities were determined as follows:

- Determine visions, strategies, business directions, objectives, policies, business plans, budgets, management structure and delegation of authority of the Company and its subsidiaries to submit to the Executive Committee and/or the Board of Directors for approval.
- (2) Monitor, manage, operate and conduct the regular businessrelated duties for the Company's interests, according to its visions.
- (3) Determine the business directions, policies, strategies, objectives, business plans and annual budget plans approved by the Executive Committee and/or the Board of Directors, and/or as assigned by the Executive Committee and/or the Board of Directors.
- (4) Coordinate with the Executive Committee for the business actions and risk management to be consistent with the Company's objectives and requirements, together with the resolutions of the Executive Committee and/or the

Board of Directors, and/or the Shareholders' Meetings.

- (5) Approve any agreements and / or transactions related to its general business operation (such as trading, investing or co-investing with other parties for its general transactions for the advantages of the operational objectives) under the conditions and within the financial amount set by the Delegation of Authority or the Board and / or the Executive Committee and / or the Board of Directors and / or the related laws and regulations and/or the Company's principles.
- (6) Approve any loans and business loan applications from the financial institutions, as well as lending, pledging, mortgaging or the Company and its subsidiaries standing sureties for loans within the financial amount set by the Delegation of Authority and / or the Executive Committee and/or the Board of Directors.
- (7) Follow up, review and control the performances of the Company, its subsidiaries and/or associated companies to ensure the good performances as the goals set; report to the Executive Committee and the Board quarterly; and seek opportunities to improve and develop for the better operating results.

- (8) Develop the organization's good performance and operating results, with consistent improvement for the sustainable growths.
- (9) Conduct appropriate and thorough technical and financial studies on investment opportunities in good new projects to assist decisionmaking.
- (10) Appoint consultants in the fields necessary to the Company's operation within the budget and financial amount set by the Delegation of Authority and/or the Board the Executive Committee and/or the Board of Directors.
- (11) Establish regulations, rules, practices and requirements for the organizational structure of the positions lower than top manage-ment (as defined as "Executive" in the Announcement of the Securities and Exchange Commission at KorChor. 17/2551 regarding the determination of definitions in notifications relating to issuance and offer for sale of securities), as well as hiring, appointment, transferring, removal and dismissal of employees in the positions lower than top management.
- (12) Determine the remuneration structure, wage rates, compensation, premium and rewards, bonuses, and salary

increment for executives and employees in the positions lower than top management within the scope and policy set by the Board of Directors and/or the Executive Committee.

- (13) Issue internal orders, announcements and memorandums for the Company's operation to be in line with the policy and for the Company's interests: maintain the internal disciplines, authorize and/or subauthorize one or many persons to take actions on behalf of the Chief Executive Officer within the scope of authority specified in the Company's Power of Attorney and/or rules, regulations or resolutions of the Board, Such authorizations of the Chief Executive Officer will not be of the authorizations or sub-authoriza tions enabling the Chief Executive Officer or its attorneys to approve their or the related parties' items with actual or possible conflict of interests (as defined in the Announcement of SEC and/or the Thai Capital Market Supervisory Board), interests or benefits in any form or possible conflict of interests with the Company or its subsidiaries, unless it is the item approval in line with the policies and principles approved by the Board of Directors.
- (14) Conduct other duties assigned by the Executive Committee and/or the Board of Directors and have authority to take actions necessary for the duties.

7.3 Information of Sub-Committees

1. The Audit Committee

The Audit Committee is a sub-committee established to support the Board of Directors in governance and screening of management, internal control and the related law compliance, as well as preparation of financial reports for the transparency and accountability of the Company's information disclosure.

As of 31 December 2020, The Audit Committee comprises of 3 independent directors with the qualifications as required in the Audit Committee Charter and in accordance with criteria of the Capital Market Supervisory Board. The 2019 audit committee board meeting attendance is as follows:

Name	Position
1. Mrs. Pratana Mongkolkul*	Chairman of the Audit Committee
2. Mrs. Patareeya Benjapolchai*	Member of the Audit Committee
3. Mr. Sompong Tantapart*	Member of the Audit Committee

Remarks * is an independent director.

Mrs. Pratana Mongkolkul is an Audit Committee member who has enough knowledge and experience to review the reliability of the Company's financial statements. Mr. Phisoot Suksangtip serves as Secretary of the Audit Committee, appointed by the Board of Directors meeting No. 3/2019 held on 25 March 2019 and began his duty as the Secretary of the Audit Committee since the Audit Committee meeting No. 1/2019 held 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 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 the adequate, proper risk management system is in place for the Company's effective and efficient objective achievement and compliance to the related laws and standards, limiting overall risks to the acceptable level.

As of 31 December 2020, The Risk Policy Committee comprises of 4 risk policy committee members as follows:

Name	Position
1. Mr. Kanchit Bunajinda*	Chairman of the Risk Policy Committee
2. Mrs. Patareeya Benjapolchai*	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

Remarks * is an independent director.

Ms. Pacchanya Chutimawong was appointed as Secretary of the Risk Policy 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 Risk Policy Committee Charter which can be found in Enclosure 5 and Part 8.3 of this report.

3. The Nomination and Remuneration Committee

The Nomination and Remuneration Committee ("NRC") is established to nominate qualified persons to take up the positions of directors, members of the sub-committees, Chief Executive Officer and top management (as per the definition of "executives" in the announcement of the Securities and Exchange Commission at KorChor. 17/2551 regarding the determination of Definitions in Notifications relating to Issuance and Offer for Sale of Securities), consider and submit the remuneration methods and principles of director, members of the sub-committees, Chief Executive Officer and top management; together with suggestions to the Board of Directors and/or propose for approval in the Shareholders' Meeting.

As of 31 December 2020, The Nomination and Remuneration Committee comprises of 4 nomination and remuneration committee members as follows:

Name	Position
1. Dr. Atchaka Sibunruang*	Chairman of The Nomination and Remuneration Committee
2. Mr. Sompong Tantapart*	Member of The Nomination and Remuneration Committee
3. Mr. Suthiphand Chirathivat	Member of The Nomination and Remuneration Committee
4. Mr. Tos Chirathivat	Member of The Nomination and Remuneration Committee

Remarks * is an independent director

Ms. Rangsirach Pornsute 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 and the Nomination and Remuneration Committee Report which can be found in Enclosure 5 and Part 8.3 of this report.

${\small 4.} \quad The Corporate Governance and Sustainability Committee \\$

The Company is committed to complying with the international standards of good corporate governance principles to achieve sustainable development. The Board of Directors has therefore resolved to appoint the Corporate Governance and Sustainability Committee ("The Committee") to engage in corporate governance and sustainable development activities of the Company while ensuring that the Company's business operation is in line with the directions, policies, and strategies to achieve corporate governance and sustainable development.

As of 31 December 2020, The Corporate Governance and Sustainability Committee comprises of 4 corporate governance and sustainability committee members as follows:

Name	Position
1. Mrs. Patareeya Benjapolchai*	Chairman of the Corporate Governance and Sustainability Committee
2. Dr. Atchaka Sibunruang*	Member of the Corporate Governance and Sustainability Committee
3. Mr. Pichai Chirathivat	Member of the Corporate Governance and Sustainability Committee
4. Mr. Yol Phokasub	Member of the Corporate Governance and Sustainability Committee

Remarks * is an independent director

Mrs. Ngamchit Kiattanavith, the Company Secretary, was appointed as Secretary of the Corporate Governance and Sustainability Committee, responsible for corporate governance. Mr. Kerkrit Wongwan was appointed as Secretary of the Corporate Governance and Sustainability Committee, responsible for sustainability.

The composition, qualifications, tenure, authority and duties are detailed in the Corporate Governance and Sustainability Committee Charter which can be found in Enclosure 5 of this report.

5. The Executive Committee

The Company's Executive Committee is established to support the Board of Directors in governance according to any policy, operation plan, requirements, instructions and goals set within the scope assigned by the Board of Directors.

As of 31 December 2020, The Executive Committee comprises of 4 executive committee members as follows:

NamePosition1. Mr. Tos ChirathivatChairman of the Executive Committee2. Mrs. Yuwadee ChirathivatMember of the Executive Committee3. Mr. Yol PhokasubMember of the Executive Committee4. Mr. Nicolo GalanteMember of the Executive Committee5. Mr. Piya NguiakaramahawongseMember of the Executive Committee

Miss 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

Enclosure

As of 31 December 2020, the Company consists of 6 managements as follows:

Name	Position
1. Mr. Yol Phokasub	Chief Executive Officer (CEO)
2. Mr. Nicolo Galante	President
3. Mr. Piya Nguiakaramahawongse	Chief Financial Officer (CFO)
4. Mr. Pierluigi Cocchini	President - Central Retail Italy
5. Mr. Philippe Jean Broianigo	Chief Executive Officer - Central Retail Vietnam
6. Mr. Yingyai Eumkhrong	Head of Finance and Accounting

The Chief Executive Officer and the Head of Finance and Accounting possess qualifications that are stipulated in 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. The information of the Company's executives is detailed in the Enclosure 1 of this report.

Remuneration of Executives

(1) Monetary Remuneration

As of 31 December 2020, the Company paid remuneration to 6 executives totally THB 150 million form of salaries and annual bonuses.

(2) Other Remuneration

The Company paid other remuneration to 6 executives in the form of social security fund contributions, travel expenses, fuel and telephone bills, etc.

	Business Overview and Performance	Corporate Governance	Financial Statements
--	-----------------------------------	----------------------	----------------------

ance Corporate Governance

rnance Financial Statements

CENTRALRETAIL ONE REPORT 2020

Provident funds

 (\cap)

The Company established a provident fund for executives by contributing 3-5 percent of salary. In 2020, the Company contributed a total of THB 1 million to the provident fund for 5 executives (except Mr. Pierluigi Cocchini).

Allocation of Newly Issued Ordinary Shares of the Company

The Extraordinary General Meeting of Shareholders No. 2/2019 held on 29 August 2019 resolved to approve the allocation of newly issued ordinary shares of the Company as well as the allocation of shares to directors, executives, and employees of the Company at the same price as the initial public offering (IPO) price.

In 2020, the Company allocated its newly issued ordinary shares to its Executives together with its Directors totalling to 1,649,900 shares, representing 0.2 percent of the total number of shares offered for sale at the same price as the IPO price to create incentives and boost morale in work efficiency as the Company's owner.

Joint Investment Program: EJIP

Enclosure

The Board of Directors Meeting of Central Retail Corporation Public Company Limited No. 11/2020 held on 22 December 2020 resolved to approve an 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 3 years, from 1 April 2021 - 31 March 2024. The employees who are eligible for the program must be executives who are regular employees of Central Retail at Management 2 (equivalent to Assistant Vice President Level) upwards with work period of more than 1 year and performance assessment results of the latest year as stipulated by the Company. Funds voluntarily deducted from the eligible employee's payroll every month in which 3 percent and 5 percent of salary, depending on position level, while the company pay contribution at an equal amount to gradually invest in the company's shares until the end of the program by using dollar-average cost method. 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.

Executives of the Subsidiaries Operating the Core Business

1. CDS

As of 31 December 2020, the management structure and a name list of CDS executives were as follows:



⁽¹⁾ On the process of nominating a person to hold such position

Details can be found on the Company's website

Remuneration of Executives

(1) Monetary Remuneration

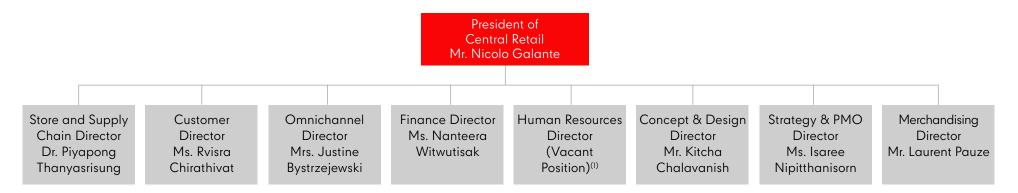
In the fiscal year ended 31 December 2020, CDS paid remuneration to 8 executives in the form of salaries and annual bonuses, amounted to approximately THB 77 million. (Ms. Rvisra Chirathivat Mrs. Justine Bystrzejewski, Ms. Isaree Nipitthanisorn, Mr. Laurent Pauze received remuneration that was not based 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 2020, CDS paid other remuneration to 8 executives in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

2. ROBINS

As of 31 December 2020, the management structure and a name list of ROBINS executives were as follows:



⁽¹⁾ On the process of nominating a person to hold such position

Details can be found on the Company's website

Remuneration of Directors and Executives

(1) Monetary Remuneration

In the fiscal year ended 31 December 2020, 8 executives received remuneration for the executive positions under Central Retail from CDS. ROBINS paid remuneration to executives during 1 January - 30 September 2020 in the form of salary and monthly bonus, totaling approximately THB 64 million.

(2) Other Remuneration

In the fiscal year ended 31 December 2020, ROBINS paid other remuneration to 9 executives in the form of provident fund contributions and social security fund contributions



3. TWT

As of 31 December 2020, the management structure and a name list of TWT executives were as follows:



 $^{\left(i\right) }$ On the process of nominating a person to hold such position

Details can be found on the Company's website

Remuneration of Directors and Executives

(1) Monetary Remuneration

In the fiscal year ended 31 December 2020, TWT paid remuneration to 3 executives in the form of salaries and annual bonuses, amounted to approximately THB 5 million.

(2) Other Remuneration

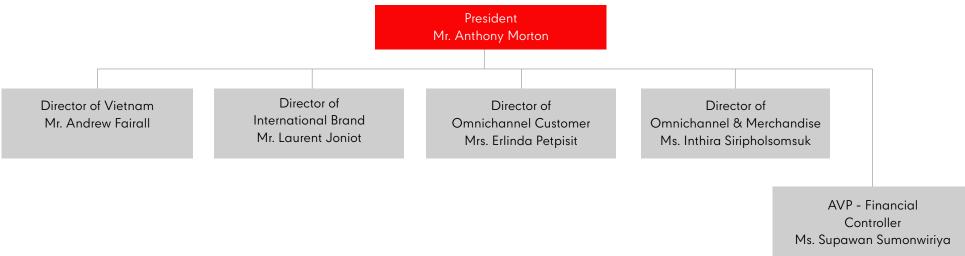
In the fiscal year ended 31 December 2020, TWT paid other remuneration to 3 executives in the form of contributions to provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

Enclosure

4. SPS

 (\cap)

As of 31 December 2020, the management structure and a name list of SPS executives were as follows:



Details can be found on the Company's website.

Remuneration of Executives

(1) Monetary Remuneration

In the fiscal year ended 31 December 2020, SPS paid remuneration to 6 executives in the form of salaries and annual bonuses, amounted to approximately THB 39 million. (Ms. Inthira Siripholsomsuk received remuneration that was not based on a full 12-month year since she held a position during the intervals of the period.)

(2) Other Remuneration

In the fiscal year ended 31 December 2020, SPS paid other remuneration to 6 executives in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

Enclosure

5. PWB

 \square

As of 31 December 2020, the management structure and a name list of PWB executives were as follows:



Details can be found on the Company's website.

Remuneration of Executives

(1) Monetary Remuneration

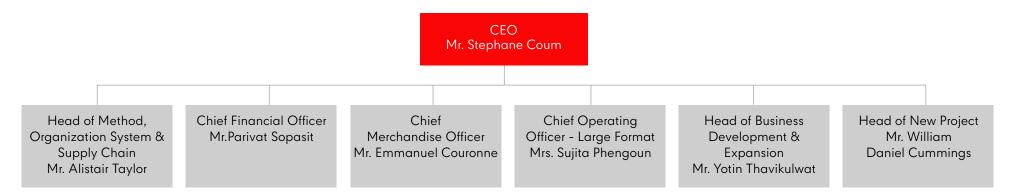
In the fiscal year ended 31 December 2020, PWB paid remuneration to 9 executives in the form of salaries and annual bonuses, amounted to approximately THB 54 million. (Mr. Wuthi Wattanadilokkul, Mrs. Marie Andrea Botella, Mr. Arvit Chiralerspong, Mr. Bordin Klinsuwan and Mr. Thanate Panichpat received 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 2020, PWB paid other remuneration to 9 executives in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

6. CFR

As of 31 December 2020, the management structure and a name list of CFR executives were as follows:



Details can be found on the Company's website.

Remuneration of Executives

(1) Monetary Remuneration

In the fiscal year ended 31 December 2020, CFR paid remuneration to 7 executives in the form of salaries and annual bonuses, amounted to approximately THB 85 million. (Including remuneration of Mrs. Akkaya Jitpakdee for the executive position under Central Retail from CFM. Mr. Alistair Taylor and Mr. William Daniel Cummings 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

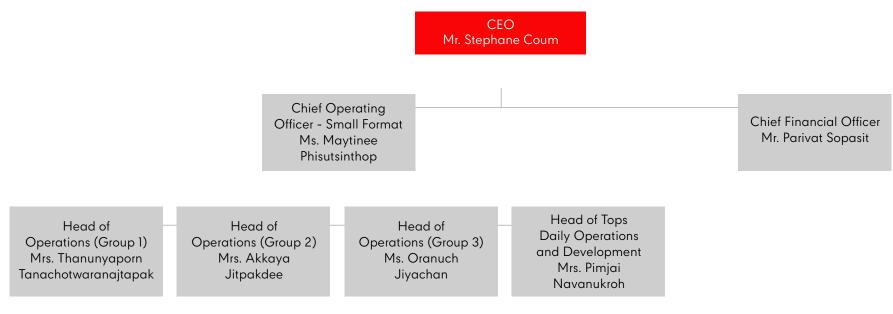
In the fiscal year ended 31 December 2020, CFR paid other remuneration to 7 executives in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

7. CFM

 (\cap)

As of 31 December 2020, the management structure and a name list of CFM executives were as follows:

Corporate Governance



Financial Statements

Enclosure

Details can be found on the Company's website.

Business Overview and Performance

Remuneration of Executives

(1) Monetary Remuneration

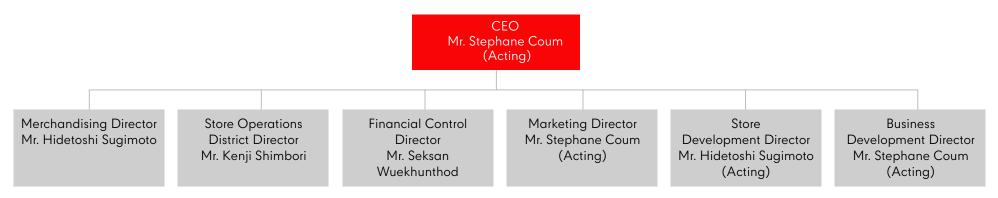
In the fiscal year ended 31 December 2020, CFM paid remuneration to 4 executives in the form of salaries and annual bonuses, amounted to approximately THB 19 million. (Mr. Stephane Coum and Mr. Parivat Sopasit received remuneration for the executive positions under Central Retail from CFR. Ms. Maytinee Phisutsinthop, Mrs. Thanunyaporn Tanachotwaranajtapak, Ms. Oranuch Jiyachan and Mrs. Pimjai Navanukroh 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 2020, CFM paid other remuneration to 4 executives in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

8. CMK

As of 31 December 2020, the management structure and a name list of CMK executives were as follows:



Details can be found on the Company's website.

Remuneration of Executives

(1) Monetary Remuneration

In the fiscal year ended 31 December 2020, CMK paid remuneration to 3 executives in the form of salaries, amounted to approximately THB 4 million. (Mr. Stephane Coum received remuneration from being the executive under CFR group)

(2) Other Remuneration

In the fiscal year ended 31 December 2020, CMK paid other remuneration to 3 executives in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

Central Marketing Group (CMG)

CMG has one subsidiary, e.g. C Trading, serving as an operation center. There are two subsidiaries that is not under the subsidiary serving as the operation center, e.g. John Master and Kiko Garment which are under the same management. Details are as follows:

9. C Trading

As of 31 December 2020, the management structure and a name list of C Trading executives were as follows:



Details can be found on the Company's website.

Remuneration of Executives

(1) Monetary Remuneration

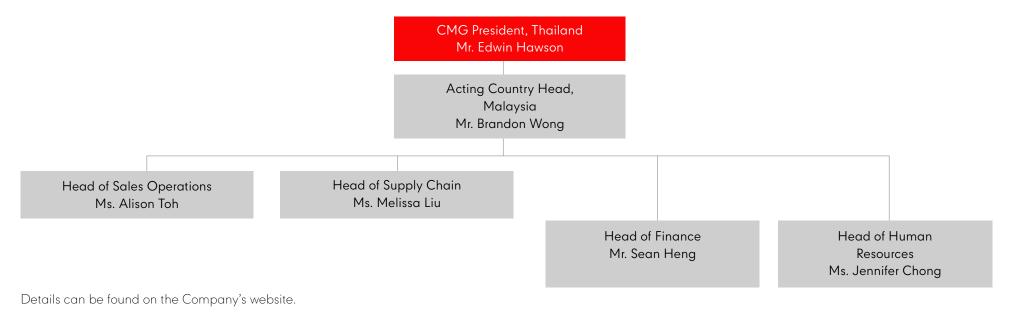
In the fiscal year ended 31 December 2020, 5 executives received remuneration from the management of the CMG's subsidiaries in Thailand in the form of salaries and bonuses, amounted to approximately THB 52 million.

(2) Other Remuneration

In the fiscal year ended 31 December 2020, 5 executives of C Trading received other remuneration from the management of CMG's subsidiaries in Thailand in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

10. John Master

As of 31 December 2020, the management structure and a name list of John Master executives were as follows:



Remuneration of Executives

(1) Monetary Remuneration

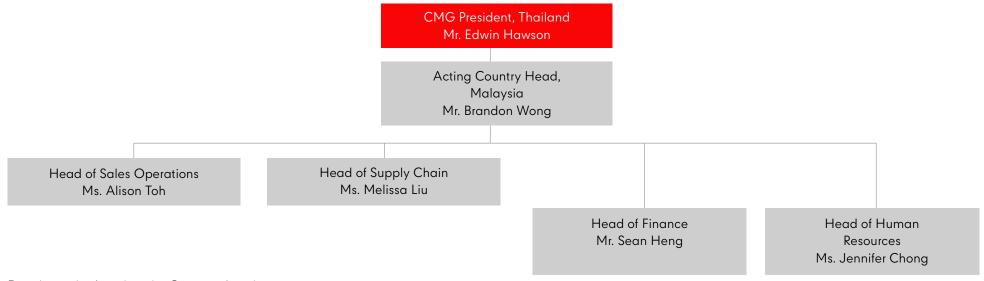
In the fiscal year ended 31 December 2020, 5 executives received remuneration from the management of the CMG's subsidiaries in Malaysia, including John Master and Kiko Garment in the form of salaries, amounted to approximately THB 15 million. (Mr. Edwin Hawson received remuneration from being the executive under C Trading)

(2) Other Remuneration

In the fiscal year ended 31 December 2020, 5 executives of John Master and Kiko Garment received other remuneration from the management of CMG's subsidiaries in Malaysia in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

11. Kiko Garment

As of 31 December 2020, the management structure and a name list of Kiko Garment executives were as follows:



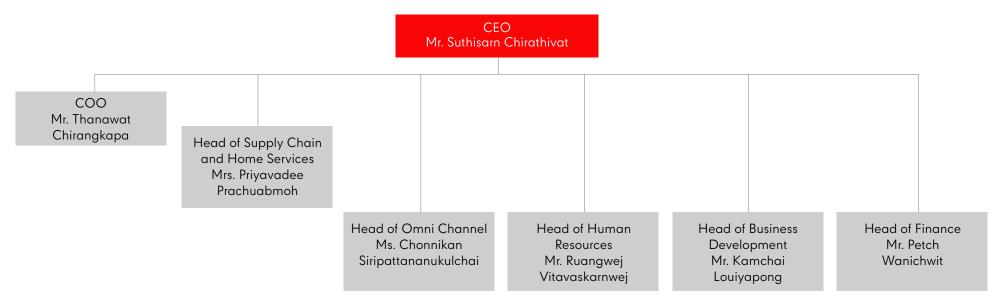
Details can be found on the Company's website.

Remuneration of Executives

In the fiscal year ended 31 December 2020, 5 executives of Kiko Garment and John Master received remuneration from the management of the CMG's subsidiaries in Malaysia.

12. CTD

As of 31 December 2020, the management structure and a name list of CTD Garment executives were as follows:



Details can be found on the Company's website.

Remuneration of Executives

(1) Monetary Remuneration

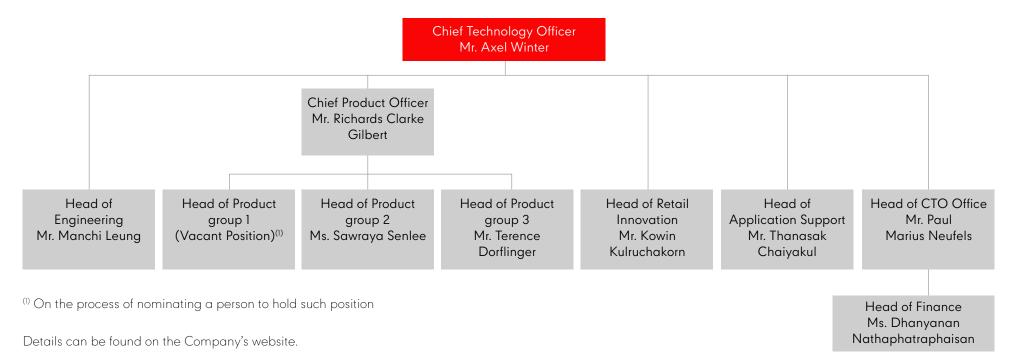
In the fiscal year ended 31 December 2020, CTD paid remuneration to 7 executives in the form of salaries, amounted to approximately THB 59 million.

(2) Other Remuneration

In the fiscal year ended 31 December 2020, CTD paid other remuneration to 7 executives in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

13. CNGI

As of 31 December 2020, the management structure and a name list of CNGI executives were as follows:



Remuneration of Executives

(1) Monetary Remuneration

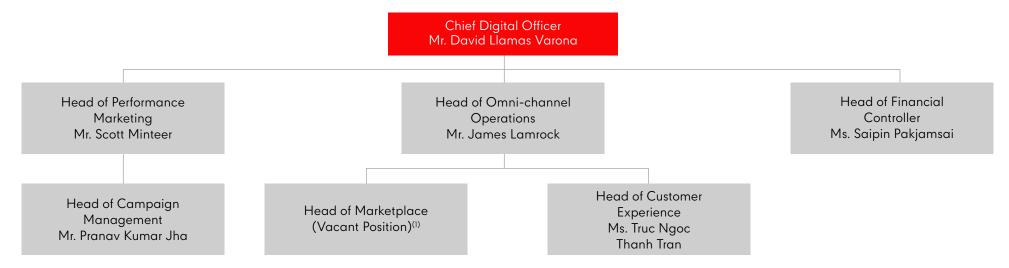
In the fiscal year ended 31 December 2020, CNGI paid remuneration to 9 executives in the form of salaries and annual bonuses, amounted to approximately THB 57 million.

(2) Other Remuneration

In the fiscal year ended 31 December 2020, CNGI paid other remuneration to 9 executives in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

14. CGO

As of 31 December 2020, the management structure and a name list of CGO executives were as follows:



⁽¹⁾ On the process of nominating a person to hold such position

Details can be found on the Company's website.

Remuneration of Executives

(1) Monetary Remuneration

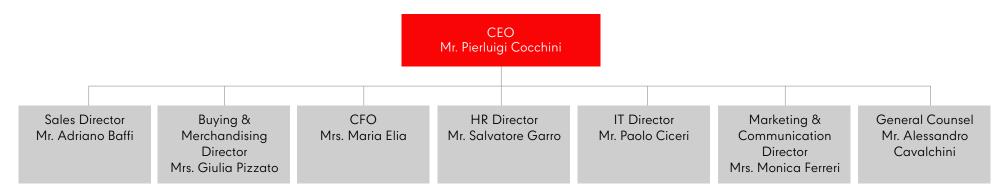
In the fiscal year ended 31 December 2020, CGO paid remuneration to 6 executives in the form of salaries and annual bonuses, amounted to approximately THB 33 million. (Mr. David Llamas Varona and Ms. Truc Ngoc Thanh Tran received remuneration that was not based on a full 12-month year since they held positions during the intervals of the period.)

(2) Other Remuneration

In the fiscal year ended 31 December 2020, CGO paid other remuneration to 6 executives in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

15. LR

As of 31 December 2020, the management structure and a name list of LR executives were as follows:



Details can be found on the Company's website.

Remuneration of Executives

(1) Monetary Remuneration

In the fiscal year ended 31 December 2020, LR paid remuneration to 7 executives in the form of salaries and annual bonuses, amounted to approximately THB 53 million.

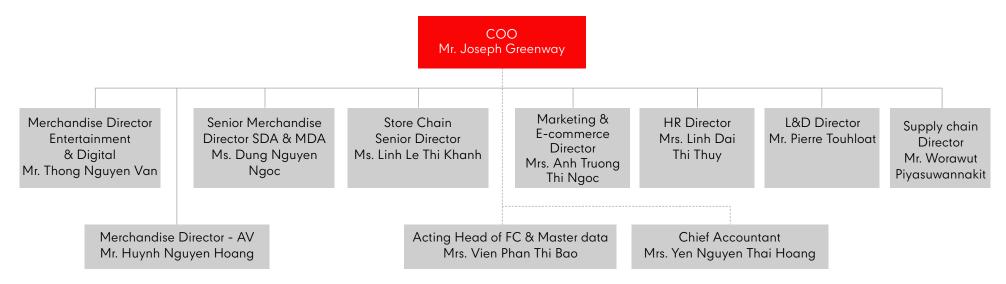
(2) Other Remuneration

In the fiscal year ended 31 December 2020, LR paid other remuneration to 7 executives in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

16. NK Trading

 (\cap)

As of 31 December 2020, the management structure and a name list of NK Trading executives were as follows:



 $^{\left(i\right) }$ On the process of nominating a person to hold such position

Details can be found on the Company's website.

Remuneration of Executives

(1) Monetary Remuneration

In the fiscal year ended 31 December 2020, NK Trading paid remuneration to 11 executives in the form of salaries and annual bonuses, amounted to approximately THB 11 million.

(2) Other Remuneration

In the fiscal year ended 31 December 2020, NK Trading paid other remuneration to 11 executives in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

Financial Statements Enclosure

17. Lanchi Group

Lanchi has three subsidiaries, LC Investment, LC Ha Nam and LC Trading that operate main business but not under central subsidiaries, which are under the same management. Details are as follows:

As of 31 December 2020, the management structure of LC Investment, LC Ha Nam and LC Trading were as follows:



Details can be found on the Company's website.

Remuneration of Executives

(1) Monetary Remuneration

In the fiscal year ended 31 December 2020, 5 LC Investment executives received remuneration from the management of subsidiaries under Lanchi, which is inclusive and not only limited to LC Investment, LC Ha Nam and LC Trading, in the form of salaries, amounted to approximately THB 6 million.

(2) Other Remuneration

In the fiscal year ended 31 December 2020, 5 executives received other remuneration from the management of subsidiaries under Lanchi, which is inclusive an not only 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.

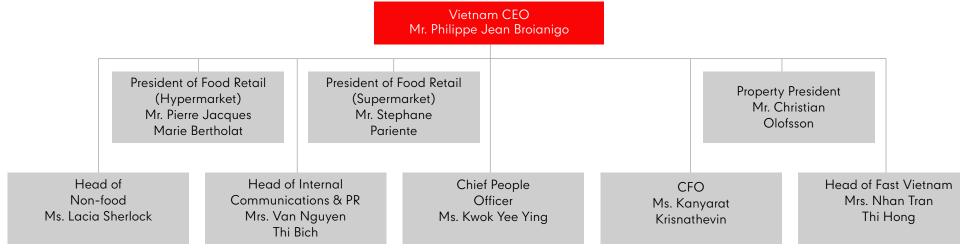
CENTRALRETAIL | ONE REPORT 2020

18. Big C Vietnam

 (\cap)

Big C Vietnam is a Central Subsidiary which has details as follows:

As of 31 December 2020, the management structure of Cap C was as follows:



Financial Statements

Enclosure

Details can be found on the Company's website.

Remuneration of Executives

(1) Monetary Remuneration

In the fiscal year ended 31 December 2020, 8 LC Investment executives received remuneration from the management of subsidiaries under Big C Vietnam in the form of salaries and annual bonuses, amounted to approximately THB 55 million, (not Including remunerations paid to Mr. Philippe Jean Broianigo).

(2) Other Remuneration

In the fiscal year ended 31 December 2020, 8 executives received other remuneration from the management of subsidiaries under Big C Vietnam 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 2020, the Company had 52,702 full-time employees, consisted of 38,187 employees in Thailand (including 355 employees in CMG Malasia) thus making it as one of the biggest private employers in Thailand, 13,401 employees in Vietnam, and 1,114 employees in Italy. In addition, the Company had 53,130 employees from suppliers and external service providers working in its stores. The Company hired temporary and part-time employees for a total of approximately 3,282 persons in Thailand, 124 persons in Vietnam, and 2,502 persons in Italy. The Company hired seasonal employees mostly in December for Thailand and February for Vietnam.

Employees in Thailand

	31 December					
	2018	2019	2020			
Department						
Operation/ Administration	35,730	33,399	29,861			
Product Management	1,015	1,002	972			
Marketing	1,016	1,157	1,050			
E-commerce / Online / Omni-channel	390	244	328			
Organization ⁽¹⁾	2,524	3,078	2,253			
Logistics and Value Chain/ Plant	4,086	3,361	3,723			
Total Number of Employees ⁽²⁾	44,761	42,241	38,187			

(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

(2) Including the number of employees of the Group under CMG in Malaysia CMG, totaling 355 employees as of 31 December 2020

Employees in Vietnam

	31 December					
	2018	2019	2020			
Department						
Operation/ Administration	13,399	12,007	11,091			
Product Management	369	203	153			
Marketing	56	90	89			
E-commerce / Online / Omni-channel	203	289	230			
Organization ⁽¹⁾	596	862	900			
Logistics and Value Chain/ Plant	1,497	1,475	938			
Total Number of Employees	16,120	14,926	13,401			

(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

	31 December					
	2018	2019	2020			
Department						
Store Network	1,401	1,050	923			
Procurement	88	91	81			
Marketing and Communication	14	13	12			
E-commerce Online / Omni-channel	8	45	41			
Organization ⁽¹⁾	54	57	54			
Logistics and Value Chain/ Plant		3	3			
Total Number of Employees	1,565	1,258	1,114			

(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 Corporate Governance

Financial Statements Enclosure

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

As the Company adjusted its structure to be in line with the COVID-19 outbreak; therefore, Central Retail had no additional employment policy in 2020.

(C) Employee Remuneration

The Company has in place a remuneration policy which is fair and competitive in the market as well as enhance 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 sickness, COVID-19 coverage, 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 19,510 million and THB 17,600 million to its employees in 2019 and in the fiscal year ended 31 December 2020, 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 practicesforfundmanagementaccording to international approaches and manages investments with responsibility by taking into account the environmental, social,andgovernance("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 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%

Statements Enclosure

7.6 Other Significant Information

7.6.1 Name List of Designated Persons as the Person in Charge of Accounting Supervision, the Corporate Secretary, the Head of Internal Audit, and the Head of Compliance

Person in Charge of Accounting Supervision

Mr. Yingyai Eumkhrong, Vice President of Finance and Accounting, has been appointed to be directly in charge of accounting supervision from 1 August 2018. The qualifications can be found in the enclosure 1 of this document.

Corporate Secretary

Mrs. Ngamchit Kiattanavith, Vice President of Corporate Secretary Office, has been appointed by the Board of Directors meeting no. 6/2019 held on 13 May 2019, to be the Corporate Secretary, effective from 21 May 2019 onwards. The qualifications can be found in the enclosure 1 of this document.

Head of Internal Audit

Mr. Pisoot Suksangthip, Vice President of Internal Audit, has been appointed as the Head of Internal Audit from 28 March 2019. The qualifications can be found in the enclosure 3 of this document.

Head of Compliance

Mrs. Lassanant Leelamanee, Vice President of Compliance has been appointed to be the Head of Compliance from 5 October 2020 to supervise personnel and internal units and ensure that their performance of duties or tasks are strictly in compliance with relevant rules and regulations, both internally and externally, domestically and internationally, and the principles of good corporate governance. The qualifications can be found in the enclosure 3 of this document.

7.6.2 Head of Investor Relations and Contact Information

Any shareholders, investors, and interested persons can contact the Investor Relations to request the information related to the Company by post or in person at the following address:

Investor Relations

Miss Rangsirat Pornsuthee

Assistant Managing Director of Investor Relations Central Retail Corporation Public Company Limited (Headquarters) 22, Soi Somkid, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330 Telephone Number : +66 (0) 2650 3600 # 1563-1564 E-mail : ir@central.co.th

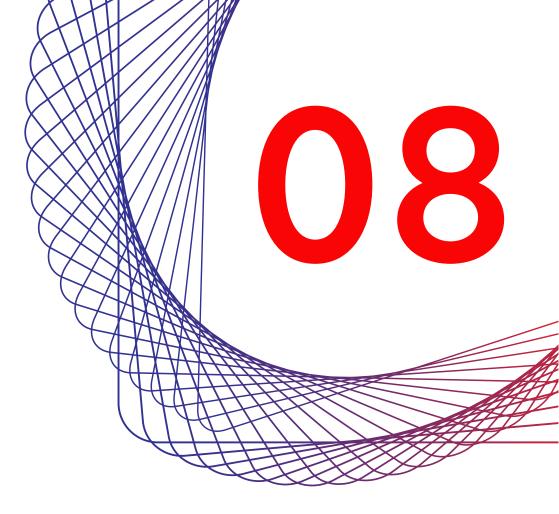
7.6.3 Audit Fee and Accounting

Audit Fee

For the year ended 31 December 2020, the Company and subsidiaries paid audit fees of THB 22.6 million to KPMG Phoomchai Audit Company Limited, THB 14.6 million to KPMG International, and THB 2.5 million to other accounting offices.

Non-Audit Fee

For the year ended 31 December 2020, the Company and subsidiaries paid non-audit fees, as service fees for the preparation of report according to the tax regulations, of THB 4.4 million to KPMG Phoomchai Tax Company Limited, THB 0.3 million to KPMG International, and THB 15.4 million to other companies overseas.



Report on Corporate Governance

8.1 Performance Summary of the Board of Directors for the Previous Year

8.1.1 Nomination, Development and Performance Evaluation of Board of Directors

1. Nomination of Directors and Senior Executives

To nominate directors and senior executives, the Nomination and Remuneration Committee will consider persons with qualifications stipulated in the Board of Directors Charter pursuant to the law and the Company's skill matrix as in line with its business strategy in different areas as follows:

- 1) Administration and management of large organizations
- 2) Economics, investment, policy formulation and planning
- 3) Risk and business continuity management
- 4) Human resource management
- 5) Corporate Governance/CSR
- 6) Accounting
- 7) Finance and taxation
- 8) Information technology
- 9) Laws and regulations for listed companies
- 10) Marketing and public relations
- 11) Digital/Online
- 12) Central Retail's core business

To select new directors, the Nomination and Remuneration Committee considers the directors listed in the IOD Director Pool, Moreover, the nominated directors shall not hold director positions in more than 5 listed companies altogether. The independent directors shall possess qualifications of independent directors as stipulated by the law. The existing independent directors to continue their term of office shall consecutively be independent directors for not more than 9 years, unless the Board of Directors deems as appropriate to extend their term of office based on rationale and necessity.

After careful consideration, the Nomination and Remuneration Committee will propose the names of those persons to the Board of Directors meeting for consideration. The Board of Directors will at its discretion consider and screen those names to ensure that the director or executive nominees have qualifications that are suitable for the Company's business to be proposed to the shareholders' meeting for further consideration and selection.

In voting on the election of directors in the shareholders' meeting, the Company provides the shareholders with voting ballots to exercise their voting rights equal to the number of shares held for each director nominee on an individual basis.

Nomination of Independent Directors

In the nomination of independent directors, the Company considers the persons with qualifications of independent director as follows:

Independent Director's Qualification

- (a) Not holding more than one (1) percent of the total outstanding voting shares of the Company, its parent company, subsidiary or associated company, major shareholders or controlling person including shares held by related persons of the independent director.
- (b) Neither being nor having been an executive director, officer, employee, advisor who receives a salary of the Company or controlling person of the company, its parent company, subsidiary, associated company, a same-level subsidiary, major shareholder or controlling person; unless the foregoing status ended not less than two (2) years prior to the date of appointment. Such

disqualified characteristics exclude the case that the independent director has been a government officer or consultant of government agency which is a major shareholder or controlling person of the company.

- (c) Not being a person related by blood or registration under law, such as a father, mother, spouse, sibling, or child, including spouses of children of directors, executives, major shareholders, controlling persons, or persons to be nominated as directors, executives or controlling persons of the company or its subsidiaries.
- (d) Not having nor having had a business relationship with the Company, its parent company, subsidiary, associated company, major shareholder or controlling person, in a manner which may interfere with his or her independent judgment, and neither being nor having been a substantial shareholder or controlling person of any entity having business relationship with the company, its parent company, subsidiary, associated company, major shareholder or controlling person;

unless the foregoing status ended not less than two (2) years prior to the date of appointment.

- (e) The term 'business relationship' under the above paragraph includes any normal business transaction, rental, or lease of immovable properties, transaction relating to assets or services, or grant or receipt of financial support through receiving or extending loans, guarantee, providing assets as collateral, including any other similar action of which value more than 3% of the net tangible assets or exceeds THB 20 million, whichever is lower. The value of each transaction is based on the calculation method for the values of related party transactions under the Announcement of the Thai Capital Market Supervisory Board regarding the related party transactions. Under the regulation, all transactions occurring within one (1) year of preceding transactions must be included in such calculation
- (f) Neither being nor having been an auditor of the Company, its parent company, subsidiary, associated company, major shareholder or controlling person nor being a substantial shareholder, controlling person or supplier of an audit firm which employs auditors of the Company, its parent company, subsidiary, associated company, major shareholder or controlling

person; unless the foregoing relationship ended not less than two (2) years from the date of appointment.

- (g) Neither being nor having been any kind of professional advisor including a legal advisor or financial advisor who receives an annual service fee exceeding THB two (2) million from the Company, its parent company, subsidiary, associated company, major shareholder or controlling person, and neither being nor having been a substantial shareholder, controlling person or supplier of the professional advisor; unless the foregoing relationship ended not less than two (2) years from the date of appointment.
- (h) Not being a director who has been appointed as representative of the Company's directors, major shareholders, or shareholders who are related to the major shareholders.
- (i) Not conducting any businesses which have the same nature as or are in competition with the Company's or its subsidiaries or neither being a significant partner in a partnership, executive director, employee, officer or consultant who receives regular salary, shareholder holding more than one (1) percent of the voting shares of businesses which have the same nature as or in competition with the Company or its subsidiaries;

(j) Not having any characteristics that could prevent him/her from giving independent opinions concerning the Company's operation.

In the past fiscal year, none of independent directors have business relationship or provide any professional advisor to the Company.

2. Director Development

In 2020, the Company organized trainings and encouraged directors to attend training programs that were beneficial to their performance of duties as follows:

Directors	2020 Training
1. Dr. Prasarn Trairatvorakul	IT Governance and Cyber Resilience Program No. 15/2020 by Thai Institute of Directors Association
2. Dr. Atchaka Sibunruang	IT Governance and Cyber Resilience Program No. 15/2020 by Thai Institute of Directors Association
3. Mr. Pichai Chirathivat	Director Accreditation Program (DAP) No. 169/2020 by Thai Institute of Directors Association

3. Directors and Top Management Evaluation

Directors Evaluation

The Board of Directors approved self evaluation forms for the year 2020, including a collective performance evaluation form, an individual performance evaluation form, and a sub-committee performance evaluation form as follows:

Collective Performance Evaluation

The collective performance evaluation consists of 6 topics: (1) Structure and Qualifications (2) Roles, Duties and Responsibilities (3) Meetings (4) Performing Duties (5) Relationship with the Executives (6) Self-Development and Executive Development. The evaluation process is as follows:

- 1. The Nomination and Remuneration Committee considers evaluation forms and submit them to the Board of Directors for approval.
- 2. The Board of Directors conducts a collective self evaluation at least once a year.
- 3. The Corporate Secretary collects evaluation forms from directors, prepares a summary of results to be proposed to the Board of Directors for consideration, and undergoes improvements according to the Board of Directors' opinions.

ance Corporate Governance

overnance Financial Statements

Statements Enclosure

The results of Board of Directors' collective performance evaluation for the year 2020 showed an average score of 98.

Individual Performance Evaluation

The individual performance evaluation consists of 3 topics: (1) Ethics and Performance of Duties of Director (2) Strategy Formulation, Governance and Monitoring of Operations (3) Responsibility to Stakeholders. The evaluation process is as follows:

- 1. The Nomination and Remuneration Committee considers evaluation forms and submit them to the Board of Directors for approval.
- 2. The Board of Directors conducts a self evaluation at least once a year.
- 3. The Corporate Secretary collects evaluation forms from directors and prepares a summary of results to be

proposed to the Board of Directors for consideration.

The results of Board of Directors' individual performance evaluation for the year 2020 showed an average score of 97.

Sub-committees Performance Evaluation

The process for sub-committee's performance evaluation are as follows:

- Each sub-committee prepares an evaluation form, of which the content covers 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 evaluation at least once a year.
- 3. The Secretary of each sub-committee collects evaluation 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 evaluation for the year 2020 of the Audit Committee, • the Risk Policy Committee, and the Nomination and Remuneration Committee showed an average score of 96, 93, and 97, respectively

Top Management (CEO) Evaluation

The company has an annual appraisal of the top management based on performance and operating results to determine the remuneration of the top management. The criteria and process are as follows.

KPI assessment criteria

Financial success indicators

- Management success indicators including achievements of business expansion new initiatives for company growth, customer satisfaction or work efficiency
- Personnel management success indicators such as employee engagement

Assessment process

At the beginning of the year, the top management of the Company agrees to the assessment criteria (KPI) together with the Nomination and Remuneration Committee and proposes to the Board of Directors for approval. At the end of the year, the top management will conduct a self-assessment to present to the Nomination and Remuneration Committee for consideration which will be presented to the Board of Directors for approval of the appraisal result.

8.1.2 Meeting Attendance and Remuneration of Each Directors

Meetings Attendance of Board of Directors and Sub-committees

		Meetings ¹						
Directors	Position in the Board of Directors and Sub-Committees	Shareholders' Meeting	The Board of Director	Audit Committee	Risk Policy Committee	Nomination and Remuneration Committee	Executive Committee	
1. Dr. Prasarn Trairatvorakul	Chairman of the Board of Directors	1/1	11/11	-	-	-	-	
2. Mr. Suthichai Chirathivat	 Vice Chairman of the Board of Directors 	1/1	11/11	-	-	-	-	
3. Mr. Suthikiati Chirathivat	 Vice Chairman of the Board of Directors 	1/1	9/11	-	-	-	-	
4. Mrs. Pratana Mongkolkul	Independent DirectorChairman of the Audit Committee	1/1 -	11/11 -	13/13	-	-	-	

		Meetings ¹					
Directors	Position in the Board of Directors and Sub-Committees	Shareholders' Meeting	The Board of Director	Audit Committee	Risk Policy Committee	Nomination and Remuneration Committee	Executive Committee
5. Mrs. Patareeya Benjapolcha	 i¹ Independent Director Member of the Audit Committee Member of the Risk Policy Committee 	1/1 - -	10/11 - -	13/13	- 3/3	- - -	- -
6. Dr. Atchaka Sibunruang ¹	 Independent Director Chairman of the Nomination and Remuneration Committee 	1/1 -	11/11 -	-	-	5/5	-
7. Mr. Sompong Tantapart	 Independent Director Member of the Audit Committee Member of the Nomination and Remuneration Committee 	1/1 - -	11/11 - -	13/13 -	- -	- - 5/5	- -
8. Mr. Kanchit Bunajinda	 Independent Director Chairman of the Risk Policy Committee 	0/1	10/11	- -	3/3	-	-
9. Professor Dr. Suthiphand Chirathivat ²	 Director Member of the Nomination and Remuneration Committee 	0/0 -	1/1 -	- -	-	1/1	-
10. Mr. Sudhisak Chirathivat ²	 Director Member of the Nomination and Remuneration Committee 	1/1 -	9/9 -	- -	-	4/4	-
11. Mrs. Yuwadee Chirathivat	DirectorMember of the Executive Committee	1/1 -	10/11 -	-	-	-	12/12
12. Mr. Suthilaksh Chirathivat	• Director	1/1	10/11	-	-	-	-
13. Mr. Prin Chirathivat	DirectorMember of the Risk Policy Committee	1/1 -	11/11 -	-	3/3	-	-
14. Mr. Tos Chirathivat	 Director Chairman of the Executive Committee Member of the Nomination and Remuneration Committee 	1/1 - -	10/11 - -	- - -	- -	- - 5/5	12/12 -
15. Mr. Pichai Chirathivat ¹	• Director	1/1	11/11	-	-	-	-
16. Mr. Yol Phokasub ¹	 Director Member of the Risk Policy Committee Member of the Executive Committee 	1/1 - -	11/11 - -	- -	3/3	- -	- 12/12

Remarks: ¹ The Corporate Governance and Sustainability Committee was not shown in this table since it had been appointed by the Board of Directors Meeting No. 11/2020 held on 22 December 2020 and no meeting was held in 2020.

² Mr. Sudhisak Chirathivat resigned from the director positions in the Board of Directors and the Nomination and Remuneration Committee on 31 October 2020. Then, on 13 November 2020, the Company resolved to appoint Professor Dr. Suthiphand Chirathivat to hold director positions in the Board of Directors and the Nomination and Remuneration Committee in replacement of the resigning director, Mr. Sudhisak Chirathivat.

Remuneration of Board of Directors and Sub-committees

Criteria for Payment of Remuneration to Directors

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 in the Audit Committee, the Risk Policy Committee and the Nomination and Remuneration Committee, Chief Executive Officer, and senior executives as deemed appropriate for their duties and responsibilities, work achievements linking with operating results and other related surrounding factors and benchmarking with other companies in the same or similar industry to propose its opinions to the Board of Directors and/or to the shareholders' meeting for consideration and approval.

In 2020, the Board of Directors Meeting No. 2/2020 held on 27 February 2020 resolved to approve the criteria for payment of quarterly remuneration and meeting allowance for the year 2020. The 2020 Annual General Meeting of Shareholders held on 26 August 2020 resolved to approve the remuneration of directors and sub-committee members for the year 2020 of not exceeding THB 20 million, the same rate as that in 2019, consisting of quarterly remuneration, meeting allowance per meeting, and bonus (if any) as follows:

Quarterly Remuneration and Meeting Allowance

Position	Quarterly Remuneration (THB)	Meeting Allowance (THB/Time/ Person)
The Board of Director		
Chairman of the Board of Director	225,000	85,000
Director	85,000	42,000
The Audit Committee		
Chairman of the Audit Committee	133,000	65,000
Member of the Audit Committee	103,000	50,000
The Executive Committee		
Chairman of the Executive Committee	None	None
Member of the Executive Committee	None	None
The Remuneration and Nomination Committee		
Chairman of the Remuneration and Nomination Committee	None	35,000
Member of the Remuneration and	None	30,000
Nomination Committee and Advisor (if any)		
The Risk Policy Committee		
Chairman of the Risk Policy Committee	None	35,000
Member of the Risk Policy Committee	None	30,000

Directors who hold the position of executive or employee of the Company shall not receive quarterly remuneration or meeting allowance of sub-committees. The Audit Committee members shall not also receive quarterly remuneration as the director. Financial Statements Enclosure

Director's Bonus

The Company may pay bonus to the directors whereby the Board of Directors will determine conditions, details, and rates of bonus payment as deemed appropriate based on the Company's operating results. For the year ended 31 December 2020, bonus was paid to the directors according to their perpfrmance and meeting participation. However, any director who is executive or employee of the Company shall not receive director's bonus.

Other Remuneration

In the Extraordinary General Meeting of Shareholders No. 2/2019 held on 29 August 2019, the Meeting resolved to approve the allocation of newly issued ordinary shares of the Company as well as the allocation of shares to directors, executives, and employees of the Company at the same offering price to the public.

Remuneration for the Year Ended 31 December 2020

During 1 January 2020 - 31 December 2020, the Company paid quarterly remuneration, meeting allowance, and bonus of approximately THB 15.13 million to the directors with details as below:

1) Monetary Remuneration

The 2020, the Board receives the following monetary remuneration:

Directors	Position in the Board of Directors and Sub-Committees	Bonus*	The Board of Director	The Audit Committee	The Risk Policy Committee	The Nomination and Remuneration Committee	Total
1. Dr. Prasarn Trairatvorakul	Chairman of the Board of Directors	-	1,750,000	-	-	-	1,750,000
2. Mr. Suthichai Chirathivat	• Vice Chairman of the Board of Director	s -	760,000	-	-	-	760,000
3. Mr. Suthikiati Chirathivat	Vice Chairman of the Board of Director	s -	676,000	-	-	-	676,000
4. Mrs. Pratana Mongkolkul	Independent DirectorChairman of the Audit Committee	-	420,000	1,377,000	-	-	1,797,000
5. Mrs. Patareeya Benjapolchai	Independent DirectorMember of the Audit CommitteeMember of the Risk Policy Committee	-	378,000	1,062,000	105,000	-	1,545,000
6. Dr. Atchaka Sibunruang	Independent DirectorChairman of the Nomination and Remuneration Committee	-	760,000	-	-	175,000	935,000

Directors Po			The Audit Committee	The Risk Policy Committee	The Nomination and Remuneration Committee	Total	
7. Mr. Sompong Tantapart	 Independent Director Member of the Audit Committee Member of the Nomination and Remuneration Committee 	-	420,000	1,062,000	-	150,000	1,632,000
8. Mr. Kanchit Bunajinda	 Independent Director Chairman of the Risk Policy Committee	-	760,000	-	90,000	-	850,000
9. Professor Dr. Suthiphand Chirathivat	DirectorMember of the Nomination and Remuneration Committee	-	87,333	-	-	30,000	117,333
10. Mr. Sudhisak Chirathivat	DirectorMember of the Nomination and Remuneration Committee	-	619,333	-	-	120,000	739,333
11. Mrs. Yuwadee Chirathivat	DirectorMember of the Executive Committee	-	718,000	-	-	-	718,000
12. Mr. Suthilaksh Chirathivat	• Director	-	718,000	-	-	-	718,000
13. Mr. Prin Chirathivat	DirectorMember of the Risk Policy Committee	-	760,000	-	90,000	-	850,000
14. Mr. Tos Chirathivat	 Director Chairman of the Executive Committee Member of the Nomination and Remuneration Committee 	-	718,000	-	-	150,000	868,000
15. Mr. Pichai Chirathivat	• Director	-	760,000	-	-	-	760,000
16. Mr. Yol Phokasub	DirectorMember of the Risk Policy CommitteeMember of the Executive Committee	-	420,000	-	-	-	420,000

*The Board of Directors resolved to omit the Director's bonus for the year 2020 as the Company's performance was not met the target.

Remarks: 1. No meeting allowance for the Executive Committee

2. The Audit Committee members shall not also receive quarterly remuneration as the director, but received the quarterly remuneration as Audit Committee.

3. The Chief Executive Officer received only meeting allowance as a director only.

4. The Corporate Governance and Sustainability Committee was not mentioned in this table because they was appointed by the Board of Directors Meeting No. 11/2020 held on 22 December 2020 which has not convened any meeting in 2020.

5. Mr. Sudhisak Chirathivat resigned from the director positions in the Board of Directors and the Nomination and Remuneration Committee on 31 October 2020. Then, on 13 November 2020, the Company resolved to appoint Professor Dr. Suthiphand Chirathivat to hold director positions in the Board of Directors and the Nomination and Remuneration Committee in replacement of the resigning director, Mr. Sudhisak Chirathivat

ce Corporate Governance

2) Other Remuneration

According to the resolution of the Extraordinary General Meeting of Shareholders No. 2/2019 held on 29 August 2019, in 2020, the Company allocated 1,649,900 newly-issued ordinary shares to its directors and/or executives, accounting for 0.2 percent of the total number of issued shares at the price of THB 42 which is the same as the offering price to the public.

Remuneration of Directors of Subsidiaries Operating Core Business

In 2020, no remuneration was paid to the directors of subsidiaries, except ROBINS and LR with details as follows:

ROBINS

Robinson Public Company Limited requested for delisting of its stocks from the Stock Exchange of Thailand since 20 February 2020 according to Central Retail's restructuring plan. Central Retail was then listed on the Stock Exchange of Thailand instead on the same day.

As of 31 December 2020, the Board of Directors of ROBINS consisted of the following names:

Name	Position
1. Mr. Sudhitham Chirathivat	Chairman of the Board of Directors
2. Mr. Sudhisak Chirathivat	Vice Chairman of the Board of Directors
3. Mr. Prin Chirathivat	Director
4. Mr. Piya Nguiakaramahawongse	Director
5. Mrs. Yuwadee Chirathivat	Director
6. Mr. Wuttikiat Techamongklapiwat	Director

(1) Monetary Remuneration

The 2020 Annual General Meeting of Shareholders of ROBINS, held on 29 June 2020, resolved to approve the determination of remuneration for the year 2020 as follows: 2020 remuneration (exclusive of remuneration of Mr. Wuttikiat Techamongklapiwat as the President) of not exceeding THB 5,000,000 was paid, which was less than that in 2019. The Board of Directors considered and determined conditions, details, and payment rates as deemed appropriate based on the Company's operating results, while the remuneration was paid to the directors based on their performance and meeting participation.

(2) Other Remuneration

No other remuneration was paid in the previous year.

Remuneration for the Year Ended 31 December 2020

During 1 January 2020 - 31 December 2020, ROBINS paid total remuneration of approximately THB 1,815,500 to the directors with details as follows:

	Director Remuneration (THB) 1 January 2020 - 31 December 2020							
	Meeting Allowance ⁽¹⁾							
	Quarterly	The Board	The Audit	The	The	The Risk	The	
Director	Remuneration	of Directors	Committee ⁽²⁾	Executive	Nomination	Management	Corporate	Total
				Committee (2)	and	Committee ⁽²⁾	Governance	
					Remuneration		Committee (2)	
					Committee (2)			
1. Mr. Sudhisak Chirathivat	115,500	80,000	-	-	-	-	-	195,500
2. Mr. Sudhitham Chirathivat	73,500	68,000	-	0	0	-	-	141,500
3. Mr. Somchai Apiwattanaporn ⁽³⁾	157,500	68,000	47,500	-	0	-	-	273,000
4. Mr. Yodhin Anavil ⁽³⁾	147,000	68,000	34,000	-	-	-	0	249,000
5. Mr. Charan Mongkolchan ⁽³⁾	147,000	68,000	34,000	-	-	0	-	249,000
6. Mr. Wittaya Chavananand ⁽³⁾	147,000	68,000	34,000	-	0	0	0	249,000
7. Mr. Prin Chirathivat	73,500	68,000	-	0	-	-	-	141,500
8. Mrs. Yuwadee Chirathivat	73,500	68,000	-	0	0	-	-	141,500
9. Mr. Piya Nguiakaramahawongse	73,500	34,000	-	0	-	-	0	107,500
10. Mr. Wuttikiat Techamongklapiwat	-	68,000	-	-	-	-	-	68,000
		Т	otal					1,815,500

Remarks (1) The Board of Directors convened 5 meetings in 2020. No meeting allowance was paid to the directors for the 3 meetings after the delisting of stocks from the Stock Exchange of Thailand on 20 February 2020.

⁽²⁾ The Board of Directors resolved to dissolve the sub-committee on 20 February 2020.

⁽³⁾ Mr. Somchai Apiwattanaporn, Mr. Yodhin Anavil, and Mr. Wittaya Chavananand resigned from director positions in the Company, effective from 29 June 2020.

Enclosure

<u>LR</u>

As of 31 December 2020, the Board of Directors of LR consisted of 6 directors as follows:

Name	Position
1. Mr. Sudhitham Chirathivat	Chairman of the Board of Director
2. Mr. Prin Chirathivat	Director
3. Mr. Tos Chirathivat	Director
4. Mrs. Yuwadee Chirathivat	Director
5. Mr. Pierluigi Cocchini	Director
6. Mr. Vittorio Radice	Director

Director Remuneration

(1) Monetary Remuneration

For the year ended 31 December 2020, LR paid total remuneration of approximately €568,421 to 2 directors under the consultancy agreement and directorship agreement for the performance of duties as directors.

(2) Other Remuneration

For the year ended 31 December 2020, LR paid other remuneration to 2 directors under the directorship agreement in the forms of accommodation, travel, and insurance expenses.

8.1.3 Supervision and Governance of Subsidiaries and Associates

Definitions

"Company" and "Parent Company" refers to Central Retail Corporation Public Company Limited.

"Company Operating the Core Business" refers to a Central Subsidiary, an Independent Subsidiary Operating the Core Business, all Subsidiaries and Associates operating the core business, and subject to the Notification of the Capital Market Supervisory Board No. TorJor. 39/2559 Re: Application for Approval and Granting of Approval for Offering of Newly Issued Shares (as amended), unless stated otherwise in this document. "Central Subsidiary" refers to a Subsidiary that functions as the governance center of each business group of the Parent Company by supervising and governing the business operations of the Subsidiaries and Associates under it.

"Subsidiary or Associate under Central Subsidiary" refers to a Subsidiary or an Associate which operates the core business under the governance of a Central Subsidiary.

"Independent Subsidiary Operating the Core Business" refers to a Subsidiary operating the core business which is under the direct supervision of the Parent Company.

"Subsidiary under the Direct Supervision of the Company" refers to the Central Subsidiaries and the Independent Subsidiaries Operating the Core Business.

"Subsidiary" and "Associate" refer to a subsidiary and an associate as defined in the Notification of the Securities and Exchange Commission No. KorChor. 17/2551 Re: Determination of Definitions in Notifications relating to Issuance and Offer for Sale of Securities (as amended).

At the Board of Directors Meeting No. 2/2019 held 14 November 2019. The Company 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 4 December 2019, considered and concluded that the governance of the management and operation of the Subsidiaries under Central Subsidiary were adequate and proper.

Any other terms not mentioned in this document are subject to the securities and stock exchange laws, including other laws applicable or related to the Company's operation. Nevertheless, this policy is applicable so long as it is not in contrast with or contradictory

to the laws, rules or regulations of other jurisdictions that are enforceable against the Subsidiary and the Associate or so long as they do not result in such Subsidiary and Associate losing any benefit to which they are entitled under the laws of such jurisdictions.

1. Operation of the Company Operating the Core Business

The board of directors of the Company Operating the Core Business (excluding Associate) must ensure that a transaction or an undertaking in relation to the following matters are approved at the meeting of the board of directors and/or general meeting of shareholders of the Parent Company before the Company Operating the Core Business may enter into the transaction only in the event that the size of such proposed transaction of the Company Operating the Core Business in comparison to the size of the Parent Company pursuant to the relevant notifications on acquisitions or disposals of assets and/or connected transactions (as the case may be) of the Capital Market Supervisory Board and the Board of Governors of the Stock Exchange of Thailand requires approval at the meeting of the board of directors and/or general meeting of shareholders of the Parent Company:

(a) The entry into any transaction with a related person of the company or the Parent Company, or any transaction concerning an acquisition or a disposal of assets by the company.

- (b) The transfer or waiver of any rights or interests, including waiver of any claim against any person who causes damage to the company.
- (c) The sale or transfer of the whole or any substantial part of the company's business to any other person.
- (d) The purchase or acceptance of the transfer of business of other companies by the company.
- (e) The execution, amendment, or termination of a contract concerning the lease of the whole or any substantial part of the business of the company, the assignment to any other person to manage the company's business, or the amalgamation of the company's business with any other person.
- (f) The lease or hire-purchase of the whole or any substantial parts of the company's business or assets.
- (g) Borrowing, lending, granting of credit, provision of a guarantee, entry into any transaction that will cause the company to incur additional financial burden, or giving of any other kinds of financial aid to any other person which is not in the ordinary course of business of the company. In this regard, lending to

directors of the company is prohibited, except for lending under employee loan program.

(h) The dissolution of the company.

Enclosure

- 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

Business Overview and Performance

()

ance Corporate Governance

overnance Financial

Financial Statements Enclosure

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 whichhasalreadybeenapproved by the board of directors of the Parent Company.

2.2 The board of directors of the Subsidiary under the Direct Supervision of the Company must seek prior approval from the general meeting of shareholders of the Parent Company with the votes of not less than three-fourths (3/4) of the total votes of the shareholders attending the meeting and entitled to vote for any amendment of the Articles of Association of the Subsidiary under the Direct Supervision of the Company that may have a material impact on the financial conditions or operating results of such Subsidiary under the Direct Supervision of the Company, including, but not limited to, any amendment of the Articles of Association of the Subsidiary under the Direct Supervision of the Company which may have a negative impact on the Parent Company's rights to nominate or appoint a director or an executive of the Subsidiary under the Direct Supervision of the Company proportionate to the Parent Company's shareholding in the Subsidiary under the Direct Supervision of the Company, the

voting rights of the director(s) nominated by the Parent Company at the meetings of the board of directors of the Subsidiary under the Direct Supervision of the Company, the voting rights of the Parent Company at the general meetings of shareholders of the Subsidiary under the Direct Supervision of the Company, and/or the dividend distributions of the Subsidiary under the Direct Supervision of the Company.

3. Operation of the Subsidiary or the Associate under Central Subsidiary

In addition to the duties stated in item 1, the board of directors of the Subsidiary or the Associate under Central Subsidiary has the following duties:

- 3.1 The board of directors of the Subsidiary or the Associate under Central Subsidiary must ensure that a transaction or an undertaking in relation to the following matters are approved at the meeting of the board of directors of the Central Subsidiary before the Subsidiary or the Associate under Central Subsidiary may enter into the transaction:
 - (a) The nomination or appointment of a director or an executive of the Subsidiary or the Associate under Central Subsidiary, which must be at least proportionate

 \square

nce Corporate Governance

rnance Financial Statements

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:

Enclosure

- 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 aive 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.

The directors of the company 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.

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:

- Execution of any transaction between the company and its directors, executives or related persons in violation of the rules on connected transactions;
- (2) Use of any infolmation of the Parent Company or the company known to them, except where such information has been disclosed to the public;
- (3) Use of any assets or business opportunity of the company or the Parent Company in such manner in violation of the rules or general practice as prescribed in the notification of the Capital Market Supervisory Board;
- (c) To report on plan for business operations, business expansion for large-scale investment projects of

the subsidiaries as approved by the Parent Company, and joint investment with other business operators, to the Parent Company via monthly report on the operational results, and provide explanation and/or documents in support of the consideration upon request by the Parent Company;

- (d) To provide explanation and/or information or documents relating to the operations of the company to the Parent Company upon request as appropriate, and provide explanation and/or relevant information or documents to the Parent Company should any material issues be found;
- (e) To be responsible for the subsidiaries to implement the internal control system, risk management system and anti-corruption policy as appropriate, efficient and sufficiently prudent to make sure that all activities of the subsidiaries strictly follow the Parent Company's policies, this document, the laws and rules on corporate governance of listed companies, including the applicable notifications, regulations and rules of the Capital Market Supervisory Board, the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand, and to ensure that the subsidiaries have clear work flows to demonstrate that the subsidiaries' systems are sufficient to regularly and reliably

Corporate Governance

Financial Statements Enclosure

disclose information on material transactions under the applicable rules, with channels available for the directors and executives of the Parent Company to access such information of the subsidiaries so as to efficiently monitor their operational results, financial position, transactions between the subsidiaries and their directors and executives, and material transactions of the subsidiaries. In addition, there shall be mechanisms for work system audit in the subsidiaries, whereby the Parent Company's internal auditors and independent directors shall be entitled to directly access such information, and the results of such work system audit shall be reported to the Parent Company's directors and executives to make sure that the subsidiaries regularly follows the specified work systems;

(f) The directors, executives, staff, employees or those authorized by the company, who are representatives of the Parent Company and hold positions in the company, including their spouse and underage offspring, shall be prohibited from using inside information of the Parent Company and/orthe company, which has been obtained from the performance of duties or by other means, which has or may have material impact on the Parent Company and/or the company, for personal gain or gain of others, whether directly and/or indirectly, and whether with or without any compensation;

The directors, executive s or related (a) persons of the subsidiary, who are representatives of the Parent Company and hold positions in the subsidiary may execute any transaction with the subsidiary only after such transaction has been approved by the board of directors of the subsidiary, the Parent Company's board of directors, the subsidiary's shareholders' meeting and/or the Parent Company's shareholders' meeting (as the case may be) depending on the calculated size of the transaction (the calculation of transaction size under the rules on acquisition or disposal of assets and/or connected transactions of the Capital Market Supervisoly Board and the Board of Governors of the SET shall apply, mutatis mutandis), except for such transactions with the same commercial terms as those an ordinary person would agree with any unrelated counterparty under similar circumstances, on the basis of commercial negotiation and without any influence from their status as directors, executives or related persons (as the case may be), provided further that such commercial terms have been approved by the Parent Company's board of directors or in compliance with the principle previously approved by the Parent Company's board of directors.

8.1.4 Monitoring compliance with the corporate governance policy and practices

(1) Prevention of Conflict of Interest

The Company has in place a policy to prevent conflict of interest based on prudence, honesty, rationale, and independence within the ethical framework for the Company's interests. The policy stipulates that a person who may have conflict of interest and/or a connected person as well as related parties involving in a transaction who discloses the information on the interests of his/her own and related parties' to the Company for acknowledgement and have no authority to approve the transaction in which he/she has interests.

The Company prescribes in the Board of Directors Charter that the Board of Directors shall be responsible for ensuring non-conflict of interest between stakeholders of the Company and subsidiaries. In case that any director having conflict of interest in any transaction conducted with the Company or changes in his/her shareholding percentage, such director shall notify the Company immediately. Moreover, the assignment of authority, duties, and responsibilities to any person shall not be characterized by the delegation of authority that allows the attorney to be able to approve the transaction that he/ she or a person who may have conflict of interest may have interests or receive interests in any forms or have any other conflict of interest with the Company or subsidiaries, except for the approval of transactions which are conducted in accordance with the policy and the criteria approved by the shareholders' meeting or Board of Directors.

The Company has a policy on connected transactions and transactions having conflict of interests as in accordance with the laws and regulations of SEC, Capital Market Supervisory Board, and SET, which will also be disclosed in annual report and annual registration statement (Form 56-1).

(2) Prevention of Misuse of Insider Information

The Company puts emphasis on preventing the use of its internal information. Therefore, it has set the policy to prohibit its directors, executives, employees and workers from misusing and disclosing nonpublic information that may have effect on its share price, significant and undisclosed information that may cause damage or disadvantage to the Company as well as the Company's confidential information directly or indirectly, whether or not for the benefit of themselves or other persons. Such policy also forbids the trading of the Company's share by using insider information. (\cap)

- The Company's directors and 1. executives are educated on the duty to report their own shareholding, including that of spouse, cohabiting couple and children under legal age, according to the Section 59 and the Section 275 of the Securities and Exchange Act B.E. 2535 (1992) (as amended), as well as the acquisition or disposal of shares held by themselves, spouse, cohabiting couple and children under legal age according to the Section 246 and the Section 298 of the Securities and Exchange Act B.E. 2535 (1992) (as amended) to the Securities and Exchange Commission, Thailand ("SEC").
- 2. The Company's directors and executives, including their spouse, cohabiting couple and children under legal age, must prepare and disclose their holding of the Company's share and any change in the status of such shareholding to the SEC as specified in the Section 59 of the Securities and Exchange Act B.E. 2535 (1992) (as amended) and also hand in a copy of such shareholding report to the Company within the same date.
- 3. The directors, executives, employees and workers of the Company and its subsidiaries, who are aware of important information that may have effect on the change of the

share price, have been forbidden to trade the Company's share thirty (30) days prior to the disclosure of its financial statement or such information until at least 24 hours has elapsed after the disclosure. The persons, who involve with such information, must not release it to others till it is reported to the Stock Exchange of Thailand.

- The directors, executives, employees and workers of the Company and its subsidiaries are not allowed to use the internal information or nonpublic information that may have effect on the change of the Company's share price, which is obtained from the performance of duties, for buying, selling, offering to buy, offering for sale or persuading others to buy, sell, offer to buy or offer for sale the Company's share or other securities (if any), either directly or indirectly, that may cause damage for the Company or for the benefit of themselves or other persons. Besides, such information must not be disclosed to other persons for the above-mentioned purposes whether or not for the exchange benefit.
- The current and former directors, executives, employees and workers of the Company and its subsidiaries must not release the internal information or confidential information

5.

of the Company or its counterparties, which is obtained from the performance of duties, to other persons even though the disclosure of such information may not damage the Company and its counterparties. Such information must be used only for the Company's benefit, not for direct or indirect benefit of the directors, executives or employees and whether or not for the exchange benefit.

Enclosure

6. Any violations of the above-mentioned guidelines are considered as the disciplinary offenses according to the Company's work rule. The Company will consider the disciplinary actions ranging from verbal and written warning, probation to dismissal.

In the previous year, no director and executive were found to buy or sell securities during a blackout period. The Board of Directors also imposes a policy that the Corporate Secretary shall prepare a report of changes in the number of ordinary shares held by 2. directors and executives as well as their spouse or de facto partner and minor children and submit it to the Board of Directors for acknowledgement on a quarterly basis.

(3) Anti-Corruption

The Company recognizes the importance of anti-corruption and is committed to operating business ethically within the

good corporate governance framework by adhering to good governance principles and Code of Conduct as well as responsibility for the society, the environment, and the stakeholders by ensuring business operations based on transparency, fairness, and accountability. The Company then developed a written anti-corruption policy which prescribes clear practice auidelines for operating business and transforming the organization into a sustainable organization. The policy was approved by the Board of Directors Meeting No. 3/2019 held on 25 March 2019, which can be summarized as follows:

- 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.
- 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.

e Corporate Governance

Financial Statements

The Company imposes additional practice guidelines on corruption involvement prevention as follows:

- (1) The Company determines that the Board of Directors has duties and responsibilities of determining and approving the anti-corruption policy while putting the efficient anticorruption support system in place to ensure that the management recognizes the importance and practices as a corporate culture In addition, the Audit Committee shall have a duty and responsibility to review the Company. Have adequate internal control and review the operation in accordance with the Anti-Corruption Policy. To ensure that all employees and stakeholders comply with Anti-Corruption Policy regulations and review the appropriateness of the system and measures to comply with the changes in the business regulations and requirements of the law as well as reviewing the adequacy of the Company's internal control and the compliance with the anti-corruption policy, regulations, and relevant laws. The management shall also set up systems and measures, promote, support, and oversee the compliance with the anti-corruption policy of all employees and concerned parties as well as review the appropriateness of systems and measures that are consistent with the changes in business, regulations, and legal requirements.
- (2) The Company determines that the Internal Audit Department examines and reviews the performance to comply with policies, practices, rules and regulations, and relevant laws. This is also to ensure that the internal control system is properly and adequately put in place to prevent potential corruption risks and is reported to the Audit Committee.
- (3) The personnel of the Company and subsidiaries has duties to comply with the Anti-Corruption Policy and Code of Conduct without being involved, whether directly or indirectly, in any corruption or breach of the Code of Conduct.
- (4) The Company will enable the directors and executives of subsidiaries and associates who was nominated by the Company to hold such positions in subsidiaries or associates (as the case may be) to agree to abide by the Company's Anti-Corruption Policy.

Practice Guidelines for Preventing Involvement in Corruption

(1) The Company requires that personnel of the Company and subsidiaries perform tasks cautiously and be aware of all forms of corruption. In case of any doubt that may cause legal impacts, they shall seek advice from the Legal Department in writing. For other important matters, discretion shall be exercised by the management. (2) The Company strives to create and maintain its organizational culture on zero-tolerance on corruption, either it conducts with public or private sectors.

Enclosure

- (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 evaluation. Supervisors in every level have to communicate with employees so they apply the policy in business activities under their responsibilities. Also, supervisors must monitor effective compliance with the policy.
- (7) All actions in the Anti-Corruption Policy are in line with those stipulated in the Company's Good Corporate Governance Policy, guidelines for business conduct, relevant regulations, work manual as well as other guidelines which the Company may define later.
- (8) The Company discloses the Anti-Corruption Policy, which is under Thailand's anti-corruption law, via both internal and external media, for instance, notifications, website and annual report.

To protect the rights of complainants and whistleblowers of good faith, the Company will keep confidentiality of their name, address, or any information, of which access is only limited to persons responsible for examining such complaints.

In case of complaints, the Chief Executive Officer, the Audit Committee will be responsible for protecting whistleblowers or complainants, witnesses, and information providers from troubles, dangers, or unfairness arising from Corporate Governance

3)

nance Financial Statements

CENTRALRETAIL ONE REPORT 2020

whistleblowing, complaining, witnessing, or providing information. The complainants are requested to file complaints directly to the Audit Committee.

In case that the accused is not the Chief Executive Officer, the Chief Executive Officer has duties to exercise discretion to order as deemed appropriate to protect whistleblowers or complainants, witnesses, and information providers from any 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).

Investigation, Procedures and Disciplinary Action

- Upon receipt of report, the Chief Executive Officer or the Audit Committee is responsible for screening and investigation.
- 2) During investigation, the Chief Executive Officer or the Audit Committee may assign representative to periodically inform the progress of investigation to reporters or whistleblowers.

- 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 Chief Executive Officer 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.

In 2020, the Company reviewed the policy and found that the policy was still consistent with the business operations. However, the Company will review such policy to be in accordance with Thai Private Sector Collective Action Against Corruption (CAC).

The Company was determined to declare its intention to join CAC in March 2021 by establishing a Working Group on CAC Membership on 3 November 2020 to thoroughly communicate with directors, executives, and employees. With strong determination and serious efforts, the Company invited an expert to give lecture to the Working Group on 11 November 2020 and encouraged related members of the Working Group to attend the Corruption Risk and Control Workshop (CRC) program organized by Thai Institute of Directors Association (IOD) on 16 November 2020.

Enclosure

(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 Mr. Phisoot Suksangtip, Head of Internal Audit Department via his email SuPhisoot@central.co.th or CRCWhistleblower@central.co.th or by post:

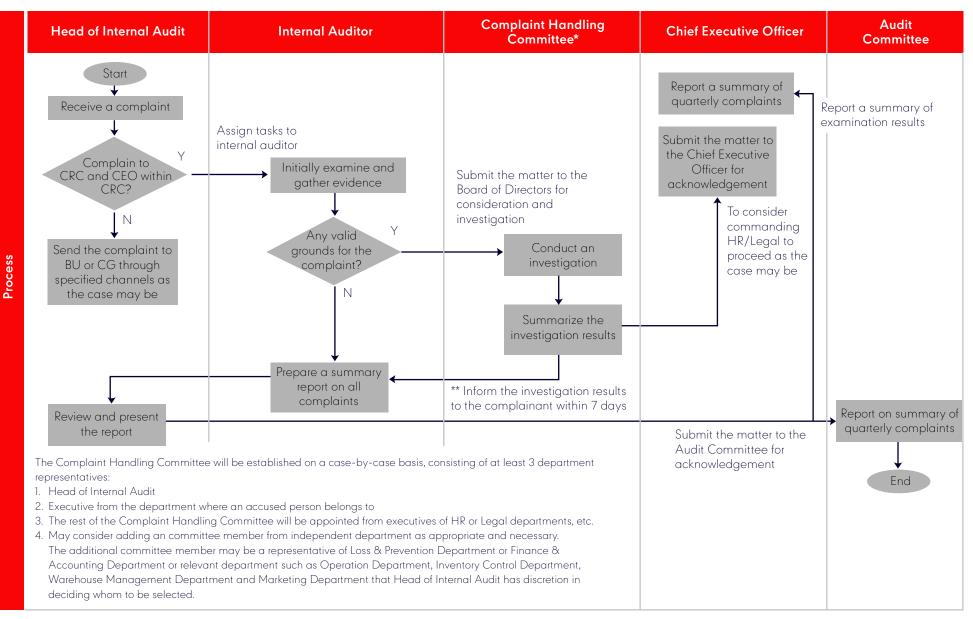
> Head of Internal Audit Department Central Retail Corporation PCL 22 Soi Somkid, Ploenchit Road Lumpini Sub-district, Pathumwan District, Bangkok 10330

In case of complaining towards the Chief Executive Officer, complaints have to be filed directly with the Chairman of the Audit Committee via his email (mopratana@central.co.th) or by post: The Chairman of the Audit Committee Central Retail Corporation PCL 22 Soi Somkid, Ploenchit Road, Lumpini Sub-district, Pathumwan District Bangkok 10330

Person who can make 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.

In May 2020, the Company, by the Internal Audit Department, prepared a clearly written complaint examination manual for addressing complaint examination procedure and process details pursuant to the Company's Whistleblowing Policy practices, and Code of Conduct. Moreover, the officers can acknowledge the complaint examination procedure and process relating to corruption and malpractices and show or disseminate to related persons including the complainant, the accused, the witness, the examiner, and other related persons. The process can be concluded as follows:

Procedurd of fact finding prescribed in Whistleblowing Policy



In 2020, there were 97 complaints which were filed to the Company and subsidiaries and were investigated according to the operating procedures. 68 complaints were found to be true, mostly relating to non-compliance with the rules, regulations, Articles of Association, work manual, and Code of Conduct of the Company. The penalties were already imposed according to the Company's regulations.

8.2 Performance Report of the Audit Committee for the Previous Year

8.2.1 Number of Meeting Attendance

The number of meeting attendance of the Audit Committee is shown in item 8.1.2.

8.2.2 Explanation of Performance Results of the Audit Committee

The Audit Committee of Central Retail Corporation Public Company Limited ("Company") has the main duties and responsibilities to support the Board of Directors in overseeing the matters relating to the preparation and disclosure of information in financial reports, the effectiveness of risk management and internal control systems, the compliance with relevant laws, rules, and regulations, the monitoring of qualifications, expertise and adequacy of working team and independence of both internal auditor and external auditor of the Company as well as the evaluation on the effectiveness of performance of internal auditor. The Audit Committee reports its performance as well as recommendations to the Board of Directors whenever the Audit Committee has any queries or opinions that there should be improvements regards to internal control, financial reports or other matters found. The Audit Committee will promptly report any queries or recommendations in various matters to the Board of Directors. The Audit Committee's performance of duties can be concluded as follows:

- 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
- Consider the appointment of auditors and communication of significant matters between the Audit Committee and the auditors

- 6. Review legal compliance
- 7. Review good corporate governance
- 8. Review and revise the Audit Committee Charter

In addition, the Audit Committee performed its duties in accordance with the Charter assigned by the Board of Directors completely and independently to ensure that the Company has executed the efficient and adequate corporate governance, operations for the utmost benefits to the shareholders with fair and equal without any conflict of interest, and internal control system were adequate and appropriate.

Details can be found in Enclosure 6 of the Report of the Audit Committee.

8.3 Performance Summary of Other Committees

Report of the Risk Policy Committee

To Shareholders,

Since 2019, the Risk Policy Committee has been appointed by the Board of Directors of Central Retail Corporation Public Company Limited to support the Board of Directors in overseeing the Company to ensure that it has the adequate and appropriate risk management system in place, enabling the Company to achieve its objectives in an efficient and effective manner, as well as to comply with relevant laws and standards, in order for the overall risk to be within the acceptable level. The Committee consists of four directors. namely Mr. Kanchit Bunajinda (as Chairman of the Committee since December 2020), Mrs. Patareeya Benjapolchai, Mr. Prin Chirathivat, and Mr. Yol Phokasub, with Ms. Pacchanya Chutimawong as Secretary of the Committee.

In 2020, the Committee held three meetings (2019: 2 meetings), and had the important performance as summarized below:

- Oversaw the Company's analysis of business risks, including current risks, e.g., the COVID-19 outbreak, which has impact on employees, customers, business partners, and overall business, and emerging risks as well as regularly monitors the results of the risk management carried out by the management.
- 2. Promoted the integration of the risk management process with the business sustainable development process to ensure that the risk analysis covered the environmental, social and governance issues.

- 3. Reviewed the Risk Policy Committee Charter and the Enterprise Risk Management Policy and proposed appropriate amendments in alignment with the changing business situations.
- 4. Promoted training programs regarding to the international risk management framework (COSO ERM), organized by PricewaterhouseCoopers ABAS Ltd., for directors and senior executives to have sufficient knowledge and understanding in performing duties according to the Enterprise Risk Management Policy.
- 5. Evaluated the Committee's performance in different aspects, including its structure, qualifications, meetings and performance according to the Charter in order to improve for greater efficiency.

6. Consistently reported the Committee's performance to the Board of Directors.

The Committee has a commitment to enhance the internationally-standardized risk management system in order for the shareholders and stakeholders to be confident in the Company's business operation with adherence to the corporate governance and sustainable development principles.

Kanchit Bunajinda

(Mr. Kanchit Bunajinda) Chairman of the Risk Policy Committee

Report of the Nomination and Remuneration Committee

To Shareholders,

In 2020, 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 2020 Board diversity, comprising the information on the number of independent directors, their gender, and Board Skill Matrix to be used for the consideration of appointment of suitable directors with qualifications, knowledge, and capabilities that are diverse and beneficial to the Company's business operation.
- 2. Considered nominating suitable persons with qualifications, knowledge, experience, and expertise to be directors and proposed them to the Board of Directors and the 2020 Annual General Meeting of Shareholders. The Committee proposed the re-appointment of

directors retiring by rotation in 2020 for another term, while the shareholders' meeting resolved to approve the appointment of all directors as proposed.

- 3. Considered nominating suitable persons with knowledge, experience, and expertise to replace the resigning directors and proposed them to the Board of Directors for consideration and approval.
- 4. Considered nominating suitable persons with knowledge, experience, and expertise to be the Company's senior executives and proposed them to the Board of Directors for consideration and approval.
- 5. Considered the structure and determined the 2020 remuneration for the Board of Directors and the sub-committees, comprising the Audit Committee, the Risk Policy Committee, and the Nomination and Remuneration Committee, and then submitted it to the Board of Directors and the shareholders' meeting for consideration and approval, by taking into account their responsibilities and performance related to operating results and

other relevant factors earned and other relevant factors. The remuneration rates were compared with those of other companies in the same or similar industry and approved by the shareholders' meeting.

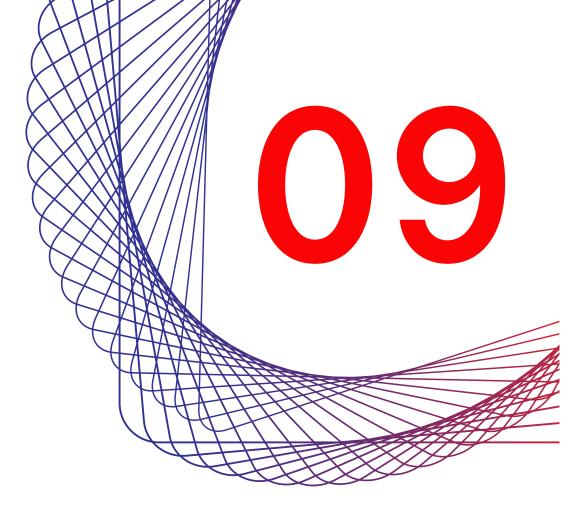
- 6. Considered training and development plans for the Company's directors and the sub-committees as in accordance with the Company's business and situation.
- 7. Considered and reviewed succession plans for the CEO and senior executive positions to ensure the Company's continued business operations, with CEO's involvement in the his involvement in the review and data presentation.
- 8. Considered the assessment criteria for the 2020 performance of the CEO and senior executive positions and submitted them to the Board of Directors for approval.
- 9. Acknowledged and provided comments on the policy and practices of human resource management and organizational management, including plans and operation in 2020, recruitment, turnover rate and staff development plan.

- 10. Considered the Company's Employee Joint Investment Program (EJIP) and submitted it to the Board of Directors for approval.
- Reviewed the Nomination and Remuneration Committee Charter. In 2020, no amendment was made since the current Charter was still complete and suitable for the situation.
- 12. Acknowledged the results and considered the 2020 self-assessment of the Committee to be used for enhancing the performance of duties of the Committee according to the good corporate governance principles.

The Committee performed its duties with prudence and honesty, based on the responsibilities specified in the Charter while adhering to the good corporate governance principles adequately and suitably for the balanced and sustainable benefits of all stakeholders.

Atchaka Sibunruang

(Dr. Atchaka Sibunruang) Chairman of the Nomination and Remuneration Committee



Internal Control and Connected Transactions ernance Financial Statements

atements Enclosure

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. 2/2021 held on 25 February 2021 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. In 2020, the Company set up a Compliance Unit to oversee the Company's personnel and internal units to perform duties or work im compliance with relevant regulations.

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. Business Overview and Performance

e Corporate Governance

overnance Financial

Financial Statements Enclosure

- 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.

Part 2 Risk Assessment

- The Company appointed 4 members of the Risk Policy Committee to be responsible for overseeing the risk management to be in accordance with the Charter approved by the Board of Directors and appointed Head of Enterprise Risk Management as the Secretary to the Risk Policy Committee.
- The Risk Policy Committee performed its duties through the Risk Management Committee and the management in developing risk management plans and overseeing the risk management of each business unit.
- The Risk Management Committee monitored and reviewed the risks and risk indicators to report to the Risk Policy Committee at least twice a year.

- The Risk Policy Committee reported the results on the implementation of risk management plans to the Board of Directors after every meeting of the Risk Policy Meeting.
- Whistleblowing was reported to the Audit Committee for acknowledgement at least once every quarter. In case of significant wrongdoings, they would be immediately informed.

Part 3 Control Activities

- The Company set the structure of the department, job descriptions, and work manuals in line with the characteristics of the business of that department, including the scope of authority and duties and the credit limit of each department at each level clearly in writing. An authority handbook was developed. The information technology system was also put in place to support work processes as well as to help control performance.
- The Company clearly segregated duties and responsibilities in various tasks. They can be inspected with clear procedures in duties as follows:

(1) Approve

(2) Record accounting entries and information

(3) Handle and store assets

- The Company regularly improves new work procedures to be in line with the changing work system.
- The Company monitored and reviewed connected transactions or transactions that may cause conflict of interest among shareholders, directors, executives, and related parties with the policy to prevent the conflict of interest, the connected transaction policy, and the land purchase and leasing for business operation from related person policy as a control measure to make the connected transactions or transactions that may cause conflict of interest in accordance with the laws and regulations of SET. In case the value of the transaction reached the specified significant criteria, before making a transaction, the management department must present the said transaction to the Audit Committee for comments, which

 (\cap)

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 assign the internal auditor to report the audit results directly to the Audit Committee regularly.
- 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 effectivemess 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 Related Party Transaction

Persons who may have conflict of interest

	Persons or juristic persons who may have conflict of interest	Nature of Business Operation	Relations with the Company
1.	Mr. Suthichai Chirathivat (Mr. Suthichai)	-	Director
2.	Mr. Suthikiati Chirathivat (Mr. Suthikiati)	-	Director
З.	Prof.Dr. Suthiphand Chirathivat (1) (Prof.Dr. Suthiphand)	-	Director, on the date of transaction (starting on 13 November 2020)
4.	Mrs. Yuwadee Chirathivat (Mrs. Yuwadee)	-	Director
5.	Mr. Suthilaksh Chirathivat (Mr. Suthilaksh)	-	Director
6.	Mr. Prin Chirathivat (Mr. Prin)	-	Director
7.	Mr. Tos Chirathivat (Mr. Tos)	-	Director
8.	Mr. Pichai Chirathivat (Mr. Pichai)	-	Director
9.	Mr. Sudhisak Chirathivat ⁽²⁾ (Mr. Sudhisak)	-	Director on the date of transaction (ended of 31 October 2020) Brother of 4 Directors of the Company including (1) Mr. Suthichai, (2) Mr. Suthikiati, (3) Prof.Dr. Suthiphand (4) Mr. Suthilaksh
10.	Mr. Suthisarn Chirathivat ⁽³⁾ (Mr. Suthisarn)	-	Director, on the date of transaction (ended of 15 March 2019) Brother of 4 Directors of the Company including (1) Mr. Suthichai, (2) Mr. Suthikiati, (3) Prof.Dr. Suthiphand (4) Mr. Suthilaksh
11.	Mr. Sudhitham Chirativat ⁽³⁾ (Mr. Sudhitham)	-	Director, on the date of transaction (ended of 15 March 2019) Brother of 4 Directors of the Company including (1) Mr. Suthichai, (2) Mr. Suthikiati, (3) Prof.Dr. Suthiphand (4) Mr. Suthilaksh
12.	Mr. Narongrit Chirathivat (4) (Mr. Narongrit)	-	Director, on the date of transaction (ended of 20 May 2018)
13.	Ms. Sukulaya Uahwatanasakul ⁽⁴⁾ (Ms. Sukulaya)	-	Director, on the date of transaction (ended of 20 May 2018)
14.	Mr. Suthichart Chirativat	-	Brother of 4 Directors of the Company including (1) Mr. Suthichai, (2) Mr. Suthikiati, (3) Prof.Dr. Suthiphand (4) Mr. Suthilaksh
15.	Mr. Suthidech Chirathivat	-	Brother of 4 Directors of the Company including (1) Mr. Suthichai, (2) Mr. Suthikiati, (3) Prof.Dr. Suthiphand (4) Mr. Suthilaksh
16.	Mr. Suthipak Chirativat	-	Brother of 4 Directors of the Company including (1) Mr. Suthichai, (2) Mr. Suthikiati, (3) Prof.Dr. Suthiphand (4) Mr. Suthilaksh

Remarks: (1) Appointed as the Company's director on 13 November 2020
(2) Begin the Company's director until 31 October 2020
(3) Begin the Company's director until 15 March 2019
(4) Begin the Company's director until 20 May 2018

tements Enclosure

CENTRALRETAIL | ONE REPORT 2020

Persons or juristic persons who may have conflict of interest	Nature of Business Operation	Relations with the Company
17. Khunying Suchitra Mongkolkiti	-	Brother of 4 Directors of the Company including (1) Mr. Suthichai, (2) Mr. Suthikiati, (3) Prof.Dr. Suthiphand (4) Mr. Suthilaksh
18. Mrs. Sukanya Promphan	-	Sister of 4 Directors of the Company including (1) Mr. Suthichai, (2) Mr. Suthikiati, (3) Prof.Dr. Suthiphand (4) Mr. Suthilaksh
19. Mrs. Supatra Chirathivat	-	Sister of 4 Directors of the Company including (1) Mr. Suthichai, (2) Mr. Suthikiati, (3) Prof.Dr. Suthiphand (4) Mr. Suthilaksh
20. Mrs. Achara Chirativat	-	Sister of 4 Directors of the Company including (1) Mr. Suthichai, (2) Mr. Suthikiati, (3) Prof.Dr. Suthiphand (4) Mr. Suthilaksh
21. Mrs. Piyaphan Chirathivat	-	Sister of 4 Directors of the Company including (1) Mr. Suthichai, (2) Mr. Suthikiati, (3) Prof.Dr. Suthiphand (4) Mr. Suthilaksh
22. Mrs. Busaba Chirathivat	-	Sister of 4 Directors of the Company including (1) Mr. Suthichai, (2) Mr. Suthikiati, (3) Prof.Dr. Suthiphand (4) Mr. Suthilaksh
23. Mrs. Wallaya Chirathivat	-	Sister of 4 Directors of the Company including (1) Mr. Suthichai, (2) Mr. Suthikiati, (3) Prof.Dr. Suthiphand (4) Mr. Suthilaksh
24. Mrs. Nathaya Chirathivat	-	Sister of 4 Directors of the Company including (1) Mr. Suthichai, (2) Mr. Suthikiati, (3) Prof.Dr. Suthiphand (4) Mr. Suthilaksh
25. Mrs. Jariya Chirathivat	-	Sister of 4 Directors of the Company including (1) Mr. Suthichai, (2) Mr. Suthikiati, (3) Prof.Dr. Suthiphand(4) Mr. Suthilaksh
26. Mrs. Oranee Chirathivat	-	Wife of the Director or Mr. Suthichai
27. Mr. Narattah Chirathivat	-	Son of the Director or Mr. Suthichai
28. Ms. Sansana Chirathivat	-	Daughter of the Director or Mr. Suthichai
29. Ms. Rvisra Chirativat	-	Daughter of the Director or Mr. Suthichai
30. Mr. Davis Chirathivat	-	Son of the Director or Mr. Suthichai
31. Mr. Thiradej Chirathivat	-	Son of the Director or Mr. Suthikiati
32. Mr. Thirayuth Chirathivat	-	Son of the Director or Mr. Suthikiati
33. Mr. Theerakiati Chirathivat	-	Son of the Director or Mr. Suthikiati
34. Mrs. Somkamol Chirathivat	-	Daughter of the Director or Mr. Suthikiati
35. Mr. Patsarakorn Chirathivat	-	Son of the Director or Mr. Suthikiati
36. Mrs. Arunee Chirathivat	-	Sister of 3 Directors including (1) Mrs. Yuwadee, (2) Mr. Prin, and (3) Mr. Tos
37. Mrs. Nidsinee Chirathivat	-	Sister of 3 Directors including (1) Mrs. Yuwadee, (2) Mr. Prin, and (3) Mr. Tos
38. Mrs. Sirikate Chirakiti	-	Sister of 3 Directors including (1) Mrs. Yuwadee, (2) Mr. Prin, and (3) Mr. Tos
39. Mrs. Netanong Chirathivat	-	Sister of 3 Directors including (1) Mrs. Yuwadee, (2) Mr. Prin, and (3) Mr. Tos
40. Mr. Kriengsakdi Chirathivat	-	Brother of 3 Directors including (1) Mrs. Yuwadee, (2) Mr. Prin, and (3) Mr. Tos
41. Mrs. Sakolsri Maleenon	-	Sister of 3 Directors including (1) Mrs. Yuwadee, (2) Mr. Prin, and (3) Mr. Tos

CENTRALRETAIL | ONE REPORT 2020

Persons or juristic persons who may have conflict of interest	Nature of Business Operation	Relations with the Company
42. Mr. Chodok Bhicharnchitr	-	Son of the Director or Mrs. Yuwadee
43. Mr. Barom Bhicharnchitr	-	Son of the Director or Mrs. Yuwadee
44. Mrs. Woraluksanai Bhicharnchitr	-	Daughter of the Director or Mrs. Yuwadee
45. Mr. Watt Chirathivat	-	Brother of the Director or Mr. Pichai
46. Mr. Kobchai Chirathivat	-	Brother of the Director or Mr. Pichai
The companies of which major shareholder is the pers	on who might be involved in a conflict of int	erest (Other Groups of Companies)
47. 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, (3) Mr. Prin directly holds 15%
48. Sala Rattanakosin Company Limited	Hospitality	The following directors of the Company directly hold the shares: (1) Mr. Tos directly holds 21% of the shares, (2) Mr. Pichai directly holds 18% of the shares, (3) Mr. Prin directly holds 12.5%
49. Sapsaimanee Company Limited	Hospitality	Directors of the Company, (1) Mr. Tos and relevant persons and (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.
50. Plaengpakthammachart Company Limited	Vegetable and Fruit Supplies	Director, on the date of transaction (ended of 15 March 2019) Brother of Directors of the Company, Mr. Suthisarn, directly holds 50% of the shares.
51. Five Senses Company Limited	Hospitality	Director, on the date of transaction (ended of 15 March 2019) Brother of Directors of the Company, Mr. Suthisarn, directly holds 50% of the shares.
52. Brothers Holdings Company Limited	Personal and Household Supplies Rental Service	The following directors of the Company directly hold the shares: (1) Mr. Prin and relevant persons directly hold 99.98% of the shares and (2) Mr. Tos and relevant persons directly hold 0.01% 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.
53. Jindatawee Company Limited	Hospitality	The following directors of the Company directly hold the shares: Mr. Tos and relevant persons directly hold 50% of the shares One of its Board of Directors members are the same as the Company's, which is Mr. Tos.
54. 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.
55. Terra Cottage Company Limited	Hospitality	A director of the Company, Mr.Suthilaksh, directly holds 20% of the shares. One of its Board of Directors members is the same as the Company's, which is Mr. Suthilaksh.
56. Bangkok Post-Bauer Company Limited	Publishing Media	A director of the Company, Mr.Suthilkiati, indirectly holds the shares via Post International Media Company Limited which directly holds 70.12% of the shares. One of its Board of Directors members is the same as the Company's, which is Mr. Suthikiati.

Persons or juristic persons who may have conflict of interest	Nature of Business Operation	Relations with the Company
57. Food Passion Company Limited	Restaurant	A director of the Company, Mr.Suthilaksh, directly holds 11.2% of the shares. One of its Board of Directors members is the same as the Company's, which is Mr. Suthilaksh.
58. 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.
59. F.T. Sales And Service 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.
60. 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.
61. SpicyDisc Company Limited	Audio Disc Supply	A director of the Company, Mr.Pichai, directly holds 99.85% of the shares. One of its Board of Directors members is the same as the Company's, which is Mr. Pichai.
62. RIS Company Limited ("RIS")	Computer System Services and Selling Computer Equiptments	Siblingds of Directors of the Company, Mrs. Sirikate Chirakiti, directly holds 10% of the shares.
63. Terasoft Solutions Development Companny 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.
64. Spaghetti Factory Company Limited	Selling food and beverage	A director of the Company, Mr. Pichai Chirathivat, directly holds 99.98% of the shares.
65. 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, (2) Mrs. Yuwadee Chirathivat directly holds 10% of the shares.
66. Peter and Jannie Company Limited	Selling clothes	The major shareholder is Chakkrawat Holding Company Limited which directly holds 99.98% of the shares.
67. 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, (2) Mr. Tos directly holds 5.46% of the shares.
68. Post International Media Company Limited	Advertising	The major shareholder is Bangkok Post Public Company Limited which directly holds 100% of the shares.
Harng Central Department Store Limited (HCDS) and Its St	ubsidiaries called together with HCDS as	the HCDS Group
69. Harng Central Department Store Limited (HCDS)	Holding Company and Provider of Service and Consultation regarding Management of Business, Asset, and Operation to the Subsidiaries	The major shareholder of the Company directly holding 35.06% of the Company's shares Five of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai, (2) Mr. Suthikiati, (3) Mr. Suthilaksh, (5) Mr. Prin, (6) Mr. Tos.
70. Central Food Retail Ratchada Company Limited	Holding Real Estate	The major shareholder is HCDS which directly holds 100% of the shares. Two of its Board of Directors members are the same as the Company's including (1) Mr. Prin, (2) Mr. Tos.

	Persons or juristic persons who may have conflict of interest	Nature of Business Operation	Relations with the Company
71. Ce	entral 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, (4) Mr. Tos.
72. O	verseas Fashions Company Limited	Real Estate Holding Company	The major shareholder is HCDS which directly holds 100% of the shares. Three of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai, (2) Mrs. Yuwadee, (3) Mr. Prin.
73. O	verseas Fashions Joint Stock Company	Fashion Retail in Vietnam	The major shareholder is HCDS indirectly holding shares via Overseas Fashions Company Limited which directly holds 100% of the shares On the date of this document issuance, Overseas Fashions Joint Stock Company is no longer operating.
74. CI	RC Power Retail Company Limited	Real Estate Holding Company	The major shareholder is HCDS which directly holds 100% of the shares. Three of its Board of Directors members are the same as the Company's including (1) Mr. Suthilaksh, (2) Mr. Prin, (3) Mr. Tos.
75. Ce	entral WHA Alliance Company Limited	Warehouse, Goods Distribution Center, and Facilities Project Developer	The major shareholder is HCDS indirectly holding shares via CRC Power Retail Company Limited which directly holds 50% of the shares. One of its Board of Directors members are the same as the Company's, which is Mr. Prin.
76. Te	eenee 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.
77. Te	eenee 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.
	entral Wealth Solution Mutual Fund okerage Securities Company Limited	Mutual Fund Broker	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. Suthilaksh, (2) Mr. Parin. The Company's management, Mr. Piya Nguiakaramahawongse (Mr. Piya), holds the position of director.
79. Ev	vergrow 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, which are (1) Mr. Suthichai, (2) Mr. Suthilaksh, (3) Mr. Prin and (4) Ms. Tos.
80. Bo	aby 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.
81. AI	NIR 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.
82. CI	RC Luxembourg S.a.r.l.	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. Parin, (2) Mr. Tos.

Persons or juristic persons who may have conflict of interest	Nature of Business Operation	Relations with the Company
83. 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.
84. Rina Estate Italia S.r.I.	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. Parin, (3) Mr. Tos.
85. 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. Parin, (3) Mr. Tos.
86. PT Central Retail Indonesia	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.
87. 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.
88. Central Insurance Services Company Limited	Casualty Insurance Broker	The major shareholder is HCDS which directly holds 100% of the shares. One of its Board of Directors members are the same as the Company's, which is (1) Mr. Tos. The Company's management, Mr. Piya, holds the position of director.
89. Bangna Department Store Company Limited	Real Estate Holding Company	The major shareholder is HCDS which indirectly holds 100% of the shares. Six of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai, (2) Mr. Suthikiati, (3) Mr. Suthilaksh (4) Mrs. Yuwadee, (5) Mr. Prin, (6) Mr. Tos.
90. 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
91. Onward Holding Company Limited	Holding Company	The major shareholder is HCDS which directly holds 100% of the shares. Four of its Board of Directors members are the same as the Company's, which are (1) Mr. Suthilaksh, (2) Ms. Parin, (3) Mr. Tos, (4) Mr. Suthichai.
92. Central Payment Company Limited	Gift Voucher Supplier	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, (4) Mr. Tos.
93. The 1 Central Company Limited	Reward Point Trade and Relevant Services	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, (2) Mr. Yol Phokasub (Mr. Yol).

	Persons or juristic persons who may have conflict of interest	Nature of Business Operation	Relations with the Company
94. Di	ining Sensations Company Limited	Restaurants and Fine Dining	The major shareholder is HCDS indirectly holding shares via Onward Holding Company Limited which directly holds 100% of the shares Now, the restaurant business operation has not been done since 2 June 2018.
	entral People Development Center ompany Limited	Business and Conference Service	The major shareholder is HCDS indirectly holding shares via Dining Sensations Company Limited which directly holds 100% of the shares. Six of its Board of Directors members are the same as the Company's including (1) Mr. Suthilaksh, (2) Mrs. Yuwadee, (3) Mr. Prin (4) Mr. Tos, (5) Mr. Suthikiati, (6) Mr. Suthichai. The Company's management, Mr. Piya, holds the position of director.
96. Ce	entral 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.
97. Su	Jannaklua 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, (2) Mr. Suthikiati, (3) Mr. Suthilaksh, (4) Mr. Prin.
98. Ce	entral 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, (2) Mr. Suthikiati, (3) Mr. Pin, (4) Mr. Tos, (5) Mr. Pichai. Currently, the company has 1 factory which is planned to transfer to the Group.
99. Ce	entral 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, (2) Mr. Suthikiati, (3) Suthilaksh, (4) Mr. Prin, (5) Mr. Tos.
	entral Marketing Group Intertrade ompany 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. Three of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai, (2) Mr. Suthilaksh, (3) Mr. Prin.
101. Pri	in Intertrade Company Limited	Real Estate Holding Company	The major shareholder is HCDS which directly holds 71.00 of the shares and indirectly holds the shares via Central Garment Factory Company Limited which directly holds 29% of the shares. Five of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai, (2) Mr. Suthikiati, (3) Mr. Prin, (4) Mr. Tos, (5) Mr. Pichai.
102. Ce	entral JD Commerce Company Limited	Retail Done via Online Channel and Trading Medium	The major shareholder is HCDS which directly holds 50% of the shares. It has the same director with the Company which is Mr. Yol.
103. Ce	entral JD Money Company Limited	Electronic Payment System Service	The major shareholder is HCDS indirectly holding shares via Central JD Fintech Company Limited which directly holds 100% of the shares. Two of its Board of Directors members are the same as the Company's, which are (1) Mr. Prin and (2) Mr. Yol. The Company's management, Mr. Piya, holds the position of director.

Persons or juristic persons who may have conflict of interest	Nature of Business Operation	Relations with the Company
104. 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, (2) Mr. Suthikiati, (3) Mr. Suthilaksh.
105. Tiang Chirathivat Company Limited	Real Estate Holding Company	The major shareholder is HCDS which directly holds 29.84% of the shares. Five of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai, (2) Mr. Suthikiati, (3) Mr. Suthilaksh, (4) Mr. Prin, (5) Mr. Tos.
106. Ploenruedee Company Limited	Real Estate Holding Company	The major shareholder is HCDS indirectly holding shares via Tiang Chirathivat Company Limited which directly holds 100% of the shares. Four of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai, (2) Mr. Suthilaksh, (3) Mr. Prin, (4) Mr. Tos.
107. Paton 1 Company Limited	Real Estate Holding Company	The major shareholder is HCDS indirectly holding shares via Tiang Chirathivat Company Limited which directly holds 100% of the shares. Four of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai, (2) Mr. Suthikiati, (3) Mr. Suthilaksh, (4) Mr. Pin.
108. Paton 2 Company Limited	Real Estate Holding Company	The major shareholder is HCDS indirectly holding shares via Tiang Chirathivat Company Limited which directly holds 100% of the shares. Four of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai, (2) Mr. Suthikiati, (3) Mr. Suthilaksh, (4) Mr. Prin.
109. Paton 3 Company Limited	Real Estate Holding Company	The major shareholder is HCDS indirectly holding shares via Tiang Chirathivat Company Limited which directly holds 100% of the shares. Four of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai, (2) Mr. Suthikiati, (3) Mr. Suthilaksh, (4) Mr. Prin.
110. Vivify Company Limited	Real Estate Holding Company	The major shareholder is HCDS indirectly holding shares via Tiang Chirathivat Company Limited which directly holds 100% of the shares. Two of its Board of Directors members are the same as the Company's, which are (1) Mr. Suthilaksh, (2) Mr. Prin.
111. 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, (2) Mr. Suthikiati, (3) Mr. Suthilaksh, (4) Mr. Prin.
112. 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.
113. Central Condominium Company Limited	Real Estate Holding Company	The major shareholder is HCDS indirectly holding shares via Tiang Chirathivat Company Limited which directly holds 99.78% of the shares. Four of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai, (2) Mr. Suthikiati, (3) Mr. Suthilaksh, (4) Mr. Prin.

ance Corporate Governance

nance Financial Statements Enclosure

Persons or juristic persons who may have conflict of interest	Nature of Business Operation	Relations with the Company
114. The Vintage Club Company Limited	Golf Club	The major shareholder is HCDS indirectly holding shares via Tiang Chirathivat Company Limited which directly holds 37.62% of the shares. The following directors of the Company directly hold the shares: (1) Mr. Suthilaksh directly holds 9.6% of the shares; (2) Mr. Tos directly holds 9.6% of the shares. Two of its Board of Directors members are the same as the Company's, which are (1) Mr. Suthilaksh, (2) Mr. Prin.
115. Cha-am Seaview Company Limited	Hospitality	The major shareholder is HCDS which directly holds 29.25% of the shares and indirectly holds the shares via Tiang Chirathivat Company Limited which directly holds 70.75% of the shares. Four of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai, (2) Mr. Suthikiati, (3) Mr. Suthilaksh, (4) Mr. Prin.
116. Central Internation Development 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, (2) Mr. Suthikiati (3) Mr. Suthilaksh, (4) Mr. Prin, (5) Mr. Tos.
117. 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.
118. CRC Property Company Limited	Real Estate Holding Company	The major shareholder is HCDS which directly holds 100% of the shares. Three of its Board of Directors members are the same as the Company's including (1) Mr. Suthilaksh, (3) Mr. Prin, (4) Mr. Tos.
COL Public Company Limited (COL) and its Subsidiarie	es called together with COL as the COL Gro	oup ^(I)
119. COL Public Company Limited (COL)	Stationery and Office Supplies Supplier	Three of the Company's directors including (1) Mr. Suthilaksh, (2) Mr. Tos, (3) Mr. Pichai. indirectly hold the shares via Hold COL Company Limited which directly holds 35.27% of the shares. The Company's management, Mr. Piya, holds the position of director.
120. B2S Company Limited	Stationery and General Supplies Supplier	Three of the Company's directors including (1) Mr. Suthilaksh, (2) Mr. Tos, (3) Mr. Pichai. indirectly hold the shares via COL which directly holds 100% of the shares. Three of the Company's directors including (1) Mr. Suthilaksh, (2) Mr. Prin, (3) Mr. Tos,
121. OfficeMate (Thai) Company Limited	Stationery and Office Supplies Supplier	Three of the Company's directors including (1) Mr. Suthilaksh, (2) Mr. Tos, (3) Mr. Pichai. OfficeMate (Thai) Company Limited indirectly hold the shares via COL which directly holds 100% of the shares.
122. Meb Corporation Limited	E-book and Consulting Service and Procurement of Relevant Instruments and Programs	Three of the Company's directors including (1) Mr. Suthilaksh, (2) Mr. Tos, (3) Mr. Pichai. indirectly hold the shares via B2S Company Limited which directly holds 75% of the shares.
123. Office Mate Omni-Franchise Company Limited	Holding Company	OfficeMate (Thai) Company Limited directly holds 100% of the shares.
124. Hytexts Interactive Company Limited	Selling electronic equipments	The major shareholder is OfficeMate (Thai) Company Limited which directly holds 75% of the shares.
125. Flour Shoppe Company Limited	Selling bakery and beverage	The major shareholder is OfficeMate (Thai) Company Limited which directly holds 100% of the shares.
126. Officemate Logistics Company Limited	Manage warehouse and being distribution center	The major shareholder is OfficeMate (Thai) Company Limited which directly holds 100% of the shares.

Remark : (1) COL Group will not the considered as a person who may have conflict of interest as PBHD Company Limited, a subsidiary of the Company, tendered to buy shares of COL with 99.73% holding. Therefore, it is considered a subsidiary of the Company.

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 2018, 2019 and 2020 can be concluded as follows:

(These following transactions are excluded effect of new TFRS16: Leases)

1) Rental of land, building, and space in building

Persons or Companies which may	Transaction value (Baht : Million)					
have conflict of interest	Transaction	2018	2019	2020	- Necessity and rationale of transactions	Audit Committee's Opinion
	1.1 Rental land, b	uilding, and spo	ace in building	and other se	rvices expense	
 HCDS Group: Harng Central Department Store Limited Tiang Chirathivat Company Limited Central Embassy Hotel Company Limited Overseas Fashions Company Limited Gentral WHA Alliance Company Limited Bangna Department Store Company Limited CRC Power Retail Company Limited Siam Retail Development Company Limited Central Condominium Company Limited Prin Inter Trade Company Limited Teenee Wongsawang Company Limited Central Garment Factory Company Limited Vivi file Company Limited Central Good Retail Ratchada Company Limited Suannaklua Company Limited Ploenruedee Company Limited Phuket Hill Resort Company Limited Z Retail Tech Company Limited Cha-am Seaview Company Limited Rina Estate Italia S.r.I. 	1.1 Rental land, b Rental and service expenses	uilding, and spo	2,395.70	and other se 2,229.33	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 propertyrates. 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	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.

Persons or Companies which may	Trar	nsaction value ((Baht : Million)			
have conflict of interest	Transaction	2018	2019	2020	 Necessity and rationale of transactions 	Audit Committee's Opinion
COL Group: - Officemate (Thai) Company Limited - COL Public Company Limited - B2S Company Limited	Rental and service expenses	0.23	9.85	13.35	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 business operation of the Group. Rates of rental are agreed between parties which are comparable with market prices or lower than market prices. As a result, transactions are reasonable and beneficial to the Group.
Other related companies Group: - Sapsaimanee Company Limited - Terra Cottage Company Limited	Rental and service expenses	2.67	4.03	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.
	1.2 Rental land, b	ouilding, and sp	ace in building	g and other se	rvices income	
 HCDS Group: Harng Central Department Store Limited C.D.S. Restaurant Company Limited Tiang Chirathivat Company Limited Central Embassy Hotel Company Limited Overseas Fashions Joint Stock Company Central People Development Center Company Limited Central JD Commerce Company Limited Central Insurance Services Company Limited The 1 Central Company Limited Frederick World Sales Company Limited Peter and Jinnie Company Limited 	Rental and service income	68.11	81.14	67.13	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.

Persons or Companies which may	Tran	nsaction value (Baht : Million)			Audit Committee's Opinion
have conflict of interest	Transaction	2018	2019	2020	 Necessity and rationale of transactions 	
COL Group: - B2S Company Limited - Officemate (Thai) Company Limited - COL Public Company Limited	Rental and service income	255.29	267.65	226.82	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 - Stork (Thailand) Company Limited - SpicyDisc Company Limited	Rental and service income	17.96	18.99	16.87	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	Trar	nsaction value ((Baht : Million)				
have conflict of interest	Transaction	2018	2019	2020	 Necessity and rationale of transactions 	Audit Committee's Opinion	
	2.1 Sales of good	s		-			
 HCDS Group: Central JD Commerce Company Limited Overseas Fashions Joint Stock Company PT Central Retail Indonesia Co., Ltd Central Garment Factory Company Limited Harng Central Department Store Limited Tiang Chirathivat Company Limited Central Embassy Hotel Company Limited CRC Power Retail Company Limited Onward Holding Company Limited 	Revenue from sales of goods	127.27	114.99	108.32	Companies in HCDS group purchased goods from many business units with prices and conditions complying to trading agreement. The Group consider that trading prices do not cause any disadvantages to the Group and prices are comparable to other companies.	Transactions are normal course of business transactions and do not cause any disadvantages to the Group. This might lead to increasing in sales and bargaining power over suppliers. As a result, transactions are reasonable and beneficial to the Group.	
COL Group: - Officemate (Thai) Company Limited - B2S Company Limited - COL Public Company Limited	Revenue from sales of goods	110.71	182.59	106.01	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 transactions 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 - Sapsaimanee Company Limited - Jindatawee Company Limited - Osodtong Company Limited - Sala Rattanakosin Company Limited - SALA Phuket Company Limited - The Vintage Club Company Limited - Plaengpak Thammachart Company Limited - Brother Holdings Company Limited - Pingsuwan Company Limited - Samui Laem Samrong Company Limited	Revenue from sales of goods	7.12	0.45	7.62	Other related companies Group purchased building construction supplies, home and garden equipments, 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.	

Persons or Companies which may	Tra	nsaction value ((Baht : Million)			Audit Committee's Opinion	
have conflict of interest	Transaction	2018	2018 2019 2020		 Necessity and rationale of transactions 	Audit Committee's Opinion	
	2.2 Purchase of g	goods					
HCDS Group: - Central JD Commerce Company Limited	Purchase of goods	31.93	3.39	-	Business unit purchased mobile phones which are imported from China and computer equipments from JD Central with reasonable prices and conditions. Business unit considers that prices and conditions will not cause any disadvantages to the Group because they can sales and earn profit from these products with comparable trading conditions.	Transactions are normal course of business transactions. Prices and conditions are reasonable and will not cause any disadvantages to the Group. Therefore, transactions are reasonable and beneficial to the Group.	
 COL Group: COL Public Company Limited Officemate (Thai) Company Limited Hytexts Interactive Company Limited B2S Company Limited 	Purchase of goods	29.95	39.08	43.40	The Group purchased office equipments 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	Iran	isaction value (Baht : Million)				
have conflict of interest	Transaction 2018 2019 2020				 Necessity and rationale of transactions 	Audit Committee's Opinion	
	3.1 Management	fee expenses					
HCDS Group: - Harng Central Department Store Limited - Central Embassy Hotel Company Limited	Management fee expenses	562.73	436.71	300.00	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. On 1 January 2019, the Group and HCDS entered into management services agreements to set scopes of services such as consulting on business strategies, merger & acquisition and giving advices for business opportunities. In the past, HCDS provided a service that was Creating Shared Value (CSV) activity to the Group. However, in July 2019, HCDS transferred employees who worked in this project to the Company and did not charge this service expense to the Group anymore. In addition, service rate is re-determined to be a fixed rate that is Baht 300 million per year or Baht 25 million per month. 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	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.	

Business Overview and Performance Corporate Governance Financial Statements

 $\widehat{\Box}$

Persons or Companies which may	Tran	saction value (Baht : Million)				
have conflict of interest	Transaction	2018	2019	2020	- Necessity and rationale of transactions	Audit Committee's Opinion	
	Management fee expenses - Accounting and Finance	207.93	255.76	271.72	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 marke rates. Therefore, transactions are reasonable and beneficial to the Group.	
	Management fee expenses - Human Resources	90.47	105.41	96.88	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 base 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 marke rates. Therefore, transactions are reasonable and beneficial to the Group.	

Persons or Companies which may	Tran	nsaction value (Baht : Million)		Next the second sector sector of the sector sectors	
have conflict of interest	Transaction	2018	2019	2020	 Necessity and rationale of transactions 	Audit Committee's Opinion
	Management fee expenses - Legal - Tax	70.03	90.59	80.99	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 tradingconditions. 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.

Financial Statements

Persons or Companies which may	Trar	nsaction value ((Baht : Million)				
have conflict of interest	Transaction	2018	2019	2020	 Necessity and rationale of transactions 	Audit Committee's Opinion	
	Management 10.62 9.98 8.88 fee expenses - Other services		Business units receive other services which mostly are hiring HCDS Group to service retail management projects. The Group lease land for a long time and hire HCDS to manage properties. In addition, properties management business is not a core business of the Group. Therefore, the Group decided to hire other companies which have expertise to manage it. Then, the Group can only focus on core business of the Group. Managements considered that business units would take advantages from service provided by HCDS because of its expertise and specialization of employees. The Group and HCDS have entered into service agreements and agreed services scopes, service fee, and conditions annually. Service fees are comparable to other service rates in the market and the conditions are agreed to the condition of general trading.	Transactions are normal course of business transactions which are favorable to the Group. Service rate is calculated from cost plus margin and can be comparable to market rates. Therefore, transactions are reasonable and beneficial to the Group.			
Other related companies Group: - RIS Company Limited	Management fee expenses - Other services	-	-	156.27	Business units received IT services from other related companies Group such as hardware control services and other consulting of technical maintenance. Service rates are calculated from allocation of actual cost of service plus margin.	Transactions are normal course of business transactions which are favorable to the Group. Service rate is calculated from cost plus margin. Therefore, transactions are reasonable and beneficial to the Group.	
	3.2 Training expe	ense					
 HCDS Group: Harng Central Department Store Limited Central People Development Center Company Limited 	Training expenses	72.82	112.55	104.68	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.	

Persons or Companies which may	Trai	nsaction value (Baht : Million)			Audit Committee's Opinion	
have conflict of interest	Transaction	2018	2019	2020	 Necessity and rationale of transactions 		
	3.3 Managemen	t fee income					
 HCDS Group: Harng Central Department Store Limited Central Embassy Hotel Company Limited Lagrange Estate S.R.L. Illum A/S Rina Estate Italia S.r.I. The KaDeWe Group GmbH The 1 Central Company Limited 	Management fee income	-	31.19	27.02	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: B2S Company Limited Officemate (Thai) Company Limited COL Public Company Limited MEB Corporation Limited Office Mate Logistics Company Limited 	Management fee income	105.55	161.04	148.52	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 equipments. 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	Tran	saction value (Baht : Million)		- Necessity and rationale of transactions	Audit Committee's Opinion	
have conflict of interest	Transaction	2018	2019	2020	Necessity and rationale of transactions		
	4.1 Trading of The	e 1 point after b					
HCDS Group: - The 1 Central Limited ("The 1")	The 1 point expenses (point-earned)	101.58	928.92	658.99	The Group entered into an agreement with The 1. The 1 point-earned and point redemption rate are fixed rates which are comparable with other companies	Transactions are normal course of business transactions which the Group receive services from The 1.	
Background of business restructuring Originally, the The 1 card and The 1 point services were operated by the Company. However, there was a business restructuring due to disposal of The 1 business of the Company to The 1 Central Limited on 30 November 2018.	The 1 point income (point redemption) Management Fee - The 1	190.06 24.09	1,323.44 194.36	1,147.11 170.27	in The 1 group. The 1 also charges additional operating cost referring to the points which are redeemed by customers. If there will be an adjustment of operating cost, it shall be approved by the Audit Committee before being applied. Moreover, the Group considered that these transactions are favorable for the Group and they are necessary to continue the agreement in the future.	Service rates are agreed and will not cause any disadvantages to the Group. Therefore, transactions are reasonable and beneficial to the Group.	
	Salespromotion expenses	3.12	69.34	37.53	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	Trans	saction value (Baht : Million)				
have conflict of interest	Transaction 2018 2019 2020				 Necessity and rationale of transactions 	Audit Committee's Opinion	
	4.2 Other Expense	es					
 HCDS Group: Harng Central Department Store Limited Central Embassy Hotel Company Limited Z Retail Tech Company Limited Central Payment Company Limited Cha-am Seaview Company Limited The 1 Central Company Limited Paton 1 Company Limited Teenee Wongsawang Company Limited Central Garment Factory Company Limited Prin Intertrade Company Limited Tiang Chirathivat Company Limited Central JD Commerce Company Limited Central Retail International Ltd. Baby Kiko Sdn. Bhd CRC Property Company Limited Central JD Commerce Company Limited 	Other Expenses	138.67	127.84	154.42	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 base 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: - B2S Company Limited - COL Public Company Limited - Officemate (Thai) Company Limited	Other Expenses	2.25	8.32	9.50	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.	

Persons or Companies which may	Trans	saction value (Baht : Million)			Audit Committee's Opinion Transactions are normal course of business transactions. Service rates and condition are normal operation. Therefore, transactions are reasonable.	
have conflict of interest	Transaction	2018	2019	2020	 Necessity and rationale of transactions 		
Other related companies Group: - Bangkok Post-Bauer Company Limited - Food Passion Company Limited - Sapsaimanee Company Limited - Terra Cottage Company Limited - SpicyDisc Company Limited - Post International Media Company Limited - RIS Company Limited (RIS Company Limited is included in related party list of the Group in 2020.)	Other Expenses	0.83	4.44	291.73	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.		
	4.3 Other Income						
 HCDS Group: Harng Central Department Store Limited The 1 Central Company Limited Central Insurance Services Company Limited Central Payment Company Limited Central Embassy Hotel Company Limited Tiang Chirathivat Company Limited Central Garment Factory Company Limited Central JD Money Company Limited Overseas Fashions Joint Stock Company Central JD Commerce Company Limited Central People Development Center Company Limited Central Wealth Solution Mutual Fund Brokerage Securities Company Limited CRC Power Retail Company Limited Central Marketing Group Intertrade Company Limited PT Central Retail Indonesia Co., Ltd Paton 2 Company Limited 	Other Income	62.87	86.29	81.67	 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 expertises 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 expertises 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	Trar	nsaction value ((Baht : Million)			Audit Committee's Opinion	
have conflict of interest	Transaction	2018	2019	2020	 Necessity and rationale of transactions 		
 COL Group including B2S Company Limited COL Public Company Limited Officemate (Thai) Company Limited Office Mate Omni-Franchise Company Limited MEB Corporation Limited 	Other Income	35.34	42.31	141.97	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 expertises 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 expertises 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 (Terasoft Solutions Development Company Limited is included in related party list of the Group in 2020)	Other Income	-	-	30.79	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	20	18	20	19	20	20	
which may have conflict of interest	Account receivables	Other non-current assets	Account receivables	Other non-current assets	Account receivables	Other non-current assets	Details
HCDS Group: - Rina Estate Italia S.r.I.	1,406.80	658.36	1,101.05	212.22	700.38	165.37	Outstanding account receivables from HCDS Group mainly from the transactions as follows:
- Harng Central Department Store Limited							(1) Prepaid rental expenses
 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 PT Central Retail Indonesia Co., Ltd Vivi File Company Limited Tiang Chirathivat Company Limited Z Retail Tech Company Limited Central Condominium Company Limited Central People Development Center Company Limited 							 (1) Prepaid rental expenses (2) Receivables from Thel 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 leasings.
 Illum A/S Prin Inter Trade Company Limited Onward Holding Company Limited Central Garment Factory Company Limited Evergrow Asia Ltd. Baby Kiko Sdn. Bhd. Central Marketing Group Intertrade Company Limited Lagrange Estate S.r.I. Central Thonburi Company Limited Ploenruedee Company Limited Ploenruedee Company Limited Centerl Inter Pattana Company Limited Suannaklua Company Limited Phuket Hill Resort Company Limited Teenee Khonkhaen Company Limited KaDeWe Group GmbH CRC property Company Limited Siam Retail Development Company Limited 							

Persons or Companies	20		20			020	Details
which may have conflict of interest	Account receivables	Other non-current assets	Account receivables	Other non-current assets	Account receivables	Other non-current assets	Details
 COL Group: B2S Company Limited Officemate (Thai) Company Limited COL Public Company Limited Office Mate Logistics Company Limited MEB Corporation Limited Office Mate Omni-Franchise Company Limited 	102.66	-	117.73	-	108.26	-	Outstanding receivables from COL Group are mostly from transactions as follows: (1) Receivables from sales of goods to COL Group with trading conditions of payment within 30 days. (2) Receivables from rental space in building with trading conditions of payment within 30 days.
Other related companies Group: - Hawthorn Resources Limited - The Little Kitchen Company Limited - Spaghetti Factory Company Limited - RIS Company Limited - Terasoft Solutions Development Company Limited	-	-	12.35	-	32.91	-	Outstanding receivables from other related companies Group are mostly from license fee income for using programs and miscellaneous income.
(Since 2020, Hawthorn Resources Limited is not included in list of company which may have conflict of interest because it holds shares less than 10%. RIS Company Limited and Terasoft Solutions Development Company Limited are included in related party list of the Group in 2020)							

2.) Account payables

,		-						
Persons or Companies	20	18	20	19	20	20		
which may have conflict of interest	Account receivables	Other non-current assets	Account receivables	Other non-current assets	Account receivables	Other non-current assets	Details	
HCDS Group: - Harng Central Department Store Limited - Tiang Chirathivat Company Limited	1,562.81	467.25	923.87	782.78	811.26	871.19	Outstanding account payables from HCDS Group are mostly from the transactions as follows:	
 Central Garment Factory Company Limited The 1 Central Company Limited Central Payment Company Limited Central WHA Alliance Company Limited 							 Account payables from leasing of land, building, and space in building with trading conditions of payment within 30 days. 	
 ANIR One Ltd. Overseas Fashions Company Limited CRC Power Retail Company Limited Central Embassy Hotel Company Limited 							(2) Account payables from shared services expenses and other services with trading conditions of payment within 30 days.	
 Central Embassy Hotel Company Limited Central People Development Center Company Limited Central Condominium Company Limited 							(3) Account payables from the The I point with the trading conditions of payment within 30 days.	
 Vivify Company Limited Central Good Retail Ratchada Company Limited Overseas Fashions Joint Stock Company Z Retail Tech Company Limited Bangna Department Store Company Limited 							Non-current liabilities from HCDS Group are mainly from accounting adjustments of long-term land and building leasing to record as straight-line method.	
 Prin Inter Trade Company Limited Central Insurance Services Company Limited Frederick World Sales Company Limited Dining Sensations Company Limited 								
 PT Central Retail Indonesia Co., Ltd Teenee Khonkhaen Company Limited Ploenruedee Company Limited Cha-am Seaview Company Limited 								
 Paton 1 Company Limited C.D.S. Restaurant Company Limited Central JD Commerce Company Limited 								
- Baby Kiko Sdn. Bhd. - 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. Central International Development Ltd. Siam Retail Development Co., Ltd. 								
- Suan Na Kluea Company Limited								

Persons or Companies	20	18	20	019	20	20	
which may have conflict of interest	ch may have conflict of interest Account Other Account Other Acc		Account receivables	Other non-current assets	Details		
 COL Group: Officemate (Thai) Company Limited COL Public Company Limited B2S Company Limited MEB Corporation Limited 	32.47	5.20	38.55	7.46	36.77	9.57	Outstanding payables from COL Group are mainly from purchasing of goods with trading conditions of payment within 30 days. Non-current liabilities from COL Group are mostly from receiving guaranteed deposit and receiving cash in advance from leased space in building.
 Other related companies Group: SpicyDisc Company Limited Post International Media Company Limited RIS Company Limited Terasoft Solutions Development Company Limited 	-	-	0.42	-	238.81	-	Outstanding payables from other related companies are mainly from computer service expense and maintenance expenses with trading conditions of payment within 30 days.
(RIS Company Limited and Terasoft Solutions Development Company Limited are included in related party list of the Group in 2020)							
Related persons Group	-	-	8,255.49	-	-	-	Outstanding payable of related persons group is from cheques on hand which the Company paid dividends to each person.

Corporate Governance

Financial Statements Enclosure

Measures and procedures for approval of related party transactions

In the related party transaction of the Company and its subsidiaries, 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. The stakeholders are not be unable to participate in the approval of such transactions.

In the case that the mentioned laws prescribe that the related transactions shall be approval 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 general business or general business supporting transaction which is the trade agreement with general trading conditions and the transaction which is not the general trading conditions shall be done according to the following principles:

(1) The transaction which is the trade agreement with general trading conditions

For the general business transaction or transaction supporting general business of the Company which is the transaction might continuously occur in the future, the Company has established the policy determining the scope of such transaction which shall done with the trading conditions as same as what the reasonable man would treat the general partners of contract in the same situation with the trading negotiation power without influence caused by the position of the board, director, 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 come to the resolution to approve that the transaction scope aforementioned is a general principle, the managements of the Company would be able to proceed the approval of transaction complying with the specified scope. The Company would issue the summary report of such transaction in order to report in the meeting of audit committee and the meeting of Board of Directors done in every quarters.

(2) The transaction which is trading agreement that is not the general trading conditions

The transaction which is trading agreement that is not the general trading 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 does not expert in considering the related party transaction which might occur, the Company would appoint the specialized professionals such as account 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 done by mainly considering about the Company's benefits. 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 relevant person of the Company, the director who is affected as a stakeholder shall not attend the meeting of Board of Directors with the agenda relating to the consideration of such transaction.

The Company and its subsidiary would comply with the conditions determined in accordance with the Securities and Exchange Act including rules, regulations, and announcements issued in compliance with the contents in the Act by the relevant sections after the Company becomes the listed company.

Policy on Acquisition or Lease of Land and/or Building from the Relevant Persons

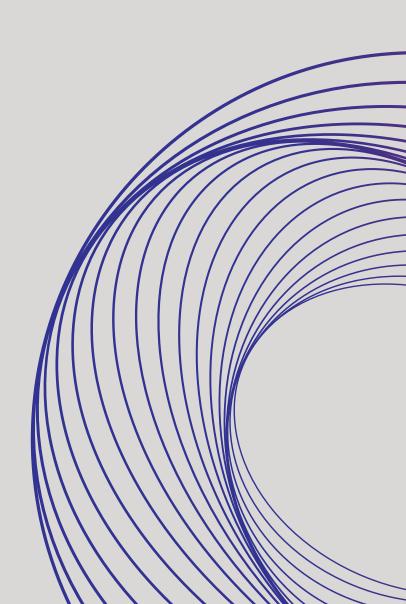
The Group has established the Asset Light Business Operation Policy making the future branch expansion mainly focusing on space leasing. Moreover, business development department of the Group would find the suitable locations for branch expansion and negotiate for the price suitable with the business operation. If the land or building is owned by the relevant persons, the Group would comply with the rules regarding related party transaction and transaction of asset acquisition or distribution 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 relevant 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 trading conditions.
- The Group shall comply with the rules regarding related party transaction and transaction of asset acquisition or distribution determined by the Capital Market Supervisory Board, the Securities and Exchange Commission, and the Stock Exchange.

The Group shall present the transactions to the meeting of Board of Directors to approve the transactions according to the Policy. 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 stakeholders would have no right to vote for any decisions done for that transaction.



Part 03 Financial Statements



Responsibility of the Board of Directors to the Financial Statements

The Board of Directors of Central Retail Corporation Public Company Limited ("the Company") is responsible for the consolidated financial statements of the Company and its subsidiaries as well as financial information as presented in the annual report. The financial statements are prepared in conformity with Thai Financial Reporting Standards (TFRSs) which are appropriately applied on a consistent basis. Conservation judgment and best estimate are adopted in this preparation. In addition, all important information is adequately disclosed in the notes to financial statements. The Board of Directors has set up and maintained an effective internal control to reasonably ensure that all accounting records are accurate, complete and sufficient to secure its assets. Moreover, all possible weakness could be found to prevent fraud or material unusual transactions. The Board of Directors has appointed the audit committee which comprises independent directors, to control quality of financial report and internal control system. The opinion of the audit committee on this matter has already been presented in the audit committee report. The Board of Directors is of an opinion that internal control systems of the Company are in the satisfactory and sufficient level to reasonably build the confidence in the reliability of the consolidated financial statements of the Company and its subsidiaries as of 31 December 2020.

Prasarn Trairatvorakul

(Dr. Prasarn Trairatvorakul) Chairman Yol Phokasub

(Mr. Yol Phokasub) Director & Chief Executive Officer

Independent Auditor's Report

Enclosure

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 2020, 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 2020 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 issued by the Federation of Accounting Professions that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Central Retail Corporation Public Company Limited and its Subsidiaries

Financial statements for the year ended 31 December 2020 and Independent Auditor's Report nce Corporate Governance

Ince Financial Statements

Enclosure

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.

Refer to Notes 3(b) and 16 to the consolidated and s	eparate financial statements.				
The key audit matter	How the matter was addressed in the audit				
The Group leases several areas, stores, offices and warehouses. The first-time adoption of TFRS 16 required management to identify all contracts that contain a lease. Management had to collect a high amount of data to identify all leases and determine their contractual terms such as lease period, discount rate, renewal options, non-lease components, etc. The Group elected to use the modified retrospective transition approach as at 1 January 2020 recognising the right-of-use assets and lease liabilities at that date and adjusting the cumulative effect of the adoption of TFRS 16 in retained earnings. As at 31 December 2020, the Group recognised right-of-use assets amounting to Baht 67,029 million and Baht 44 million and lease liabilities amounting to Baht 58,037 million and Baht 45 million in consolidated and separate statement of financial position, respectively. Due to high degree of judgement and the material impact to the Group's financial statements, I considered this to be a key audit matter.	 My audit procedures were as follows: Obtained an understanding of the Group's policy, data collection process, and process for, and controls over, identification of all leases and the determination of their contractual terms. Obtained the Group's quantification of right-of-use assets and the lease liabilities. For a sample of leases, I corroborated the values recognised with the data collected and assessed the appropriateness of the determination of the right-of-use assets and the calculation of the right-of-use assets and the calculation of the right-of-use assets and the calculation of the prior year financial statements, and verified the key service contracts to assess whether they contained a lease under TFRS 16. Assessed the methodology, and significant assumptions adopted by management in determining discount rate. Tested the calculation of the Group's disclosure in accordance with Thai Financial Reporting Standards. 				

Impairment of goodwill							
Refer to Note 18 to the consolidated and separate financial statements							
The key audit matter	How the matter was addressed in the audit						
As at 31 December 2020, the Group had goodwill of	My audit procedures were as follows:						
Baht 27,948 million.	• Evaluated the DCF provided by the Group and						
	the Group's assumptions applied in the value-in-						
The cash-generating units ("CGU") to which the	use method against relevant documents as well						
goodwill belongs are tested for impairment annually.	as externally derived data.						
The Group applies the value-in-use (discounted cash	 Analyzed historical information to support the 						
flow ("DCF")) method to determine the recoverable	precision in the Group's forecasting process.						
amount of each CGU. Any shortfall of the recoverable	Tested the principles and mathematical accuracy						
amounts against the carrying amounts would be	of the DCF and performed sensitivity analysis						
recognised as impairment losses.	around the key assumptions.						
	• Evaluated the financial parameters applied to the						
Due to the materiality of the balances and the judgment	discount rate.						
and complexities involved in determining the future	Assessed the adequacy of the Group's disclosure						
cash flows attributable to the individual CGU, I	in accordance with Thai Financial Reporting						
considered the measurement of the recoverable amount	Standards.						
as a key audit matter.							

Refer to Note 10 to the consolidated and separate fin	ancial statements				
The key audit matter	How the matter was addressed in the audit				
The Group's invertories are various products which depend on fashion, technology or have short lives and their sales and selling prices are subject to the market situation. Consequently, the estimation of valuation of inventories involves management's judgment relating to estimate valuation for deteriorated, damaged, obsolete and slow-moving and quantity of shrinkage inventories. Because of the significance of the amounts and of the judgement involved. I considered the adequacy of allowance for decline in value of inventories as a key audit matter of my audit.	 My audit procedures were as follows: Understood the inventory control and management policy and the estimation of valuation of inventories. Evaluated the design and implementation and testing the operating effectiveness of internal controls relating to inventory management and attending inventory counts and observing the condition of inventories. Tested on a sample basis and the reasonableness of management's assumptions used to set the percentage of deteriorated, damaged, obsolete, slow-moving and shrinkage inventories by comparison with information for destruction and actual shrinkage inventories included retrospective review, inquiry management and tested calculation. Tested a sample of selling prices post year-end and the estimated costs to make the sale with related documents including recalculation of net realizable value. Assessed the adequacy of the Group's disclosures in accordance with Thai Financial Reporting Standards. 				

Commercial support							
Refer to Note 4(u) to the consolidated and separate financial statements							
The key audit matter	How the matter was addressed in the audit						
During the year, the Group has variety of marketing activities which receives the marketing support from supplier which is general transaction of retail business. The marketing support is significant amount in each year which it varies with regards to the nature and timing of the activity to which it relates and is recognised in accordance with written agreements with suppliers. The marketing support is recognised as a deduction from cost of inventories or as other income and is earned over the period of the contractual agreements.	 Understood, evaluating and testing management's key controls in respect of the recognition of transactions. Assessed the effectiveness of the Group controls 						
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.							

Emphasis of Matter

I draw attention to note 5 to the consolidated and separate financial statements which describes the impact of the COVID-19 outbreak on the Group's business together with management's plan to address these circumstances, and the adoption of the guidance on temporary accounting relief measures providing additional accounting options for the treatment of the impact of COVID-19 outbreak in the consolidated and separate financial statements for the year ended 31 December 2020.

My opinion is not modified in respect of this matter.

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, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the 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 25 February 2021

ements Enclosure

CENTRALRETAIL | ONE REPORT 2020

Central Retail Corporation Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidate stater 31 Dec	ments	Separate stater 31 Dec	nents			Consolidated financial statements 31 December		Separate financial statements 31 December	
Assets	Note	2020	2019	2020	2019	Liabilities and equity	Note	2020	2019	2020	2019
			(in B	aht)			-		(in Be	aht)	
Current assets						Current liabilities					
Cash and cash equivalents	8	15,911,869,787	10,073,020,071	7,895,183,177	1,378,448,059	Bank overdrafts and short-term loans					
Other current financial assets	34	1,829,657,076	1,603,095,833	-	-	from financial institutions 21	21, 34	31,625,436,134	51,103,564,209	19,885,416,667	36,890,173,450
Trade receivables	7, 34	4,569,897,223	4,383,059,963	125,824,331	772,992,309	Trade payables 7	7, 34	31,569,478,830	37,101,060,556	-	-
Other current receivables	7, 9	10,128,916,221	11,738,847,338	180,312,147	447,393,028	Other current payables 7, 2	22, 34	16,483,038,428	29,946,568,450	219,168,960	14,217,258,382
Short-term loans	7	44,228,510	40,201,448	23,422,550,989	26,494,711,400	Derivative liabilities	34	11,713,820	-	-	-
Inventories	10	34,295,622,238	37,435,563,735	-	-	Current portion of long-term borrowings 21	1, 34	2,763,004,188	428,515,509	1,500,000,000	-
Other current assets		396,736,417	510,794,783	-	-	Current portion of lease liabilities (2019:					
Total current assets		67,176,927,472	65,784,583,171	31,623,870,644	29,093,544,796	Current portion of finance lease liabilities) $7, 2$	21, 34	6,470,841,179	31,148,713	21,695,136	-
						Short-term loans 7, 2	21, 34	-	-	9,276,626,242	5,758,920,725
Non-current assets						Current income tax payable		125,469,154	902,413,636	-	-
Investments in associates	11	483,000,124	516,748,185	52,501,000	52,501,000	Total current liabilities		89,048,981,733	119,513,271,073	30,902,907,005	56,866,352,557
Investments in joint ventures	11	547,802,338	464,467,245	-	-						
Investments in subsidiaries	12	-	-	94,853,981,800	48,653,607,201	Non-current liabilities					
Other non-current financial assets	34	1,602,794,201	209,009,578	12,319,105	499,955	5	1, 34	29,491,567,039	9,394,672,437	17,375,787,037	1,500,000,000
Finance lease receivables	7	2,177,218,581	-	-	-	Lease liabilities (2019: Finance lease liabilities) 7, 2	21, 34	51,566,365,792	196,864,601	23,041,182	-
Investment properties	14	13,807,187,405	10,866,151,941	-	-	Deferred tax liabilities	31	2,669,461,233	3,214,799,907	-	-
Property, plant and equipment	15	41,654,071,837	41,861,948,120	27,528,132	21,412,815	Non-current provisions for employee benefits	23	2,227,624,315	2,466,758,967	113,367,910	109,305,792
Right-of-use assets	16	67,029,202,222	-	43,791,742	-	Unearned lease income	7	5,672,575,201	6,213,032,942	-	-
Goodwill	18	27,948,061,596	27,500,481,135	-	-	Other non-current liabilities	7	2,788,406,050	4,986,748,893	812,896	1,073,225
Leasehold rights	19	-	21,042,270,803	-	-	Total non-current liabilities	_	94,415,999,630	26,472,877,747	17,513,009,025	1,610,379,017
Intangible assets other than goodwill	20	6,841,883,833	6,526,027,140	20,850,600	20,177,909						
Deferred tax assets	31	3,381,959,666	1,604,387,559	15,220,978	18,578,208	Total liabilities	_	183,464,981,363	145,986,148,820	48,415,916,030	58,476,731,574
Other non-current assets		6,529,836,119	7,129,420,914	258,002,926	196,354,124						
Total non-current assets		172,003,017,922	117,720,912,620	95,284,196,283	48,963,131,212						
Total assets		239,179,945,394	183,505,495,791	126,908,066,927	78,056,676,008						

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

Central Retail Corporation Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidate staten		Separate financial statements			
		31 Dec	ember	31 Dec	ember		
Liabilities and equity	Note	2020	2019	2020	2019		
			(in B	aht)			
Equity							
Share capital: Authorised share capital	24						
(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	-		
(4,700 million ordinary shares, par value at							
Baht 1 per share)		-	4,700,000,000	-	4,700,000,000		
Share premium:	24						
Share premium on ordinary shares		66,761,460,014	12,971,114,336	66,761,460,014	12,971,114,336		
Share premium on treasury shares		123,358,563	67,483,332	-	-		
Difference in value arising from restructuring							
transactions of entities under common control		(2,393,022,014)	(2,393,022,014)	-	-		
Retained earnings							
Appropriated							
Legal reserve	25	632,000,000	632,000,000	632,000,000	632,000,000		
Unappropriated		10,144,829,826	12,549,083,007	5,104,139,307	1,323,885,962		
Difference arising from acquiring of							
non-controlling interests	6(b), 24	(23,264,610,853)	-	-	-		
Other components of equity	25	(4,641,277,776)	(3,716,674,794)	(36,448,424)	(47,055,864)		
Equity attributable to owners							
of the parent		53,393,737,760	24,809,983,867	78,492,150,897	19,579,944,434		
Non-controlling interests	13	2,321,226,271	12,709,363,104	-	-		
Total equity		55,714,964,031	37,519,346,971	78,492,150,897	19,579,944,434		
Total liabilities and equity	239,179,945,394	183,505,495,791	126,908,066,927	78,056,676,008			

Central Retail Corporation Public Company Limited and its Subsidiaries

Statement of comprehensive income

			ed financial nents 31 December	Separate financial statements Year ended 31 December			
	Note	2020	2019	2020	2019		
			(in B	aht)			
Revenue							
Revenue from sale of goods	26	173,137,654,092	195,355,261,170	-	-		
(Gross revenue 2020 : Baht 195,177 million and							
2019 : Baht 226,158 million)							
Revenue from rental services	26	5,597,789,710	6,979,454,697	-	-		
Revenue from rendering of services	26	1,212,007,035	1,674,354,263	977,549,407	784,301,110		
(Gross revenue 2020 : Baht 2,190 million and							
2019 : Baht 3,161 million)							
Dividends income	7, 26	-	3,043,524	3,302,556,924	32,765,478,302		
Interest income	26, 34	302,037,028	248,049,647	562,531,924	537,263,362		
Insurance compensation	27	-	3,282,606,404	-	-		
Other income	27	14,061,946,514	15,194,477,198	442,893,025	488,610,852		
Total revenue		194,311,434,379	222,737,246,903	5,285,531,280	34,575,653,626		
(Gross revenue 2020 : Baht 217,329 million and							
2019 : Baht 255,026 million)							
Expenses							
Cost of sales of goods		133,033,008,785	142,671,881,092	-	-		
Cost of rental and rendering of services		1,915,185,963	2,184,350,068	-	-		
Selling expenses	28	40,513,541,144	45,851,511,997	-	-		
Administrative expenses	29	16,574,299,426	16,480,206,019	862,141,901	789,028,745		
Total expenses		192,036,035,318	207,187,949,177	862,141,901	789,028,745		
Profit from operating activities		2,275,399,061	15,549,297,726	4,423,389,379	33,786,624,881		
Finance costs		(2,950,457,138)	(1,085,431,094)	(649,873,087)	(734,452,352)		
Share of profit of associates and joint ventures							
accounted for using equity method	11	131,915,509	390,668,028	-	-		
Profit (loss) before tax expense (income)		(543,142,568)	14,854,534,660	3,773,516,292	33,052,172,529		
Tax expenses (income)	31	(884,468,825)	2,495,055,842	(783,115)	23,691,060		
Profit for the year		341,326,257	12,359,478,818	3,774,299,407	33,028,481,469		

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

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

Statement of comprehensive income

		Consolidate	ed financial	Separate	financial
		stater	nents	staten	nents
		Year ended a	31 December	Year ended 3	1 December
	Note	2020	2019	2020	2019
			(in B	aht)	
Other comprehensive income					
Items that will be reclassified subsequently to profit or loss					
Exchange differences on translating financial statements		(451,802,085)	(1,250,142,515)	-	-
Loss on cash flow hedges		(11,713,820)	-	-	-
Net change in fair value of available-for-sale investments					
transferred to profit or loss		-	1,978,351	-	-
Income tax relating to items that will be reclassified	31	2,811,317	-	-	-
Total items that will be reclassified subsequently					
to profit or loss		(460,704,588)	(1,248,164,164)	-	-
Items that will not be reclassified to profit or loss					
Gain (loss) on investments in equity instruments designated					
at FVOCI		(86,497,530)	-	5,883,372	-
Gain (loss) on remeasurements of defined benefit plans	23	(13,781,631)	(384,478,725)	1,440,151	(53,577,980)
Income tax relating to items that will not be reclassified	31	20,828,046	77,715,148	(1,464,705)	10,715,597
Total items that will not be reclassified to profit or loss		(79,451,115)	(306,763,577)	5,858,818	(42,862,383)
Other comprehensive income for the year, net of tax		(540,155,703)	(1,554,927,741)	5,858,818	(42,862,383)
Total comprehensive income for the year		(198,829,446)	10,804,551,077	3,780,158,225	32,985,619,086
Profit attributable to:					
Owners of the parent		46,266,132	10,633,261,923	3,774,299,407	33,028,481,469
Non-controlling interests	13	295,060,125	1,726,216,895	-	-
Profit for the year		341,326,257	12,359,478,818	3,774,299,407	33,028,481,469
Total comprehensive income attributable to:					
Owners of the parent		(393,002,681)	9,129,742,518	3,780,158,225	32,985,619,086
Non-controlling interests	13	194,173,235	1,674,808,559	-	-
Total comprehensive income for the year		(198,829,446)	10,804,551,077	3,780,158,225	32,985,619,086
Basic earnings per share	32	0.01	2.26	0.65	7.03

Statements of changes in equity

								Consol	idated financial state	ements						
					Difference in value	Retained	l earnings			Oti	her components of equ	iity				
			Share	Share	arising from								Total			
			premium	premium	restructuring			Difference arising				Losses on	other	Equity		
		Issued and	on	on	transactions			from acquiring of				remeasurements	components	attributable to	Non-	
		paid-up	ordinary	treasury	of entities under	Legal		non-controlling	Translation	Hedging	Fair value	of defined	of	owners of	controlling	Total
	Note	share capital	shares	shares	common control	reserve	Unappropriated	interests	reserve	reserve	reserve	benefit plans	equity	the parent	interests	equity
									(in Baht)							
Year ended 31 December 2019																
Balance at 1 January 2019		4,700,000,000	12,971,114,336	67,483,332	(2,393,022,014)	211,428,571	38,572,815,354	-	(2,110,243,753)	-	(1,978,351)	(100,356,126)	(2,212,578,230)	51,917,241,349	11,969,560,009	63,886,801,358
Transactions with owners, recorded directly in equity																
Distributions to owners of the parent Dividends	33	-					(36,237,000,000)							(36,237,000,000)	(935,005,464)	(37,172,005,464)
Total distributions to owners of the parent							(36,237,000,000)			<u>.</u>				(36,237,000,000)	(935,005,464)	(37,172,005,464)
Total aisi totatons to owners of the parent	-						(30,237,000,000)							(30,237,000,000)	(933,003,404)	(37,172,003,404)
Total transactions with owners, recorded																
directly in equity		-			-	_	(36,237,000,000)							(36,237,000,000)	(935,005,464)	(37,172,005,464)
	-						((()	(0.,)
Comprehensive income for the year																
Profit		-				-	10,633,261,923							10,633,261,923	1,726,216,895	12,359,478,818
Other comprehensive income		-				-	577,159		(1,233,223,139)		1,978,351	(272,851,776)	(1,504,096,564)	(1,503,519,405)	(51,408,336)	(1,554,927,741)
Total comprehensive income for the year	-	-	-	-	-	-	10,633,839,082	-	(1,233,223,139)	-	1,978,351	(272,851,776)	(1,504,096,564)	9,129,742,518	1,674,808,559	10,804,551,077
	-															
Transfer to legal reserve	25	-	-	-	-	420,571,429	(420,571,429)	-	-	-	-	-	-	-	-	-
	-															
Balance at 31 December 2019		4,700,000,000	12,971,114,336	67,483,332	(2,393,022,014)	632,000,000	12,549,083,007	-	(3,343,466,892)	-		(373,207,902)	(3,716,674,794)	24,809,983,867	12,709,363,104	37,519,346,971

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

Statements of changes in equity

								Consol	idated financial state	ements						
					Difference in value	Retained	earnings			Oth	er components of equ	uity				
			Share	Share	arising from								Total			
			premium	premium	restructuring			Difference arising				Losses on	other	Equity		
		Issued and	on	on	transactions			from acquiring of				remeasurements	components	attributable to	Non-	
		paid-up	ordinary	treasury	of entities under	Legal		non-controlling	Translation	Hedging	Fair value	of defined	of	owners of	controlling	Total
	Note	share capital	shares	shares	common control	reserve	Unappropriated	interests	reserve	reserve	reserve	benefit plans	equity	the parent	interests	equity
									(in Baht)							
Year ended 31 December 2020																
Balance at 31 December 2019		4,700,000,000	12,971,114,336	67,483,332	(2,393,022,014)	632,000,000	12,549,083,007	-	(3,343,466,892)	-	-	(373,207,902)	(3,716,674,794)	24,809,983,867	12,709,363,104	37,519,346,971
Impact of changes in accounting policies	3	-				-	(2,450,519,313)	-	(1,678,856,434)	-	643,890,731	-	(1,034,965,703)	(3,485,485,016)	524,775,717	(2,960,709,299)
Balance at 1 January 2020		4,700,000,000	12,971,114,336	67,483,332	(2,393,022,014)	632,000,000	10,098,563,694	-	(5,022,323,326)	-	643,890,731	(373,207,902)	(4,751,640,497)	21,324,498,851	13,234,138,821	34,558,637,672
Transactions with owners, recorded directly in equity																
Contributions by and distributions to owners of the parent																
Initial public offering	24	1,331,000,000	53,790,345,678	55,875,231	-	-	-	(22,455,959,553)	-	-	520,177,688	-	520,177,688	33,241,439,044	(11,035,982,624)	22,205,456,420
Dividends	33	-	-	-	-	-	-	-	-	-	-	-	-	-	(431,143,019)	(431,143,019)
Total contributions by and distributions to																
owners of the parent	-	1,331,000,000	53,790,345,678	55,875,231	-	-	-	(22,455,959,553)	-	-	520,177,688	-	520,177,688	33,241,439,044	(11,467,125,643)	21,774,313,401
Changes in ownership interests in subsidiaries																
Acquisition of non-controlling interests								(000 (51 000)	54 (2) 105		144.001	(27.212.220)	20.452.046	(550 105 45 0	2 60 020 050	(110.157.500)
	6(b)	-		<u> </u>		-		(808,651,300)	56,621,185		144,981	(27,312,320)	29,453,846 29,453,846	(779,197,454)	360,039,858	(419,157,596)
Total changes in ownership interests in subsidiaries	-	-				-		(808,651,300)	56,621,185		144,981	(27,312,320)	29,453,846	(779,197,454)	360,039,858	(419,157,596)
Total transactions with owners, recorded																
directly in equity		1,331,000,000	53,790,345,678	55,875,231				(23,264,610,853)	56,621,185		520,322,669	(27,312,320)	549,631,534	32,462,241,590	(11,107,085,785)	21,355,155,805
directly in equity	-	1,331,000,000	55,/90,545,0/8	55,675,251		-		(23,204,010,853)	50,021,185		520,522,009	(27,312,320)	549,051,554	52,462,241,590	(11,107,085,785)	21,355,155,605
Comprehensive income for the year																
Profit							46,266,132							46,266,132	295,060,125	341,326,257
Other comprehensive income						-	40,200,152		(351,074,271)	(8,902,503)	(68,048,604)	(11,243,435)	(439,268,813)	(439,268,813)	(100,886,890)	(540,155,703)
Total comprehensive income for the year	-			<u> </u>	<u> </u>		46,266,132		(351,074,271)	(8,902,503)	(68,048,604)	(11,243,435)	(439,268,813)	(393,002,681)	194,173,235	(198,829,446)
rour comprehensive income for the year	-						40,200,132		(551,074,271)	(0,702,503)	(00,040,004)	(11,245,455)	(457,200,015)	(575,002,001)	174,175,255	(1)0,029,440)
Balance at 31 December 2020		6.031.000.000	66,761,460,014	123,358,563	(2,393,022,014)	632,000,000	10,144,829,826	(23,264,610,853)	(5,316,776,412)	(8,902,503)	1,096,164,796	(411,763,657)	(4,641,277,776)	53,393,737,760	2,321,226,271	55,714,964,031
Durance at 01 December 2020		0,001,000,000	55,701,400,014	120,000,000	(2,070,022,014)	032,000,000	13,144,022,020	(23,204,010,033)	(0,010,770,412)	(0,702,003)	1,070,104,790	(411,705,057)	(.,071,277,770)	55,575,757,700	2,521,220,2/1	00,714,704,001

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

Statements of changes in equity

					Separate financial	statements			
				Retaine	d earnings	(Other components of equi	ity	
		Issued and					Loss on	Total	
		paid-up				Fair value	remeasurements of	other components	
	Note	share capital	Share premium	Legal reserve	Unappropriated	reserve	defined benefit plans	of equity	Total equity
					(in Baht	t)			
Year ended 31 December 2019									
Balance at 1 January 2019		4,700,000,000	12,971,114,336	211,428,571	4,952,975,922	-	(4,193,481)	(4,193,481)	22,831,325,348
Transactions with owners, recorded directly in equity									
Distributions to owners									
Dividends	33	-	-	-	(36,237,000,000)	-	-	-	(36,237,000,000)
Total distributions to owners		-	-	-	(36,237,000,000)	-	-	-	(36,237,000,000)
Comprehensive income for the year									
Profit		-	-	-	33,028,481,469	-	-	-	33,028,481,469
Other comprehensive income		-	-	-	-	-	(42,862,383)	(42,862,383)	(42,862,383)
Total comprehensive income for the year		-	-	-	33,028,481,469	-	(42,862,383)	(42,862,383)	32,985,619,086
Transfer to legal reserve	25	-	-	420,571,429	(420,571,429)	-	-	-	-
Balance at 31 December 2019		4,700,000,000	12,971,114,336	632,000,000	1,323,885,962	-	(47,055,864)	(47,055,864)	19,579,944,434
Year ended 31 December 2020 Balance at 31 December 2019		4,700,000,000	12,971,114,336	632,000,000	1,323,885,962	-	(47,055,864)	(47,055,864)	19,579,944,434
Impact of changes in accounting policies	3	-	-	-	5,953,938	4,748,622	-	4,748,622	10,702,560
Balance at 1 January 2020		4,700,000,000	12,971,114,336	632,000,000	1,329,839,900	4,748,622	(47,055,864)	(42,307,242)	19,590,646,994
Transactions with owners, recorded directly in equity									
Contributions by owners									
Initial public offering	24	1,331,000,000	53,790,345,678	-	-	-	-	-	55,121,345,678
Total contributions by owners		1,331,000,000	53,790,345,678	-			-	-	55,121,345,678
Comprehensive income for the year									
Profit		-	-	-	3,774,299,407	_	-	-	3,774,299,407
Other comprehensive income		-	-	-	-	4,706,697	1,152,121	5,858,818	5,858,818
Total comprehensive income for the year		-	-	-	3,774,299,407	4,706,697	1,152,121	5,858,818	3,780,158,225
Balance at 31 December 2020		6,031,000,000	66,761,460,014	632,000,000	5,104,139,307	9,455,319	(45,903,743)	(36,448,424)	78,492,150,897

Statement of cash flows

	Consolidate stater		Separate stater						
	Year ended 3	1 December	Year ended 3	1 December		Consolidate	d financial	Separate	fin
	2020	2019	2020	2019		statem	ents	stater	nen
		(in B	aht)			Year ended 3	l December	Year ended 3	1 E
Cash flows from operating activities						2020	2019	2020	
Profit for the year	341,326,257	12,359,478,818	3,774,299,407	33,028,481,469			(in B	aht)	
Adjustments to reconcile profit to cash receipts (payments)					Cash flows from investing activities				
Tax expense (income)	(884,468,825)	2,495,055,842	(783,115)	23,691,060	Acquisition of subsidiaries, net of cash acquired	(136,710,077)	(2,709,105,984)	(13,018,301,485)	
Finance costs	2,950,457,138	1,085,431,094	649,873,087	734,452,352	Proceeds from disposal of associate	-	4,271,225,229	-	
Depreciation and amortisation	16,557,721,186	9,873,576,169	33,810,924	8,412,293	Acquisition of interest in associates and joint ventures	-	(4,272,290,296)	-	
(Reversal of) impairment loss recognised in profit or loss	383,964,547	(292,512,701)	-	-	Increase in share capital of joint venture	(20,000,000)	-	-	
Unrealised (gain) loss on exchange rate	(658,874,990)	(406,691,375)	(23,430,017)	21,782,912	Proceeds from disposal of other current financial assets	6,999,240,886	3,566,466,355	-	
Share of profit of associates and joint ventures accounted for					Acquisition of other current financial assets	(7,221,586,692)	(3,541,327,296)	-	
using equity method, net of tax	(131,915,509)	(390,668,028)	-	-	Proceeds from disposal of other non-current financial assets	-	1,600,000	-	
Expected credit losses (2019: Reversal of bad and doubtful debts					Proceeds from disposal of property, plant and equipment	257,121,703	488,505,705	221,495	
expenses)	194,204,732	99,561,426	(2,121,496)	(24,505,043)	Acquisition of property, plant and equipment	(8,058,866,377)	(9,669,740,231)	(13,709,704)	
Loss on inventories devaluation	1,500,007,395	1,067,856,126	-	-	Proceeds from disposal of investment properties	709,505	4,910,507	(15,709,704)	
Gain from remeasuring to fair value of the previously held equity interest	-	(62,242,838)	-	-				-	
Gain on disposal of current investments	-	(3,943,898)	-	-	Acquisition of investment properties	(16,838,590)	(41,241,501)	-	
(Gain) loss on disposal of property, plant and equipment,					Proceeds from disposal of leasehold right	-	14,290,807	-	
right-of-use assets and intangible assets	45,677,090	90,879,043	(19,717)	(310,556)	Acquisition of leasehold right	-	(1,594,063,889)	-	
Realised unearned lease income	(483,515,437)	(350,211,869)	-	-	Proceeds from disposal of other intangible assets	150,520,781	79,432,017	-	
Non-current provisions for employee benefits	254,303,449	665,811,375	13,338,346	15,184,027	Acquisition of other intangible assets	(1,107,715,126)	(833,597,645)	(5,841,809)	
Dividends income	-	(3,043,524)	(3,302,556,924)	(32,765,478,302)	Proceeds from repayment of short-term to related parties	-	61,147,400	67,726,308,166	
Interest income	(302,037,028)	(248,049,647)	(562,531,924)	(537,263,362)	Short-term loans to related parties	(6,211,800)	-	(64,875,540,532)	
	19,766,850,005	25,980,286,013	579,878,571	504,446,850	Proceeds from repayment of short-term to other parties	2,531,884	4,092,285	-	
Changes in operating assets and liabilities					Short-term loans to other parties	(309,761)	(5,400,000)	-	
Trade receivables	(243,110,155)	312,470,229	645,398,519	(635,908,911)	Dividends received	94,800,000	302,750,960	3,302,556,924	
Other current receivables	652,855,036	(1,256,535,031)	(104,529,257)	69,684,612	Interest received	284,493,406	284,345,595	679,266,034	
Inventories	1,639,934,102	(3,902,407,677)	-	-	Net cash from (used in) investing activities	(8,778,820,258)	(13,587,999,982)	(6,205,040,911)	
Finanace lease receivable	20,771,475	-	-	-					-
Other current assets	78,728,052	(169,340,274)	-	-					
Other non-current assets	(458,779,396)	(102,852,749)	(1,274,255)	891,591					
Trade payables	(5,461,817,768)	(322,669,488)	-	-					
Other current payables	(1,778,894,360)	440,912,864	(1,818,249,524)	425,970,729					
Non-current provisions for employee benefits	(536,718,650)	(263,366,808)	(7,836,077)	(1,252,160)					
Unearned lease income	244,858,976	1,095,671,638	-	-					
Other non-current liabilities	(520,249,778)	(298,956,205)	(260,330)	(461,071)	The accompanying notes are an integral part of these financ	al statements.			
Net cash generated from (used in) operating activities	13,404,427,539	21,513,212,512	(706,872,353)	363,371,640	. , 6 6 1 6 1				
Taxes paid	(1,443,615,508)	(3,127,614,508)	(60,374,546)	(24,449,928)					
Net cash from (used in) operating activities	11,960,812,031	18,385,598,004	(767,246,899)	338,921,712					

Separate financial statements Year ended 31 December

2019

(4,235,234,121)

-

-

-

-

-7,161,375

-

-

-

-

-

21,848,676

(73,978,168)

59,782,460,853

(62,528,606,108)

32,765,478,302

26,178,171,132

456,248,025

(17,207,702)

Statement of cash flows

		ed financial nents	Separate stater	
	Year ended a	31 December	Year ended 3	1 December
	2020	2019	2020	2019
		(in B	aht)	
Cash flows from financing activities				
Payment of change in ownership interest in subsidiaries				
without a change in control	(419,157,596)	-	-	-
Proceeds for initial public offering	22,457,483,434	-	22,457,483,434	-
Proceeds from short-term borrowings from financial institutions	408,834,512,589	289,410,014,533	297,083,843,217	202,078,973,450
Repayment of short-term borrowings from financial institutions	(428,355,500,309)	(268,067,663,088)	(314,088,600,000)	(181,963,800,000)
Proceeds from short-term borrowings from related parties	-	-	44,938,817,038	60,549,255,116
Repayment of short-term borrowings from related parties	-	-	(41,421,111,521)	(83,608,080,789)
Proceeds from long-term borrowings from financial institutions	26,342,611,969	137,275,485	17,375,787,037	-
Repayment of long-term borrowings from financial institutions	(4,089,151,912)	(3,202,980,955)	-	(1,000,000,000)
Payment of lease liabilities (2019: Payment by a lessee for reduction of	the			
outstanding liability relating to a finance lease)	(8,080,934,515)	(34,744,164)	(20,033,392)	-
Dividends paid to owners of the Company	(12,187,481,001)	(22,695,354,443)	(12,187,481,001)	(22,695,354,443)
Dividends paid to non-controlling interests	(431,143,019)	(935,005,464)	-	-
Interest paid	(1,165,811,404)	(1,091,353,402)	(649,652,457)	(775,603,152)
Net cash from (used in) financing activities	2,905,428,236	(6,479,811,498)	13,489,052,355	(27,414,609,818)
Net increase (decrease) in cash and cash equivalents,				
before effect of exchange rates	6,087,420,009	(1,682,213,476)	6,516,764,545	(897,516,974)
Effect of exchange rate changes on cash and cash equivalents	186,371,808	(315,907,802)	(29,427)	(90,084)
Translating foreign operations	(434,942,101)	1,006,215,132	-	-
Net increase (decrease) in cash and cash equivalents,	5,838,849,716	(991,906,146)	6,516,735,118	(897,607,058)
Cash and cash equivalents at 1 January	10,073,020,071	11,064,926,217	1,378,448,059	2,276,055,117
Cash and cash equivalents at 31 December	15,911,869,787	10,073,020,071	7,895,183,177	1,378,448,059
Non-cash transactions				
Payable for property, plant and equipment	1,718,484,337	1,544,825,130	2,100,211	762,406
Payable for other intangible assets	69,505,005	89,724,794	157,290	157,290
Payable for acquisitions of subsidiaries	490,975,937	480,343,965	-	2,320,965
Payable for plant and equipment under finance lease		170,748,090	_	_,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Transfer from property, plant and equipment to investment property	1,774,123,840	912,160,310	_	-
Transfer from right-of-use to investment property	207,450,306	-	_	-
Dividend payable	207,430,500	12,187,481,001		12,187,481,001
Convert loan to investment	-	12,107,401,001	268,504,820	12,107,401,001
Convert toan to investment	-	-	208,504,820	-

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2020

No	te Contents
1	General information
2	Basis of preparation of the financial statements
3	Changes in accounting policies
4	Significant accounting policies
5	Impact of COVID-19 Outbreak
6	Acquisitions of subsidiaries and non-controlling interests
7	Related parties
8	Cash and cash equivalents
9	Other current receivables
10	Inventories
11	Investments in associates and joint ventures
12	Investments in subsidiaries
13	Non-controlling interests
14	Investment properties
15	Property, plant and equipment
16	Right-of-use assets
17	Leases
18	Goodwill
19	Leasehold rights
20	Other intangible assets
21	Interest-bearing liabilities
22 23	Other current payables
23 24	Non-current provisions for employee benefits Share capital
24	Reserves
23 26	Segment information and disaggregation of revenue
20	Other income
28	Selling expenses
29	Administrative expenses
30	Employee benefit expenses
31	Income tax
32	Basic earnings per share
33	Dividends
34	Financial instruments
35	Capital management
36	Commitments with non-related parties
37	Contingent liabilities
38	Events after the reporting period
39	Thai Financial Reporting Standards (TFRS) not yet adopted

Ince Financial Statements

ments Enclosure

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 25 February 2021.

General information

1

Central Retail Corporation Public Company Limited, the "Company", is incorporated in Thailand and was listed on the Stock Exchange of Thailand in February 2020. The Company's registered office at 22 Soi Somkid, Ploenchit Road, Kwang Lumpini, Khet Phathumvan, Bangkok, Thailand.

The Company's major shareholders during the financial year were Harng Central Department Store Company Limited (35.06% shareholding). The Company was incorporated in Thailand.

The principal activities of the Group are the operation of a multi format retailing business.

Details of the Group's subsidiaries as at 31 December are as follows:

Name of the entity	Type of business	Country of incorporation	2020 Ownersh	2019 ip interest	
		•	(%)		
Direct subsidiaries					
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	Service	Vietnam	99.99	99.99	
Central Group Online Limited	E-Commerce	Thailand	99.99	99.99	
Central Marketing Group Co., Ltd.	Investing	Thailand	99.99	99.99	
Central US Trading Ltd.	Trademark service	United States of America	100.00	100.00	
CRC Holland B.V.	Investing	Netherlands	100.00	100.00	
CRC Thai Watsadu Co., Ltd.	Retail	Thailand	99.99	99.99	
Hillborough Group Ltd.	Investing	Belize	100.00	100.00	
Mass Concept Company Limited	Investing	Thailand	99.99	99.99	
PBHD Co., Ltd.	Investing	Thailand	99.99	99.99	
Robinson Public Company Limited	Department store	Thailand	98.39	53.82	
SFM Holding Company Limited	Investing	Thailand	99.99	99.99	
SSHD Co., Ltd.	Investing	Thailand	99.99	99.99	
Indirect subsidiaries					
C.R.G. Service Co., Ltd.	Rental and service	Thailand	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	
CDF Holding Limited	Investing	Thailand	99.97	99.97	
C-Discount Vietnam Limited Liability Company	E-Commerce	Vietnam	99.99	99.99	
Central & Matsumoto Kiyoshi Limited	Department store	Thailand	51.00	51.00	
Central Duty Free Shop Limited	Duty free products	Thailand	99.94	99.94	

Name of the entity	Type of business	Country of incorporation	2020 2019 Ownership interest		
				%)	
Central FamilyMart Co., Ltd	Convenience stores and business member shops	Thailand	99.99	50.84	
Central Food Retail Co., Ltd.	Supermarket	Thailand	99.99	99.99	
Central Food Retail E-commerce Limited	E-Commerce	Thailand	99.96	-	
Central Marketing Group (Shanghai) Co., Ltd.	Retail	China	99.99	99.99	
Central Marketing Group Singapore Pte. Ltd.	Retail	Singapore	99.99	99.99	
Central Online Limited	E-Commerce	Thailand	99.99	99.99	
Central Retail Corporation (Vietnam) Joint Stock Company	Department store	Vietnam	99.99	99.99	
Central Pet and Me Limited	Pet care	Thailand	99.99	-	
Central Trading Co., Ltd.	Retail	Thailand	99.99	99.99	
Cetrac International Co., Ltd.	Manufacturing	Thailand	99.99	99.99	
CHG Marketing Limited.	E-Commerce	Thailand	99.97	99.97	
Child Boutique Manufactory Sdn. Bhd.	Manufacturing	Malaysia	99.99	99.99	
CMG Asia Three Ltd.	Investing	United States of America	99.99	99.99	
CMG Asia Four Ltd.	Investing	United States of America	99.99	99.99	
CMG Asia Five Co.Limited	Investing	Hong Kong	99.99	99.99	
CMG Central Marketing Group Malaysia Sdn. Bhd.	Investing	Malaysia	99.99	99.99	
CMG International Group Ltd.	Investing	United States of America	99.99	99.99	
CMG Vietnam Company Limited	Retail	Vietnam	99.99	99.99	
CRC Rinascente S.p.A.	Investing	Italy	99.99	99.99	
CR Chantaburi (Thailand) Co., Ltd.	Department store	Thailand	63.95	34.99	
CR Chiang Mai (Thailand) Co., Ltd.	Department store	Thailand	88.55	48.44	
CR Had Yai (Thailand) Co., Ltd.	Department store	Thailand	98.39	53.82	
CR Nakorn Sri Thammarat (Thailand) Co., Ltd.	Department store	Thailand	49.19	26.91	
CR Phuket (Thailand) Co., Ltd.	Department store	Thailand	49.19	26.91	
CR Rajchaburi (Thailand) Co., Ltd.	Department store	Thailand	98.39	76.91	
CR (Thailand) Co., Ltd.	Investing	Thailand	98.39	53.82	
CR Udorn Thani (Thailand) Co., Ltd	Department store	Thailand	98.77	40.91	
CRC Sport Co., Ltd.	Retail	Thailand	99.35	81.53	
CRC Sport E-commerce Limited	E-Commerce	Thailand	99.33	-	
CRC Sports (Vietnam) Joint Stock Company	Retail	Vietnam	99.35	81.53	
Dong Duong Tra Vinh Real Estate and Retail Supermarket Joint Stock Company	Retail	Vietnam	99.99	99.99	
Earth Care Company Limited	Retail	Thailand	99.99	99.99	
E.B Phu Thanh Limited Liability Company	Supermarket	Vietnam	99.99	99.99	
EB Binh Duong Limited Liability Company	Supermarket	Vietnam	99.99	99.99	

Financial Statements

Enclosure

Name of the entity	Type of business	Country of incorporation		2019
EB Can Tho Limited Liability	Supermarket	Vietnam	99.99	<u> </u>
Company	Supermarket	vietnam	99.99	99.99
EB Hai Duong Limited Liability	Supermarket	Vietnam	99.99	99.99
Company	Supermarket	viculalli	33.33	<i>77.77</i>
EB Hai Phong Joint Stock Company	Supermarket	Vietnam	99.99	99.99
EB Nam Dinh Limited Liability	Supermarket	Vietnam	99.99	99.99
Company	Supermarket	vietitain	//.//	,,,,,
EB New City Company Limited	Supermarket	Vietnam	99.99	99.99
EB Services Company Limited	Service	Vietnam	99.99	99,99
EB Tan Phu Limited Liability	Supermarket	Vietnam	99.99	99.99
Company	1			
EB Thanh Hoa Limited Liability	Supermarket	Vietnam	99.99	99.99
Company	1			
EB Vinh Limited Liability Company	Supermarket	Vietnam	99.99	99.99
E-Cavi Limited	Investing	Hong Kong	99.99	99.99
Espace Big C An Lac Company	Supermarket	Vietnam	99.99	99.99
Limited				
Espace Big C Dong Nai	Supermarket	Vietnam	65.00	65.00
Espace Big C Thang Long	Supermarket	Vietnam	65.00	65.00
Espace Business Hue Joint Stock	Supermarket	Vietnam	99.99	99.99
Company				
General Trading and Distribution	Retail	Vietnam	99.99	99.99
Company Limited				
General Trading Fashions One	Retail	Vietnam	99.99	99.99
Member Company Limited	D 1	¥7	00.00	00.00
General Trading of Household	Retail	Vietnam	99.99	99.99
Products One Member Company				
Limited General Trading, Service and	Retail	Vietnam	99.99	99,99
Distribution Co., Ltd.	Ketall	vietnam	99.99	99.99
Hung Cuong Retail Real Estate	Retail	Vietnam	99.99	99.99
Investment Joint Stock Company	Ketali	viculalli	33.33	<i>77.77</i>
John Master (M) Sdn. Bhd.	Retail	Malaysia	99.99	99.99
Kiko Garments Sdn. Bhd.	Retail	Malaysia	99.99	99.99
Kiko Retail Sdn. Bhd.	Retail	Malaysia	99.99	99.99
la Rinascente S.p.A.	Department store	Italy	100.00	98.70
Lan Chi-Ha Nam Investment and	Supermarket	Vietnam	51.00	51.00
Service Company Limited	Supermanee	, iounum	01.00	01.00
Lan Chi Investment and Service	Supermarket	Vietnam	51.00	51.00
Company Limited	1			
Lan Chi Services and Trading	Supermarket	Vietnam	51.00	51.00
Investment Company Limited	1			
LCP Trading Services Joint Stock	Investing	Vietnam	51.00	51.00
Company	-			
Matter D Company Limited	Service	Thailand	99.98	99.98
New Grocery Company Limited	Supermarket	Vietnam	65.00	65.00
New Plan Company Limited	Construction and	Vietnam	99.99	99.99
	Service			
New Plan Real Estate Investment	Construction and	Vietnam	99.99	99.99
Co., Ltd.	Service			
Nguyen Kim Binh Duong One	Retail	Vietnam	99.36	81.53
Member Company Limited				

Name of the entity	Type of business	Country of incorporation	2020 2019 Ownership interes		
N K D M TI (O	D (1	X 7' /		%) 01.57	
Nguyen Kim Buon Ma Thuot One	Retail	Vietnam	99.36	81.5	
Member Company Limited Nguyen Kim Can Tho One Member	Retail	Vietnam	99.36	81.5	
Company Limited	Ketall	vietnam	99.30	81.3.	
Nguyen Kim Central Trading One	Retail	Vietnam	99.36	81.5	
Member Company Limited	Retail	victualii	<i>))</i> .30	01.5	
Nguyen Kim Hai Phong Development	Retail	Vietnam	99.36	81.5	
Investment One Member Company					
Limited					
Nguyen Kim Long Xuyen One	Retail	Vietnam	99.36	81.5	
Member Company Limited					
Nguyen Kim Modern Trade	Investing	Vietnam	99.36	81.5	
Development Investment Joint					
Stock Company					
Nguyen Kim Trading Joint Stock	Retail	Vietnam	99.36	81.5	
Company	T	N	00.26	01.5	
NKT New Solution and Technology Development Investment Joint	Investing	Vietnam	99.36	81.5	
Stock Company					
Orbit Avenue Sdn. Bhd.	Investing	Malaysia	100.00	100.0	
PB Logistic Co., Ltd.	Logistics	Thailand	99.35	81.5	
Power Buy Co., Ltd.	Retail	Thailand	99.35	81.5	
Power Buy E-Commerce Limited	E-Commerce	Thailand	99.33	-	
PT Central Marketing Group Indonesia	Import and trading	Indonesia	99.35	99.3	
Quinam B.V.	Investing	Netherlands	99.99	99.9	
RBS E-commerce Limited	E-Commerce	Thailand	98.36	-	
Recess Logistics and Retail Co., Ltd.	E-Commerce	Vietnam	99.99	99.9	
Rins & Roy Sdn. Bhd. ⁽¹⁾	Manufacturing	Malaysia	-	100.0	
Robinson Department Store	Department store	Vietnam	98.39	53.8	
(Vietnam) Joint Stock Company	Demonster	TT1 11	09.25	52 75	
Robinson Nakarin Co., Ltd.	Dormant company	Thailand Thailand	98.25	53.75	
Robinson Ratchada Co., Ltd. Robinson Sukhumvit Co., Ltd.	Dormant company Rental	Thailand	98.19 98.39	53.72 53.82	
R-Trading (BHD).	Investing	British Virgin	98.39 98.31	53.82	
(Critating (Drid).	mresung	Islands	20.51	55.70	
Sai Gon Industrial Corporation	Real estates	Vietnam	97.91	80.3	
Textral Textile Co., Ltd.	Manufacturing	Thailand	99.99	99.9	
Thai Watts Co., Ltd.	Retail	Thailand	51.00	51.0	
Three Plus Service Co., Ltd.	Service	Thailand	99.35	81.5	
TTS Dong Nai One Member Limited	Rental and Service	Vietnam	99.99	99.9	
Liability Company					
Viet Nhat My Tho Company Limited	Retail	Vietnam	99.99	99.9	
Viet Nhat Real Estate Joint Stock	Rental and Service	Vietnam	99.99	99.9	
Company	D (1	37	00.00	00.0	
Viet Nhat Sai Gon - My Tho	Retail	Vietnam	99.99	99.9	
Company Limited Viet Nhat Thai Nguyen Real Estate	Pool astatas	Vioteom	00.00		
JSC	Real estates	Vietnam	99.99	-	
Vindemia SAS	Investing	France	99.99	99.9	
v incontra 575	investing	Tallet)).))	22.9	

⁽¹⁾ Liquidation completed during 2020.

2 Basis of preparation of the financial statements

(a) Statement of compliance

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.

New and revised TFRS are effective for annual accounting periods beginning on or after 1 January 2020. The initial application of these new and revised TFRS has resulted in changes in certain of the Group's accounting policies.

The Group has initially applied TFRS - Financial instruments standards which comprise TFRS 9 *Financial Instruments* and relevant standards and interpretations and TFRS 16 *Leases* and disclosed impact from changes to significant accounting policies in note 3.

In addition, the Group has not early adopted a number of new and revised TFRS which are not yet effective for the current period in preparing these financial statements. Those new and revised TFRS that are relevant to the Group's operations are disclosed in note 39.

(b) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's functional currency, rounded in the notes to the financial statements to the nearest million unless otherwise stated.

(c) Use of judgements and estimates

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 are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

(i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

4(k) and 17 Leases:

- whether an arrangement contains a lease;
- whether the Group is reasonably certain to exercise extension options;
- whether the Group exercise termination options;
- whether the Group has transferred substantially all the risks and rewards incidental to the ownership of the assets to lessees/sub-lessees.
- 4(r) Revenue recognition:
 - commission revenue: whether the Group acts as an agent in the transaction rather than as a principal;
 - whether long-term advances received from customers have significant financing component;
- 4(u) Recognition and classification of commercial support from supplier;
- 5 Impact of COVID-19 Outbreak;
- 6 Business combination: determining the acquisition date and determining whether the Group has control over the acquiree; and
- 11 Equity-accounted investees: whether the Group has significant influence over an investee;

(ii) Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties at 31 December 2020 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- 4(k) Determining the incremental borrowing rate to measure lease liabilities; 5 Impact of COVID-19;
- 10 Measurement of allowance for shrinkage/ obsolescence of inventories;
- 18 Impairment test of goodwill: key assumptions underlying recoverable amounts;
- 23 Measurement of defined benefit obligations: key actuarial assumptions;
- 31 Recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be offset;
- 34 Measurement of ECL allowance for trade receivables, other current receivables, loans and long term investment: key assumptions in determining the weightedaverage loss rate; and
- 34 Determining the fair value of financial instruments on the basis of significant unobservable inputs.

3 Changes in accounting policies

From 1 January 2020, the Group has initially applied TFRS - Financial instruments standards and TFRS 16.

		Co finan	ate Itements			
Impact on changes in accounting policy	Note	Unappropriated retained earnings	Other components of equity	Non- controlling interests	Unappropriated retained earnings	Other components of equity
accounting poincy		B-	0000	(in million B	0	
At 31 December 2019 - as reported		12,549	(3,717)	12,709	1,324	(47)
Increase (decrease) due to:						
Adoption of TFRS - Financial instruments						
standards						
Classification of financial instruments	(a.1)	-	806	674	-	6
Impairment losses on						
financial assets	(a.2)	36	-	8	8	-
Related tax Adoption of TFRS 16		(7)	(161)	(136)	(2)	(1)
- net of tax	(b)	(2,479)	(1,680)	(21)	-	-
At 1 January 2020 -						
restated		10,099	(4,752)	13,234	1,330	(42)

ance Corporate Governance

vernance Financial Statements

ements Enclosure

(a) TFRS - Financial instruments standards

The Group has adopted TFRS - Financial instruments standards by adjusting the cumulative effects to retained earnings, other components of equity and non-controlling interests on 1 January 2020. Therefore, the Group did not adjust the information presented for 2019. The disclosure requirements of TFRS for financial instruments have not generally been applied to comparative information.

These TFRS - Financial instruments standards establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. The details of accounting policies are disclosed in note 4(d) and 4(l). The impact from adoption of TFRS - Financial instruments standards are as follows:

(a.1) Classification and measurement of financial assets and financial liabilities

TFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value to profit or loss (FVTPL). The classification is based on the cash flow characteristics of the financial asset and the business model in which they are managed. However, the Group may, at initial recognition, irrevocably designate a financial asset as measured at FVTPL. TFRS 9 eliminates the previous classification of held-to-maturity debt securities, available-for-sale securities, trading securities and general investment as specified by TAS 105.

Under TFRS 9, interest income and interest expenses recognised from all financial assets and financial liabilities measured at amortised cost shall be calculated using effective interest rate method. Previously, the Group recognised interest income and interest expenses at the rate specified in the contract.

The following table shows classification and measurement categories under TAS 105 and TFRS 9.

Consolidated financial statements Classification under TAS 105					
at 31 December 20		Classifi	Classification under TFRS 9 at 1 January 2020		
	Carrying			Amortised	
	amounts	FVTPL	FVOCI	cost - net	Total
			(in million Ba	ıht)	
Current investments					
Short-term deposits at					
financial institutions	1,407	-	-	1,407	1,407
Debt instruments held for					
trading	196	196	-	-	196
Total	1,603	196	-	1,407	1,603
Other long-term investments					
Other non-marketable equity					
instruments	209		1 690		1 690
			1,689		1,689
Total	209	-	1,689	-	1,689

Separate financial statements Classification under TAS 105 Classification under TFRS 9 at 31 December 2019 at 1 January 2020 Carrving Amortised amounts FVOCI cost - net Total (in million Baht) Other long-term investments Other non-marketable equity instruments Total 6 6

The Group and the Company intends to hold non-marketable equity securities amounted of Baht 209 million and Baht 0.5 million, respectively, for the long-term strategic purposes. The Group has designated them as measured at FVOCI. The accumulated gain (loss) on measurement of these investments will not be reclassified to profit or loss.

(a.2) Impairment - Financial assets

TFRS 9 introduces forward-looking 'expected credit loss' (ECL) model whereas previously the Group estimated the allowance for doubtful account by analysing payment histories and future expectation of customer payment. TFRS 9 requires considerable judgement about how changes in economic factors affect ECLs, which are determined on a probability-weighted basis. The new impairment model applies to financial assets measured at amortised cost, lease receivables and debt investments measured at FVOCI, except for investments in equity instruments.

The Group has determined that the application of TFRS 9's impairment requirements at 1 January 2020 results in a reversal of allowance for expected credit loss as follows:

	Consolidated financial statements	Separate financial statements
	(in millio	on Baht)
Allowance for impairment losses at 31 December 2019		
Allowance for doubtful debts - trade receivables	237	2
Allowance for doubtful debts - other current receivables	185	20
Allowance for impairment losses on loans	120	-
Allowance for impairment losses on current and long-term		
investments	140	-
	682	22
Additional (reversal of) expected credit loss recognised at 1 January 2020 on:		
- Trade receivables	(30)	4
- Other current receivables	(14)	(12)
Allowance for expected credit losses at 1 January 2020	638	14

The Group has opted to recognise the decrease of expected credit loss as an adjustment to retained earnings as at 1 January 2020.

nts Enclosure

(a.3) Derivatives and hedge accounting

Under TFRS 9, all derivatives are measured at fair value in the statement of financial position.

The Group designates certain derivatives held for risk management as well as certain nonderivative financial instruments as hedging instruments in qualifying hedging relationships. The Group documents the relationship between the hedging instruments and hedged items, including the risk management objective, strategy in undertaking the hedge, together with the method that will be used to assess the effectiveness of the hedging relationship. The Group makes an assessment of the effectiveness, both at inception of the hedge relationship and on an ongoing basis.

These hedging relationships are fair value hedges, cash flow hedges and net investment in a foreign operation hedge.

Previously, TFRS were silent on the requirements of hedge accounting and derivatives held for risk management purposes.

(b) TFRS 16 Leases

From 1 January 2020, the Group has initially adopted TFRS 16 on contracts previously identified as leases according to TAS 17 Leases and TFRIC 4 Determining whether an arrangement contains a lease using the modified retrospective approach.

Previously, the Group, as a lessee, recognised payments made under operating leases and relevant lease incentives in profit or loss on a straight-line basis over the term of the lease. Under TFRS 16, the Group assesses whether a contract is, or contains, a lease. If a contract contains lease and non-lease components, the Group has elected not to separate non-lease components and account for the transaction as a single lease component. As at 1 January 2020, the Group and the Company recognised right-of-use assets and lease liabilities, as a result, the nature of expenses related to those leases was changed because the Group recognised depreciation of right-of-use assets and interest expense on lease liabilities.

The Group sub-leases some of its properties. Previously, the head lease and sub-lease contracts were classified as operating leases and recognised lease income and payment in profit or loss on a straightline basis over the term of the leases. Under TFRS 16, the right-of-use assets recognised from the head leases are presented in investment property and measured at cost method. The Group reassessed the classification of sub-leases contracts with reference to the right-of-use asset rather than the underlying asset and concluded that they are finance leases, resulting in recognition of finance lease receivables (see note 17).

On transition, the Group also elected to use the following practical expedients:

- do not recognise right-of-use assets and lease liabilities for leases with less than 12 months of lease term;
- use hindsight when determining the lease term;
- apply a single discount rate to a portfolio of leases with similar characteristics;
- rely on previous assessments whether leases are onerous as an alternative to performing an impairment review; and
- exclude initial direct costs from measuring the right-of-use asset.

Impact from the adoption of TFRS 16	Consolidated financial statements	Separate financial statements
	(in millio	on Baht)
At 1 January 2020		
Decrease in other current receivables	(842)	-
Increase in finance lease receivables	2,181	-
Increase in investment properties	1,930	-
Decrease in property, plant and equipment	(185)	-
Increase in right-of-use assets	68,021	24
Decrease in leasehold rights	(21,042)	-
Increase in deferred tax assets	482	-
Decrease in other non-current assets	(1,058)	-
Decrease in trade payables	(70)	-
Decrease in other current payables	(12)	-
Decrease in current portion of finance lease liabilities	(31)	-
Increase in current portion of lease liabilities	6,571	16
Decrease in finance lease liabilities	(197)	-
Increase in lease liabilities	49,900	8
Decrease in unearned lease income	(301)	-
Decrease in deferred tax liabilities	(515)	-
Decrease in other non-current liabilities	(1,678)	-
Decrease in retained earnings	(2,479)	-
Decrease in other components of equity	(1,680)	-
Decrease in non-controlling interests	(21)	-

	Consolidated financial	Separate financial
Measurement of lease liabilities	statements	statements
	(in millio	n Baht)
Operating lease commitment as disclosed at 31 December 2019	70,612	17
Discounted using the incremental borrowing rate at 1 January 2020	52,434	17
Finance lease liabilities recognised as at 31 December 2019	228	-
Recognition exemption for short-term leases	(42)	-
Extension and termination options reasonably certain to be		
exercised	3,851	7
Lease liabilities recognised at 1 January 2020	56,471	24
Incremental borrowing rate (% per annum)	2.0 - 10.3	2.5 - 2.8

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except as explained in note 3.

(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.

Business combinations

The Group applies the acquisition method for all business combinations when control is transferred to the Group, as describe in the subsidiaries section, other than business combinations with entities under common control.

Corporate Governance

Financial Statements Enclosure

The acquisition date is the date on which control is transferred to the acquirer.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as at the acquisition date. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration and share-based payment awards of the acquiree that are replaced mandatorily in the business combination. If a business combination results in the termination of pre-existing relationships between the Group and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognised in other expenses.

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.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports 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.

Step acquisition

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.

Acquisitions from entities under common control

Business combination under common control are accounted for using a method similar to the pooling of interest method. Under that method the acquirer recognises assets and liabilities of the acquired businesses at their carrying amounts in the consolidated financial statements of the ultimate parent company at the moment of the transaction. The difference between the carrying amount of the acquired net assets and the consideration transferred is recognised as surplus or discount from business combinations under common control in shareholder's equired.

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.

Disposals of entities under common control

The difference between the carrying amount of disposal net assets and cash received is recognised in profit or loss.

Subsidiaries

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.

Non-controlling interests

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. 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.

Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates and a joint venture.

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.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's 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.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees 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.

(b) Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures in the separate financial statements of the Company are measured at cost less allowance for impairment losses.

Disposal of investments in the separate financial statements

On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognised in profit or loss.

If the Company disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

(c) Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Non-monetary assets and liabilities measured at fair value in foreign currencies are translated to the functional currency at the exchange rates at the dates that the 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 (2019: available-for-sale equity investments) (except on impairment in which case foreign currency differences that have been recognised in other comprehensive income are reclassified to profit or loss);
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent the hedge is effective.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Thai Baht at the exchange rates at the reporting date.

The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve, 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 foreign currency translation reserve in equity until disposal of the investment.

(d) Financial instruments

Accounting policies applicable from 1 January 2020

(d.1) Recognition and initial measurement

Trade receivables and trade payables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset and financial liability (unless it is a trade receivable without a significant financing component or measured at FVTPL) is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price. A financial asset and a financial liability measured at FVTPL are initially recognised at fair value.

(d.2) Classification and subsequent measurement

Financial assets - classification

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value to other comprehensive income (FVOCI); or fair value to profit or loss (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.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cashflows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

nce Corporate Governance

vernance Financial Statements

ments Enclosure

Financial assets - business model assessment

The Group makes an assessment of the objective of a business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets - assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets - subsequent measurement and gains and losses

- Financial assets at FVTPL These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss. However, see note 4(d.6) for derivatives designated as hedging instruments.
- Financial assets These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Equity investments These assets are subsequently measured at fair value. Dividends are at FVOCI recognised as income in profit or loss 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.

Financial liabilities - classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss. See note 4(d.6) for financial liabilities designated as hedging instruments.

(d.3) Derecognition

Financial assets

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.

Financial liabilities

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.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(d.4) Offsetting

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 it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(d.5) 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. (see note 4(d.6)).

Ince Corporate Governance

ance Financial Statements

(d.6) Hedging

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

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. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. 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 separately accounted for as a cost of hedging and recognised in a costs of hedging reserve within equity.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in the hedging reserve and the cost of hedging reserve is included directly in the initial cost of the non-financial item when it is recognised.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the 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 hedging reserve and the cost of hedging reserve are immediately reclassified to profit or loss.

Accounting policies applicable before 1 January 2020

Investments in other debt and equity securities

Debt securities and marketable equity securities held for trading are classified as current assets and are stated at fair value, with any resultant gain or loss recognised in profit or loss.

Debt securities that the Group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are stated at amortised cost, less any impairment losses. The difference between the acquisition cost and redemption value of such debt securities is amortised using the effective interest rate method over the period to maturity.

Debt securities and marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on available-for-sale monetary items, are recognised directly in equity. Impairment losses and foreign exchange differences are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss.

Equity securities which are not marketable are stated at cost less any impairment losses.

The fair value of financial instruments classified as held-for-trading and available-for-sale is determined as the quoted bid price at the reporting date.

Disposal of investments

Enclosure

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

(e) Cash and cash equivalents

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

(f) Trade and other accounts receivable

A receivable is measured at transaction price less allowance for expected credit loss (2019: allowance for doubtful accounts) which is determined based on an analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

(g) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost principle, and comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

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

Allowance is made for possible loss on shrinkage, which is estimated based on the percentage of estimated inventory sold and the possible loss on shrinkage of inventories. Allowance is made for possible loss on obsolescence and slow-moving items, which is estimated based on the percentage of inventory aging.

nance Corporate Governance

nance Financial Statements

nts Enclosure

(h) Investment properties

Investment properties are properties include properties that are held as right-of-use assets, as well as properties that are owned by the Group. Investment properties are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

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 investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

Any gains and losses on disposal of investment properties are determined by comparing the proceeds from disposal with the carrying amount of investment property, and are recognised in profit or loss.

Depreciation is charged to profit or loss on a straight-line basis and the sum-of-the-years-digits method over the estimated useful lives of each property. The estimated useful lives are as follows:

Investment properties 5 - 50 years

No depreciation is provided on freehold land or assets under construction.

Reclassification to property, plant and equipment

When the use of a property changes such that it is reclassified as property, plant and equipment, its book value at the date of reclassification becomes its cost for subsequent accounting.

(i) Property, plant and equipment

Recognition and measurement

Owned assets

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 selfconstructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Cost also may include 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.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gains and losses on disposal of item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and 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

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

The Group change 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 will be 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 charged to profit or loss follow the depreciation method over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Land improvements	5	years
Leasehold improvements	5 - 30	years
Building	10 - 50	years
Construction and improvements	5 - 20	years
Information system equipment	3 - 10	years
Utility and building system equipment	2 - 25	years
Furniture, fixtures and office equipment	2 - 20	years
Vehicles	2 - 12	years

No depreciation is provided on freehold land or assets under construction.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(j) Intangible assets

Goodwill

The measurement of goodwill at initial recognition is described in note 3(a). Subsequent to initial recognition, 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, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted investee.

Trademarks

Trademarks that have indefinite useful lives are measured at cost less accumulated impairment losses.

Corporate Governance

Financial Statements Enclosure

Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives are as follows:

Software licenses	3 - 10	years
Trademarks and franchise	5 and 10	years
System development cost	3 - 10	years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted as appropriate.

(k) Leases

Accounting policies applicable from 1 January 2020

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in TFRS 16.

As a lessee

At commencement or on modification of a contract that contains a lease component. the Group has elected not to separate non-lease components and account for the lease and non-lease components 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 is recognised as an expense on a straight-line basis over the lease term.

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 lease payments made at or before the commencement date, 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 cost of the right-of-use asset reflects that 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 the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The lease payments included fixed payments less any lease incentive receivable and variable lease payments that depend on an index or a rate. The lease payments also include amount under purchase, extension or termination option if the Group is reasonably certain to exercise option. Variable lease payments that do not depend on index or a rate are reconsided as expenses in the accounting period in which they are incurred.

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 change in lease term, change in lease payments, or a change in the assessment of purchase, extension or termination options. 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.

As a lessor

At inception or on modification of a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each component on the basis of their relative standalone prices.

When the Group acts as a lessor, it determines at lease inception whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

The Group recognises lease payments received under operating leases as rental income on a straightline 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 recognises finance lease receivables at the amount of the Group's net investment in the lease, which comprises the present value of the lease payments and any unguaranteed residual value, discounted using the interest rate implicit in the lease. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

The Group applies the derecognition and impairment requirements in TFRS 9 to the net investment in the lease.

e Corporate Governance

Accounting policies applicable before 1 January 2020

As a lessee, leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

Assets held under other leases were classified as operating leases and lease payments are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

As a lessor, 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.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

(1) Impairment of financial assets

Accounting policies applicable from 1 January 2020

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost (including cash and cash equivalents, trade receivables and other receivables, loans to others and related parties), lease receivables, and loan commitments issued which are not measured at FVTPL.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; or

- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of a financial instrument.

Loss allowances for trade receivables and lease receivables are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both current and forecast general economic conditions at the reporting date.

Loss allowances for all other financial instruments, 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.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

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 financial instruments's 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 to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Increased in loss allowance is recognised as an impairment loss in profit or loss. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the Group recognises an impairment loss in profit or loss with the corresponding entry in other comprehensive income.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence of credit-impairment includes significant financial difficulty, a breach of contract such as more than 90 days past due, probable the debtor will enter bankruptcy.

Write-off

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.

 (\cap)

Accounting policies applicable before 1 January 2020

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of held-to-maturity securities carried at amortised cost is calculated as the present value of the estimated future cash flows discounted at the original effective interest rate.

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

Reversal of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For financial assets carried at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

(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 if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

Calculation of recoverable amount

The recoverable amount of a non-financial asset 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.

Reversal of impairment

Enclosure

An impairment loss in respect of goodwill is not reversed. Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(n) Employee benefits

Defined contribution plan

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is 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.

nance Financial Statements

ements Enclosure

(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.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short 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 and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(q) Deferred revenue

Unearned lease income

Unearned lease income is stated at cost and recognised in profit or loss on a straight-line basis over the terms of the lease periods.

Unearned service income

Unearned service income is stated at cost and recognised in profit or loss as services are provided.

(r) Revenue

Where the Group acts as an agent in selling goods or services, only the commission income is included within revenue. Gross revenue consists of the Group's revenue together with the revenue accruing to the principals for which the Group acted as an agent.

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

Sale of goods and services

Revenue from sales of goods is recognised when a customer obtains control of the goods, generally on delivery of the goods to the customers. For contracts that permit the customers to return the goods, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore the amount of revenue recognised is adjusted for estimated returns, which are estimated based on the historical data.

Revenue for rendering of services is recognised over time as the services are provided. The related costs are recognised in profit or loss when they are incurred.

(s) 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.

(t) Dividend income

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

(u) 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.

ce Corporate Governance

Financial Statements

(v) Interest

Accounting policies applicable from 1 January 2020

Effective Interest Rate (EIR)

Interest income or expense is recognised using the effective interest method. The EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

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.

Accounting policies applicable before 1 January 2020

Interest income is recognised in profit or loss at the rate specified in the contract.

Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

(w) Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

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. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. 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.

(x) Earnings per share

Enclosure

The Group presents basic (EPS) data for its ordinary shares. EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

(y) 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 the Group has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making of a person or entity.

(z) Segment reporting

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

5 Impact of COVID-19 Outbreak

Since March 2020, in an effort to contain the impact of the COVID-19 outbreak, management decided to temporarily close the Group's stores in Italy starting from 12 March 2020 until 17 May 2020, the Group's stores in Thailand starting from 22 March 2020 until 16 May 2020 and the Group's stores in Vietnam starting from the end of March 2020 until the beginning of May 2020, except those stores selling necessary consumer products. This conformed with the orders of several governments to temporarily cease operation or reduce operating hours. At 31 December 2020, there are new restrictions to contain the spread of the outbreak which continues to increase, as a result, some of the Group's stores in Thailand and Italy must be closed according to the measures. The management closely monitors this situation to ensure customers and employees' safety and is continuously taking corrective actions to address this situation in order to lessen the impact on the Group's assets and operations.

rnance Financial Statements

nents Enclosure

Meanwhile, the Group has already taken several measures across its business units to minimize the impact on profitability and maintain financial flexibility. In addition, the Group expanded its omni channel platform to stimulate sales in such situations, through the Group e-commerce platform, mobile application, Chat&Shop and Call&Shop as well as free delivery service upon certain condition.

At 31 December 2020, the situation of COVID-19 outbreak is still ongoing, resulting in estimation uncertainty on the potential impact, therefore, the Group elected to apply accounting guidance on temporary accounting relief measures for additional accounting options in response to impact from the situation of COVID-19 outbreak on the following:

(a) Impairment of assets

The Group considered impairment of trade receivables under simplified approach using historical loss rate and did not take forward-looking information into account.

The Group elected to exclude the COVID-19 situation as impairment indicator for property, plant and equipment/investment properties/intangible assets, and elected to exclude the COVID-19 situation, which may affect future financial forecasts, from the impairment testing factors of goodwill/other intangible assets with an indefinite useful life/intangible assets under installation.

(b) Lease modifications

In December 2020, the Group was granted rent concessions starting from February 2020 as a result of the COVID-19 situation. The Group has monthly deducted lease liabilities in proportion to the reduced rental, reversed depreciation of ROU assets and interest on lease liabilities in proportion to the reduced rental and recognised the differences to profit or loss for the year-ended, amounting to Baht 29 million in the consolidated financial statements.

(c) Deferred tax assets

The Group elected to exclude the factor of COVID-19 situation in considering sufficiency of future taxable profits to review the amount of deferred tax assets at 31 December 2020.

6 Acquisitions of subsidiaries and non-controlling interests

(a) Acquisitions of subsidiaries

In 2020

Viet Nhat Thai Nguyen Real Estate JSC

On 8 January 2020, the Group obtained control of Viet Nhat Thai Nguyen Real Estate JSC, a real estate company in Vietnam, by acquiring 100% of the shares and voting interests in the company, The consideration consisted of a cash payment of Baht 137 million and consideration payable of Baht 24 million, totaling Baht 161 million (VND 123 billion).

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 2020.

Identifiable assets acquired and liabilities assumed	Note	Fair value
		(in million Baht)
Right-of-use assets	16	73
Total identifiable net assets		73
Goodwill arising from the acquisition		88
Purchase consideration transferred		161

In 2019

Dong Duong Tra Vinh Real Estate and Retail Supermarket Joint Stock Company

On 15 January 2019, the Group obtained control of Dong Duong Tra Vinh Real Estate and Retail Supermarket Joint Stock Company, a retail company in Vietnam, by acquiring 100% of the total issued shares, for a total consideration of VND 72 billion (Baht 98.9 million) in cash.

During the period from acquisition date to 31 December 2019, Dong Duong Tra Vinh Real Estate and Retail Supermarket Joint Stock Company contributed revenue of Baht 0.1 million and loss of Baht 0.3 million to the Group's results.

Identifiable assets acquired and liabilities assumed	Note	Fair value
		(in million Baht)
Other current receivables		8
Property, plant and equipment	15	68
Other current payables		(12)
Total identifiable net assets		64
Goodwill arising from the acquisition		35
Purchase consideration transferred		99

NKT New Solution and Technology Development Investment Joint Stock Company

On 7 June 2019, the Group obtained control of NKT New Solution and Technology Development Investment Joint Stock Company and its subsidiaries, operate in retail business in Vietnam, by additionally acquiring 51% of the total issued shares from 49.00% to 100.00% through an indirect subsidiary, for a total consideration of VND 2,659 billion (Baht 3,560 million) in cash of Baht 3,083 million and consideration payable Baht 478 million which recorded under other non-current liabilities. As a result, the Group's equity interest in NKT New Solution and Technology Development Investment Joint Stock Company and its subsidiaries increased from 39.95% to 81.53%.

During the period from acquisition date to 31 December 2019, NKT New Solution and Technology Development Investment Joint Stock Company and its subsidiaries contributed revenue of Baht 8,051 million and profit of Baht 38 million to the Group's results. If the acquisition had occurred on 1 January 2019, management estimates that consolidated revenue would have increased by Baht 7,032 million and consolidated profit for the year ended 31 December 2019 would have decreased by Baht 161 million.

The gain recognised as a result of remeasuring to fair value of the previously held equity interest in NKT New Solution and Technology Development Investment Joint Stock Company and its subsidiaries is determined as follows:

	(in million Baht)
Fair value of previously held equity interest	4,627
Carrying amount of previously held equity interest	4,522
Carrying amount of non-controlling interest	43
Gain recognised as a result of remeasuring to fair value of the	
previously held equity interest	62

The remeasurement to fair value of the Group's existing 49% interest in NKT New Solution and Technology Development Investment Joint Stock Company and its subsidiaries resulted in a gain of Baht 62 million which has been included in other income in the consolidated statement of comprehensive income for the year ended 31 December 2019.

Consideration transferred	(in million Baht)
Cash	3,083
Consideration payable	478
Fair value of pre-existing interest	4,627
Fair value of identifiable net assets	(4,031)
Goodwill arising from the acquisition	4,157

Identifiable assets acquired and liabilities assumed	Note	Fair value
		(in million Baht)
Cash and cash equivalents		472
Trade receivables		233
Other current receivables		371
Inventories		2,352
Investments in associates	11	1
Property, plant and equipment	15	1,151
Goodwill	18	78
Leasehold rights	19	415
Other intangible assets	20	1,811
Deferred tax assets	31	14
Other non-current assets		312
Bank overdrafts and short-term loans from		
financial institutions		(805)
Trade payables		(1,287)
Other current payables		(281)
Current tax payable		(15)
Long-term loans		(343)
Non-current provisions for employee benefits		(7)
Deferred tax liabilities	31	(419)
Other non-current liabilities		(22)
Total identifiable net assets received		4,031
Net cash acquired		472
Cash paid		(3,083)
Net cash outflows		(2,611)

Management believes that such business acquisitions will help expand the Group's business and better meet the target customer's group expectation, in addition to being great opportunities to expand the Group's customer base to the overseas.

(b) Acquisitions of non-controlling interests

In 2020

la Rinascente S.p.A.

In January 2020, the Group acquired an additional 1.3% interest in la Rinascente S.p.A. for Euro 10 million (Baht 342 million) in cash, increasing its ownership interest from 98.7% to 100%. The carrying amount of la Rinascente S.p.A.'s net assets in the Group's financial statements on the date of the acquisition was Baht 3,513 million. The Group recognised a decrease in non-controlling interests of Baht 46 million, a decrease in difference arising from acquiring of non-controlling interests of Baht 353 million, and an increase in the translating foreign operations of Baht 57 million attributable to owners of the Group of Baht 296 million of changes in the Group's ownership interest in la Rinascente S.p.A.

Central FamilyMart Co., Ltd.

In May 2020, the Group acquired an additional 49% interest in Central FamilyMart Co., Ltd., increasing its ownership interest from 51% to 100%. The carrying amount of Central FamilyMart Co., Ltd.'s net liabilities in the Group's financial statements on the date of the acquisition was Baht 998 million. The Group recognised an increase in non-controlling interests of Baht 489 million, a decrease in difference arising from acquiring of non-controlling interests of Baht 462 million, and a decrease in other components of equity of Baht 27 million attributable to owners of the Group of Baht 489 million of changes in the Group's ownership interest in Central FamilyMart Co., Ltd.

CR Udorn Thani (Thailand) Co., Ltd.

In July 2020, the Group acquired an additional 24% interest in CR Udorn Thani (Thailand) Co., Ltd. for Baht 77 million in cash, increasing its ownership interest from 75% to 99%. The carrying amount of CR Udorn Thani (Thailand) Co., Ltd.'s net assets in the Group's financial statements on the date of the acquisition was Baht 347 million. The Group recognised a decrease in non-controlling interests of Baht 83 million, an increase in difference arising from acquiring of non-controlling interests of Baht 6 million and decrease in other components of equity of Baht 0.4 million attributable to owners of the Group of Baht 6 million of changes in the Group's ownership interest in CR Udorn Thani (Thailand) Co., Ltd.

7 Related parties

Relationships with subsidiaries, associates and joint ventures are described in notes 1, 11 and 12. Other related parties that the Group had significant transactions with during the year were as follows:

Name of entities	Country of incorporation / nationality	Nature of relationships
Key management personnel	Thai	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise)
		of the Group
Harng Central Department Store Co., Ltd.	Thailand	Parent, 35% of shareholding and some common directors
Baby Kiko Sdn. Bhd.	Malaysia	Common parent
Bangna Department Store Co., Ltd.	Thailand	Some common directors
B2S Co., Ltd.	Thailand	Some common directors
Bangna Central Property Co., Ltd.	Thailand	Some common directors
Broadway Radio and Television Co., Ltd.	Thailand	Some common directors
C.D.S. Restaurant Co., Ltd.	Thailand	Some common directors
Centara Import-Export 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 Holding Co., Ltd.	Thailand	Some common directors
Central Insurance Services Limited	Thailand	Some common directors
Central Inter Pattana Co., Ltd.	Thailand	Some common directors
Central JD Commerce Co., Ltd.	Thailand	Some common directors
Central JD Money Co., Ltd.	Thailand	Some common directors
Central Pattana Chiangmai Co., Ltd.	Thailand	Some common directors
Central Pattana Chonburi Co., Ltd.	Thailand	Some common directors

Thailand

Some common directors

TeeNee WongSawang Limited

Name of entities	Country of incorporation / nationality	Nature of relationships	Name of entities	Country o incorporatio / nationalit	on y	f relationships	
Central Pattana Development Co., Ltd.	Thailand	Some common directors	Tiang Chirativat Real Estate Co., Ltd.	Thailand	Some con	nmon directors	
Central Pattana Khonkaen Co., Ltd.	Thailand	Some common directors	Vivi File Co., Ltd.	Thailand	Some con	nmon directors	
Central Pattana Nine Square Co., Ltd.	Thailand	Some common directors	Z Retail Tech Limited	Thailand	Some con	nmon directors	
Central Pattana Public Company Limited	Thailand	Some common directors					
Central Pattana Rama 3 Co., Ltd.	Thailand	Some common directors	The pricing policies for transactions with relations	ated parties are e	xplained furth	er below:	
Central Pattana Rattanatibeth Co., Ltd.	Thailand	Some common directors					
Central Pattana Realty Co., Ltd.	Thailand	Some common directors	Transactions	Pricing poli			
Central Payment Co., Ltd.	Thailand	Some common directors	Revenue from sale of goods			an the cost of g	
Central People Development Center Limited	Thailand	Some common directors	Interest income/interest expense			aving rates or fi	
Central Pinklao Department Store Co., Ltd.	Thailand	Some common directors				nancial institut	
Central Restaurants Group Co., Ltd.	Thailand	Some common directors				% per annum de	epending
Central Wealth Solution Co., Ltd.	Thailand	Some common directors			e cost of each		
Central WHA Alliance Co., Ltd.	Thailand	Some common directors	Rental and service income			les with a refer	rence to t
Central World Co., Ltd.	Thailand	Some common directors				fixed amount	
Cha Am Seaview Co., Ltd.	Thailand	Some common directors	Royalty income			revenue with a	
COL Public Company Limited	Thailand	Some common directors				in the agreement	ts
CPN Korat Co., Ltd.	Thailand	Some common directors	Sales promotion income/expense	Contractual	y agreed price	es i i i i i	
CPN Pattaya Co., Ltd.	Thailand	Some common directors	Utility income/expense		e plus marku	p which depen	ids on ea
CPN Rayong Co., Ltd.	Thailand	Some common directors		company			
CPN Residence Khon Kaen Co., Ltd.	Thailand	Some common directors	Management fee income/expense		margin alloca	te by headcou	int of ea
CRC Luxembourg S.a.r.l	Luxembourg	Common parent		company			
CRC Power Retail Co., Ltd.	Thailand	Some common directors	Rental and service expense		y agreed price		
CRC Property Company Limited	Thailand	Some common directors	Other income/expense		y agreed price		
CRG Manufacturing Co., Ltd.	Thailand	Some common directors	Key management personnel compensation			mination and re	emunerati
CRG International Food Co., Ltd.	Thailand	Some common directors		committee			
Dining Zensation Limited	Thailand	Some common directors	Dividend income/ dividend payment	Declared an	iount		
Evergrow Asia Limited	British Virgin	Common parent	Cianificant transactions for the second of 1	21 D	1		
C	Islands		Significant transactions for the years ended 3		*	es were as tollov	WS:
Federic World Sales Company Limited	Thailand	Some common directors		Consolid	ated	Separ	ate
Hold COL Limited	Thailand	Some common directors		financial stat		financial st	
Illum A/S	Denmark	Common parent	Year ended 31 December	2020	2019	2020	2019
Lagrange Estate	Italy	Common parent			(in millio	n Baht)	
MEB Corporation Co., Ltd.	Thailand	Some common directors	Parent				
OAL Holding Limited	British Virgin	Common ultimate parent	Rental and service income	24	31	-	
	Islands		Revenue from sales of goods	1	36	-	
Office Club (Thai) Co., Ltd.	Thailand	Some common directors	Other income	23	45	-	
Onward Holding Co., Ltd.	Thailand	Some common directors	Cost of sales of goods	1	33	-	
Overseas Fashion Ltd.	Thailand	Some common directors	Interest expense	82	-	-	
Overseas Fashions Joint Stock Company	Vietnam	Common parent	Rental and service expenses	36	552	-	
Prin Intertrade Co., Ltd.	Thailand	Some common directors	Sales promotion expenses	4	13	-	
Paton 1 Co., Ltd.	Thailand	Some common directors	Management fee expense	676	809	15	
Paton 3 Co., Ltd.	Thailand	Some common directors	Other expenses	182	166	1	
Peter and Jeannie Company Limited	Thailand	Some common directors					
Phuket Hill Resort Co., Ltd.	Thailand	Some common directors					
Ploen Ruedee Co., Ltd.	Thailand	Some common directors					
PT Central Retail Indonesia	Indonesia	Common parent					
Rina Estate Italia S.r.l.	Italy	Common parent					
	Thailand	Some common directors					
Suan Na Klua Co., Ltd.							
Suan Na Klua Co., Ltd. The 1 Central Limited		Some common directors					
The 1 Central Limited	Thailand	Some common directors Common parent					
		Some common directors Common parent Some common directors					

Enclosure

Year ended 31 December		lidated statements 2019	Sepa financial s 2020	
Teur enueu 51 December	2020	(in million I		2017
Subsidiaries				
Royalty income	-	-	275	297
Dividend income	-	-	3,213	32,576
Interest income	-	-	496	520
Management fee income	-	-	976	779
Other income	-	-	21	23
Interest expense	-	-	60	203
Rental and service expenses	-	-	3	9
Other expenses	-	-	16	23
Associates				
Rental and service income	123	129	-	-
Dividend income	95	253	90	189
Interest income	-	14	-	-
Other income	74	20	-	-
Joint ventures				
Rental and service income	104	118	-	-
Management fee income	72	81	1	-
Dividend income	-	46	-	-
Interest income	2	2	-	-
Other income	13	14	-	-
Rental and service expenses	3	5	-	-
Other related parties				
Rental and service income	533	717	-	-
Revenue from sales of goods	246	308	-	-
Sales promotion income	6	6	-	-
Utility income	59	66	-	-
Management fee income	173	192	1	4
Interest income	73	1	-	-
Gain on disposal fixed assets	11	2	-	-
Royalty income	17	23	17	22
Other income	212	91	2	-
Cost of sales of goods	155	181	-	-
Interest expense	404	-	-	-
Rental and service expenses	409	3,659	7	10
Sales promotion expense	90	119	-	-
Utility expenses	540	633	-	-
Management fee expense	176	197	-	1
Other expenses	213	284	3	8
Key management personnel	1.600	1 401	207	220
Short-term employee benefits	1,692	1,481	297	239
Post-employment benefits Termination benefits	61 5	52	13	7
remination benefits	5	6	-	-

Balances as at 31 December with related parties were as f	follows:
---	----------

	Consol		Sepa	
	financial s		financial st	
Trade receivables	2020	2019	2020	2019
		(in milli	on Baht)	
Parent	4	1	-	-
Subsidiaries	-	-	126	770
Associates	8	15	-	-
Joint ventures	12	13	-	-
Other related parties	255	231	4	5
	279	260	130	775
Less allowance for expected credit loss				
(2019: allowance for doubtful accounts)	(4)	(7)	(4)	(2)
Net	275	253	126	773
(Reversal of) expected credit losses (2019:				
Bad and doubtful debts expense) for the yea	r (4)	(
Dua una ababijar actis expense) for the yea	r (4)	6	(2)	

	Consolidated		Separate		
	financial st	tatements	financial statements		
Other current receivables	2020	2019	2020	2019	
		(in milli	on Baht)		
Parent	2	295	-	-	
Subsidiaries	-	-	95	254	
Associates	2	2	-	-	
Joint ventures	9	14	-	-	
Other related parties	319	725	2	16	
*	332	1,036	97	270	
Less allowance for expected credit loss					
(2019: allowance for doubtful accounts)	-	-	-	(3)	
Net	332	1,036	97	267	
Reversal of expected credit losses (2019: Bad					
and doubtful debts expense) for the year			(3)	(6)	

	Interest	1			Current portion of long- term	statements Decrease from business combination is achieved		nts ge 31
Short-term loans to	rate (% per	January	Increase	Decrease		in stages	rates	December
	annum)				(in millio	n Baht)		
2020 Joint ventures	2.00-4.50	35	7	-	-	-	-	42
Less allowance for expected credit loss								
Net		35						42
2019								
Associates	-	-		-	352	(333) (19)	
Joint ventures	5.00	35		-	-	-	-	35
Other related		65		(61	、 、		(4)	
parties	-	100	-	(61) -	-	(4)	35
Less allowance for doubtful		100						00
accounts		_						
Net		100						35
				Sep	arate finaı	icial statem		
					(Converting r	Effect of	
	Inter	est	1		(n exchange	31
Short-term loans to	rat		•	crease I	Decrease i			December
	(% per a		5			on Baht)		
2020 Subsidiaries	1.74-3	50 20	5,495 64	4,876	(67,726)	(245)	23	23,423
Less allowance for	1./4-3	.50 20	5,495 64	+,870	(07,720)	(245)	23	23,423
expected credit lo	oss		-					-
Net		2	6,495					23,423
2019								
Subsidiaries	1.80-4	.35 23	3,770 62	2,529	(59,782)	-	(22)	26,495
Less allowance for doubtful accounts							、 /	_
Net	,	2	3.770					26.495

		Consolidated financial statements Current portion			
		1	of long-term	31	
Long-term loans to	Interest rate	January	loan	December	
	(% per annum)		(in million Baht)		
2019 Associates Less allowance for doubtful accounts Net	-	352 	(352)		

26,495

23,770

Net

	Consol financial s	
Finance lease receivables	2020	2019
	(in millio	on Baht)
Other related party	2,177	-

	Consolidated financial statements	
Trade payables	2020	2019
	(in millio	on Baht)
Parent	1	2
Other related parties	90	159
Total	91	161

	Consolidated financial statements		Sepa financial s	
Other current payables	2020	2019	2020	2019
	(in million Baht)			
Parent	347	334	30	24
Subsidiaries	-	-	11	12
Joint ventures	6	2	-	-
Other related parties	961	9,057	1	8,260
Total	1,314	9,393	42	8,296

		S	Separate financial statements				
Short-term borrowings	Interest rate	1 January	Increase	Decrease	31 December		
	(% per annum)	-	(in millio	n Baht)			
2020 Subsidiaries	0.20-1.71	5,759	44,939	(41,421)	9,277		
2019 Subsidiaries	1.60	28,818	60,549	(83,608)	5,759		

	Consolidated financial statements		Sepa financial s	
Lease liabilities	2020	2019	2020	2019
	(in million Baht)			
Parent	2,777	-	-	-
Subsidiaries	-	-	26	-
Other related parties	11,257	-	19	-
Total	14,034	-	45	-

	С	onsolidated financ	ial statements	
Unearned lease income	1 January	Increase	Decrease	31 December
		(in million I	Baht)	
2020 Other related parties	5,782	-	(162)	5,620
<i>2019</i> Other related parties	5,347	990	(555)	5,782

ce financial statements enclosure	се	Financial	Statements	Enclosure
-----------------------------------	----	-----------	------------	-----------

	Conso financial s	lidated tatements	Sepa financial s	
Other non-current liabilities	2020	2019	2020	2019
		(in millio	on Baht)	
Parent	3	255	-	-
Subsidiaries	-	-	1	1
Associates	42	37	-	-
Other related parties	174	582	-	-
Total	219	874	1	1

Future minimum lease payments under	Consol financial s	tatements
non-cancellable operating leases	2020	2019
	(in millio	on Baht)
Within 1 year	-	2,869
1 - 5 years	-	7,262
After 5 years		5,796
Total	-	15,927

Guarantor for credit facilities

As at 31 December 2020, the Company acted as guarantor for credit facilities from financial institutions for its related parties totaling Baht 9,946 million (2019: Baht 11,570 million).

Significant agreements with related parties

Programs Sublicense Agreement

In January 2020, 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.

In March 2020, 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 has entered into warehouse management service agreements with related parties for a period of 1 year and 3 years. The related parties agreed to pay service fees as specified in the agreements. Either party may give advance written notice of termination by 90 days and 12 months.

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. The related parties agreed to pay rental and management fees at percentages of sales and/or size of occupied areas. Either party may give advance written notice for renew.

Rental and service agreements

The Group has entered into area rental and service agreements from related parties for a period of 1 - 10 years. The Group agreed to pay rental and service fees as specified in the agreements.

Car park rental agreements

The Group entered into car park rental agreements with related parties for a period of 29 - 30 years. The Group paid the compensation in advance as specified in the agreements and present as part of other non-current assets.

Member card service agreement

The Group has entered into member card service agreement "The 1 Card" with a related party. The said 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.

Trademark agreements

The Company entered into agreements to provide trademark rights to related parties. The related parties agreed to pay service fee at a percentage of net revenue as specified in the agreements.

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.

ance Corporate Governance

nance Financial Statements

ents Enclosure

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. The 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.

8 Cash and cash equivalents

	Consol financial st		Sepa financial st				
	financial statementsfinancial statements202020192020						
		(in mill	ion Baht)				
Cash on hand	825	1,062	-	-			
Cash at banks - current accounts	8,700	4,192	3,703	189			
Cash at banks - savings accounts	6,177	4,434	4,192	1,189			
Highly liquid short-term investments	210	385	-	-			
Total	15,912	10,073	7,895	1,378			

9 Other current receivables

	Consol financial s		Separate financial statements			
	2020	2019	2020	2019		
	(in million Baht)					
Revenue Department receivables	2,490	2,200	-	-		
Receivables from supplier	2,899	3,090	-	-		
Prepaid expenses	1,765	2,820	6	89		
Deferred promotion income	2,111	2,475	125	172		
Interest receivables	1	1	46	173		
Others	1,156	1,338	12	33		
	10,422	11,924	189	467		
Less allowance for expected credit loss	,	,				
(2019: allowance for doubtful accounts)	(293)	(185)	(9)	(20)		
Net	10,129	11,739	180	447		

10 Inventories

		olidated statements
	2020	2019
	(in milli	on Baht)
Merchandise	36,459	38,859
Goods in transit	622	887
Work in process	1	122
Raw material	2	51
Factory supplies and others	10	13
	37,094	39,932
Less allowance for shrinkage/obsolescence	(2,798)	(2,496)
Net	34,296	37,436
Inventories recognised as an expense in 'administrative expense':		
- (Reversal of) write-down to obsolescence and slow moving	531	(49)
- Write-down to shrinkage and damage inventories	969	1,117
Total	1,500	1,068

11 Investments in associates and joint ventures

	Т	0				Co	onsolidated fina	ancial state	ments	Disiden	4 :
	Type of business	Owne inte	-	Paid_ur	o capital	C	ost	Equity		Dividend income for the year	
	ousiness	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
		(%			on Baht)	_0_0	2017		ion Baht)	2020	2017
Direct associates		,	/	(,			1	/		
Central Watson Co., Ltd.	Retail	28.89	28.89	182	182	53	53	183	216	90	189
Indirect associates											
Associate under "NKT New Solution and											
Technology Development Investment											
Joint Stock Company"					ion VND)						
COL Vietnam Joint Stock Company	Retail	48.68	39.94	61,600	61,600	1	1	1	1	-	-
Associate under "Central Department Store											
Limited" and "Robinson Public Company											
Limited"				(in milli	on Baht)						
VAT Refund Center (Thailand) Company				,	,						
Limited	Service	49.60	38.46	30	30	14	14	7	10	-	-
Associate under "Central Marketing Group											
Co., Ltd."											
Samsonite (Thailand) Co., Ltd. ⁽¹⁾	Fashion	50.41	50.41	21	21	9	9	250	248	-	64
Associate under "Central Trading Co., Ltd."											
Kokuyo International (Thailand) Co., Ltd.	Fashion	24.00	24.00	10	10	2	2	42	42	5	_
Kokuyo mornationar (Thanand) Co., Ett.	1 asinon	27.00	27.00	10	10	2	2	74	72	5	-
Total associates						79	79	483	517	95	253

						C	onsolidated fi	nancial state	ements		
	Type of					:4		income			
	business	2020	2019	2020	2019	2020	Cost 2019	2020 E	quity 2019	2020	ne year 2019
			2019 %)		on Baht)	2020	2019		lion Baht)	2020	2019
Indirect joint ventures		(>	<i>.0)</i>	(111 11111	on buni)			(111 1111)	ion Duni)		
Joint ventures under "Central Department Store Limited"											
MUJI Retail (Thailand) Co.,Ltd. ⁽¹⁾	Retail	50.00	50.00	440	400	220	200	329	283	-	33
Luxury Goods (Thailand) Ltd.	Retail	25.00	25.00	300	300	75	75	203	134	-	13
Bottega Venata (Thailand) Ltd.	Retail	25.00	25.00	100	100	25	25	16	13	-	-
Central DFS Co., Ltd. ⁽¹⁾	Retail	51.00	51.00	71	71	36	36	-	16	-	-
				(in milli	on MYR)						
Morningbliss SDN. BHD.	Retail	49.00	49.00	0.1	0.1	-	-	-	-	-	-
Joint ventures under "Central Trading Co., Ltd." Sunglass Hut (Thailand) Co.,Ltd. ⁽¹⁾	Fashion	51.00	51.00	(in milli 85	ion Baht) 85	43	43	_	18	-	-
Total joint ventures						399	379	548	464		46
Total						478	458	1,031	981	95	299
	Туре о	of					Separate fi	nancial state	ements		
	busine	ss O	wnership int	erest	Paid-up c	apital	Cos	t	Dividend i	ncome for t	he year
			2020 20	019	2020	2019	2020	2019	2020	2	019
			(%)		(in million	Baht)		(in n	nillion Baht)		
Associates Central Watson Co., Ltd.	Retai	1 2		8.89	182	182	53	53	90		189
Total						_	53	53	90		189

⁽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 were incorporated and mainly operate in Thailand, except for COL Vietnam Joint Stock Company which was incorporated and mainly operates in Vietnam.

All joint ventures were incorporated and mainly operate in Thailand, except for Morningbliss SDN. BHD. which was incorporated and mainly operates in Malaysia.

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.

Investments in joint ventures

Acquisitions

During 2019, the Group made a new investment in 49.00% of the issued and paid up share capital of Morningbliss SDN. BHD., which is incorporated in Malaysia for a consideration of MYR 49,000, which became a joint venture of the Group.

Increase in share capital

During 2020, the Group made additional investments in MUJI Retail (Thailand) Co., Ltd. to increase share capital of 200,000 shares, amounting to Baht 20 million.

Disposals

During 2019, the Group made a new investment in 66.67% of the issued and paid up share capital of Porto Worldwide Limited, a holding company incorporated in Hong Kong for a consideration of Baht 4,105 million, which became a joint venture between the Group and Central Pattana Public Company Limited (CPN). The purpose of this joint venture is to invest 40% shareholding in Grabtaxi Holdings (Thailand) Co., Ltd.

In December 2019, the Group sold its entire 66.67% interest in this joint venture to a related party, for a consideration of Baht 4,271 million. Porto Worldwide Limited was no longer a joint venture of the Group as at 31 December 2019. The Group has the call option within three years after the closing date and the purchaser has put option within two years after the closing date. Price for both options equal to the sale price under the Share Purchase Agreement, adjusted for certain percentage and others, any additional investments in Porto Worldwide Limited made by the purchaser and agreed to by the Group and less by any dividends paid by Porto Worldwide Limited in the interim as specified in the agreement. The exercising of options may not result in either parties being in contravention of any relevant law or regulation and prior to exercising of options, the parties shall have obtained relevant corporate approval as required by the applicable laws from both parties.

12 Investments in subsidiaries

	Separate financial statements											
	Owner	1										d income
	inter		Paid-up		Co			irment	At cost			ie year
	2020	2019	2020 (in millio	2019	2020	2019	2020	2019 (in million	2020	2019	2020	2019
Direct subsidiaries	(70	9/	(in millio	т Бапі)				(in million	і Бапі)			
Central Department Store Limited	99.99	99.99	3,335	3,335	3,807	3,807	_	_	3,807	3,807	-	25,429
Mass Concept Company Limited	65.58	65.58	262	262	237	237	_	_	237	237	_	1,153
SSHD Co., Ltd.	99.99	99.99	255	255	257	255		-	257	257	-	2,853
PBHD Co., Ltd.	99.99	99.99	375	375	375	375		-	375	375	-	1,307
CRC Thaiwatsadu Co., Ltd.	99.99	99.99	5,430	5,430	5,429	5,429	_	_	5,429	5,429	-	1,507
Capital C Limited	99.99	99.99	26,800	13,800	26,815	13,815	-	-	26,815	13,815	-	-
Central Marketing Group Co., Ltd.	99.99 99.99	99.99 99.99	1,876	13,800	1,901	1,901	-	-	1,901	1,901	-	173
Central Group Online Limited	51.00	51.00	300	300	1,901	1,901	-	-	1,901	1,901	-	175
Cenergy Innovation Co., Ltd.	99.99	99.99	50	50	-	-	-	-	-	-	-	-
Robinson Public Company Limited	72.31	27.75	3,943	3,943	33,720	804	-	-	33,720	804	3,213	416
Robinson I done Company Ennited	72.31	21.15	(in millio	,	33,720	804	-	-	55,720	804	5,215	410
CRC Holland B.V.	100.00	100.00	(<i>in millo</i> 26	26 (n EOK	989	989			989	989		
	100.00	100.00			969	909	-	-	989	969	-	-
Central Global Service Joint			(in million	i VND)								
Stock Company	99.99	99.99	4.200	4.200	6	6	-	-	6	6	-	-
Stoon company			(in millio	,	0	Ũ			Ũ	0		
Hillborough Group Ltd.	100.00	100.00	527	527	17,255	17,255	-	-	17,255	17,255	-	-
Central US Trading Ltd.	100.00	100.00	-	-	3	3	-	-	3	3	-	-
	100.00	100.00			5	5			5	2		
Indirect subsidiaries			(in millio	n Baht)								
C.R.G. Service Co., Ltd. ⁽¹⁾	38.08	38.08	1,089	1,089	218	218	_	_	218	218	-	1,245
SFM Holding Company Limited ⁽¹⁾	25.00	99.99	1,805	436	3,575	3,560	_	_	3,575	3,560	-	-
Central Pet and Me Limited ⁽¹⁾	0.01	-	1,005	-	-	-	-	-	-	-	-	-
	0.01		(in thousa	nd EUR)								
Quinam B.V. ⁽¹⁾	0.69	-	(<i>in inousu</i> 18	-	269	-	_	-	269	-	-	-
Total	0.07		10		94,854	48,654			94,854	48,654	3,213	32,576
					71,001	-10,00-1			74,004	-0,00-	0,210	54,570

⁽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. (2019: Robinson Public Company Limited which was listed on the Stock Exchange of Thailand. Based on the closing price of Baht 66.00, the fair value of the Company's investment in Robinson Public Company Limited was Baht 20,339 million).

Acquisition

During 2020, the Company made an additional investment in Robinson Public Company Limited by share swap, amounting to Baht 32,916 million (see note 24).

During 2020, the Company made a new investment in Central Pet and Me Limited., amounting to Baht 100.

During 2020, the Company made an additional investment in Quinam B.V.by converting intercompany receivables amounting to Baht 269 million, consisting of short-term loans amounting to Baht 245 million and other current receivables amounting to Baht 24 million, into an investment in subsidiary (see note 7).

During 2019, the Company made a new investment in Central US Trading Ltd., amounting to Baht 3 million.

Increase in share capital

During 2020, the Company made payments for the increase in share capital of Capital C Limited of 11,120 shares, amounting to Baht 13,000 million.

During 2020, SFM Holding Company Limited issued share capital of 13,693,560 shares to the Company and Central Food Retail Co., Ltd. (100% indirectly owned by the Company), amounting to Baht 15 million and Baht 1,354 million respectively, as a result, the decreasing in the Company's direct ownership interest from 99.99% to 25.00% without effective change in the Group's ownership interest.

During 2019, the Company made payments for the increase in share capital of Hillborough Group Ltd. of 13,353,468 shares, amounting to Baht 4,235 million.

13 Non-controlling interests

The following table summarises the information relating to each of the Group's subsidiaries which has a material non-controlling interest, before any intra-group eliminations:

	Robinson Public Company Limited and its Subsidiaries 2019 (in million Baht)
Non-controlling interest percentage	46.18%
Ton controlling interest percontage	10.1070
Current assets	9,112
Non-current assets	22,003
Current liabilities	(9,332)
Non-current liabilities	(1,778)
Net assets (100%)	20,005
Carrying amount of non-controlling interest	9,238
Other individually immaterial subsidiaries	695
Intra-group eliminations	2,776
Total	12,709
Revenue	17,152
Profit	2,915
Other comprehensive income	(95)
Total comprehensive income (100%)	2,820
rotar comprehensive medine (10070)	
Profit allocated to non-controlling interest	1,346
Other individually immaterial subsidiaries	88
Intra-group eliminations	292
Total	1,726
Other comprehensive income allocated to non-controlling interest	(44)
Other individually immaterial subsidiaries	(7)
Intra-group eliminations	-
Total	(51)
Cash flows from operating activities	4,284
Cash flows used in investing activities	(4,426)
Cash flows used in financing activities	(520)
Dividends to non-controlling interest amounted to Baht 139 million	
Effect on exchange rate changes on balances held in foreign currencies	(4)
Net decrease in cash and cash equivalents	(666)

14 Investment properties

		lated atements	
	Note	2020	2019
		(in millior	1 Baht)
Cost			
At 31 December		16,734	16,030
Recognition of right-of-use assets on initial application			
of TFRS 16	3(b)	3,548	-
At 1 January - as adjusted		20,282	16,030
Additions		17	41
Transfer from property, plant and equipment and			
right-of use assets	15,16	1,802	1,093
Disposals		(14)	(31
Effect of movements in exchange rates		(11)	(399
At 31 December		22,076	16,734
Depreciation			
At 31 December		5,868	4,899
Recognition of right-of-use assets on initial application			
of TFRS 16	3(b)	1,618	-
At 1 January - as adjusted		7,486	4,899
Depreciation charge for the year		978	873
Transfer from (to) property, plant and equipment and			
right-of use assets	15,16	(180)	180
Disposals		(13)	(26
Effect of movements in exchange rates		(2)	(58
At 31 December		8,269	5,868
Net book value			
At 31 December		13,807	10,866

The fair value of investment properties as at 31 December 2020 of Baht 30,254 million (2019: Baht 31,254 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.

15 Property, plant and equipment

	Mada	Land and land improve-	Leasehold improve-	Building, construction and	Information system	ated financial sta Utility and building system	Furniture, fixtures and office	Vehicles	Assets under	Total
	Note	ments	ments	improvements	equipment	equipment (in million Baht)	equipment	venicies	construction	Total
Cost						(in million bani)				
At 1 January 2019		2,597	8,234	37,483	3,226	21,064	21,010	361	2,299	96,274
Additions		558	507	934	187	924	1,535	47	5,328	10,020
Acquired through business		550	507	254	107	724	1,555	/	5,520	10,020
combinations	6(a)	-	_	596	-	275	36	217	95	1,219
Transfers	0(11)		151	3,042	42	1,361	723	217	(5,319)	1,217
Transfer from (to)			101	5,042	72	1,501	125		(5,51))	
investment property	14	16	2	(785)	-	(263)	(2)	(8)	(53)	(1,093)
Disposals	1,	-	(293)	(343)	(159)	(325)	(1,316)	(41)	(46)	(2,523)
Effect of movements			(2)3)	(515)	(15))	(525)	(1,510)	(11)	(10)	(2,525)
in exchange rates		-	(474)	(99)	(67)	(143)	(412)	(14)	(49)	(1,258)
At 31 December 2019		3,171	8,127	40,828	3,229	22,893	21,574	562	2,255	102,639
Recognition of right-of-use		- ,			- ,	,., .			_,	, ,
assets on initial application										
of TFRS 16	3(b)	-	(136)	85	(71)	(111)	(529)	(2)	-	(764)
At 1 January 2020 - as	- (-)									
adjusted		3,171	7,991	40,913	3,158	22,782	21,045	560	2,255	101,875
Additions		18	254	672	241	1,061	989	14	5,085	8,334
Transfers		-	35	1,983	5	1,297	520	-	(3,840)	-
Transfer to investment				,		,				
property	14	(271)	(6)	(555)	-	(390)	-	-	(754)	(1,976)
Disposals		-	(2,314)	(314)	(442)	(757)	(3,174)	(45)	(70)	(7,116)
Effect of movements				. ,	` '	. ,		. ,	. /	
in exchange rates		-	472	(2)	61	24	348	-	3	906
At 31 December 2020		2,918	6,432	42,697	3,023	24,017	19,728	529	2,679	102,023

	Note	Land and land improve- ments	Leasehold improve- ments	Building, construction and improvements	Consolid: Information system equipment	ated financial sta Utility and building system equipment	atements Furniture, fixtures and office equipment	Vehicles	Assets under construction	Total
				1		(in million Baht)	1 1			
Depreciation and impairment losses						,,,,,,,,				
At 1 January 2019		2	6,210	16,464	2,806	14,810	16,565	276	-	57,133
Depreciation charge for the										
year		-	538	2,307	257	1,954	1,808	50	-	6,914
(Reversal of) impairment losses		-	(84)	10	2	17	(218)	-	-	(273)
Transfer from (to)			× /							~ /
investment property	14	-	7	(139)	-	(39)	(2)	(7)	-	(180)
Disposals		-	(229)	(247)	(152)	(253)	(1,031)	(39)	-	(1,951)
Effect of movements										
in exchange rates			(367)	(20)	(61)	(62)	(349)	(7)		(866)
At 31 December 2019		2	6,075	18,375	2,852	16,427	16,773	273	-	60,777
Recognition of right-of-use										
assets on initial application	20.)		$(0(\mathbf{c}))$		$(\mathbf{C}\mathbf{O})$	(10)	(205)			(570)
of TFRS 16	3(b)		(96)		(69)	(19)	(395)			(579)
At 1 January 2020 - as		2	5.070	10 275	2 792	16 400	16 279	273		<i>(</i> 0.100
adjusted Depreciation charge for the		2	5,979	18,375	2,783	16,408	16,378	275	-	60,198
year		1	440	1,819	204	1,682	2,178	58		6,382
Impairment losses		-	17	1,017	-	1,002	2,178	2	_	56
Transfer to investment			17	1		15	23	2		50
property	14	-	(6)	(106)	-	(90)	-	-	-	(202)
Disposals		-	(2,279)	(275)	(441)	(687)	(3,062)	(41)	-	(6,785)
Effect of movements				、 <i>,</i>	× /	、		、		())
in exchange rates		_	348	-	53	22	296	1		720
At 31 December 2020		3	4,499	19,814	2,599	17,348	15,813	293		60,369

	Land and land improve- ments	Leasehold improve- ments	Building, construction and improvements	Consolida Information system equipment	ated financial st Utility and building system equipment	atements Furniture, fixtures and office equipment	Vehicles	Assets under construction	Total
	(in million Baht)								
Net book value At 31 December 2019 Owned assets Assets under finance leases	3,169 	2,011 41 2,052	22,453 	376 1 377	6,314 152 6,466	4,668 133 4,801	289 	2,255 	41,535 327 41,862
At 31 December 2020 Owned assets	2,915	1,933	22,883	424	6,669	3,915	236	2,679	41,654

The gross amount of the Group's fully depreciated property, plant and equipment that was still in use as at 31 December 2020 amounting to Baht 37,738 million (2019: Baht 38,245 million).

Capitalised borrowing costs relating to the acquisition of the land and the construction of the new department store is amounted to Baht 8 million for the Group (2019: 17 million) with a capitalisation rate of 1.44% - 6.10% per annum (2019:1.53% - 6.90% per annum).

16 Right-of-use-assets

	Note	Land and land improvements	Building, construction and improvements	Information system equipment	inancial statements Furniture, fixtures and office equipment Ilion Baht)	Assets under construction	Total
Cost					,		
At 31 December 2019 - as reported		-	-	-	-	-	-
Recognition of right-of-use assets on initial							
application of TFRS 16	3(b)	21,960	79,682	71	528	76	102,317
At 1 January 2020 - restated		21,960	79,682	71	528	76	102,317
Additions		1,850	5,391	-	-	102	7,343
Acquired through business combinations	6(a)	73	-	-	-	-	73
Transfers		-	57	-	-	(57)	-
Transfer from (to) investment property	14	(301)	475	-	-	-	174
Disposals		(147)	(1,509)	(71)	(16)	-	(1,743)
Effect of movements in exchange rates		(16)	2,203			-	2,187
At 31 December 2020		23,419	86,299		512	121	110,351
Depreciation and impairment losses							
At 31 December 2019 - as reported		-	-	-	-	-	-
Recognition of right-of-use assets on initial application of TFRS 16	3(b)	5,004	28,827	70	395	-	34,296
At 1 January 2020 - restated	- (-/	5,004	28,827	70	395		34,296
Depreciation charge for the year		1,132	8,056	1	41	_	9,230
Impairment losses		-,	58	_	-	-	58
Transfer from (to) investment property	14	(13)	395	-	-	-	382
Disposals		(86)	(820)	(71)	(15)	-	(992)
Effect of movements in exchange rates		(3)	351	-	-	-	348
At 31 December 2020		6,034	36,867	-	421	-	43,322
<i>Net book value</i> At 31 December 2020							
Owned assets		17,385	49,432	_	91	121	67,029
		1,,000	.,		<i>)</i> 1		0,,020

		Separate financial statements Building, construction and improvements
	Note	(in million Baht)
Cost At 1 January 2020 - restated Additions At 31 December 2020	3(b)	36 40 76
<i>Depreciation and impairment losses</i> At 1 January 2020 - restated Depreciation charge for the year At 31 December 2020	3(b)	$\frac{\begin{array}{c} 12\\ 20\\ \hline 32 \end{array}}$
Net book value At 31 December 2020 Owned assets		4444

17 Leases

As a lessee

The Group leases a number of land, buildings and equipment for 2-54 years, with extension options at the end of lease term. The rental is payable monthly as specified in the contract.

During 2020, the Group leased land, buildings and equipment for 2-54 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.

Year ended 31 December 2020	Consolidated financial statements	Separate financial statements
	(in millio	n Baht)
Fixed payments	8,081	28
Variable payments	812	-
Total	8,893	28

	Consol financial st		Separate financial statements		
For the year ended 31 December	2020	2019	2020	2019	
		(in millio	n Baht)		
Amounts recognised in profit or loss					
Sub-lease income	132	-	-	-	
Depreciation of right-of-use assets:					
 Land improvement 	1,132	-	-	-	
- Buildings	8,056	-	20	-	
 Information system equipment 	1	-	-	-	
- Equipment	41	-	-	-	
Interest on lease liabilities	1,800	-	1	-	
Rental reduced by accounting relief	(505)	-	-	-	
Expenses relating to short-term leases	132	-	8	-	
Variable lease payments based on sales	812	779	-	-	
Lease expense	-	35	-	-	

In 2020, total cash outflow for leases of the Group and the Company were Baht 8,081 million and Baht 20 million, respectively.

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 leases, and reclassified related right-of-use assets to investment properties.

Maturity of lease receivables	Consolidated financial statements
	(in million Baht)
At 31 December 2020	
1 st year	674
2 nd year	109
3 rd year	9
4 th year	110
5 th year	10
After 5 years	4,159
Total	5,071

Minimum lease payments under non-concellable	Consolidated
operating lease are receivable	financial statements
	(in million Baht)
At 31 December 2019	
Within 1 year	530
Total	530

18 Goodwill

			lidated statements					
	Note	2020	2019					
		(in million Baht)						
Cost								
At 1 January		30,304	27,986					
Acquired through business combinations	6(a)	88	4,270					
Effect of movements in exchange rates		360	(1,952)					
At 31 December		30,752	30,304					
Impairment losses								
At 1 January		(2,804)	(2,804)					
At 31 December		(2,804)	(2,804)					
Net book value								
At 31 December		27,948	27,500					

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 NKT New Solution and Technology Development Multiple units Quinam B.V. and its Investment Joint Stock without significant								
	la Rinasce	nte S.p.A	subsid	diaries	Company and i	ts subsidiaries	good	lwill	Т	otal
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
					(in millio	on Baht)				
At 1 January	4,340	4,777	18,600	19,929	4,117	-	443	476	27,500	25,182
Acquired through business combinations Effect of foreign currency	-	-	88	35	-	4,235	-	-	88	4,270
exchange differences	405	(437)	(36)	(1,364)	(8)	(118)	(1)	(33)	360	(1,952)
At 31 December	4,745	4,340	18,652	18,600	4,109	4,117	442	443	27,948	27,500

The recoverable amount of this CGU was based on fair value less costs of disposal, 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.

	Consolidated financial statements					
			Quinam B.	V. and its		ion and Technology restment Joint Stock
	la Rinascente S.p.A.		subsidiaries		Company and its subsidiaries	
	2020	2019	2020	2019	2020	2019
				(%)		
Discount rate	9.00	9.65	10.00	10.00	10.00	10.75
Terminal value growth rate	0.50	0.00	6.00	4.00	6.00	4.00

ents Enclosure

20 Other intangible assets

The discount rate was a post-tax measure estimated based on the historical industry average weightedaverage cost of capital, with a possible debt leveraging of 75% at a market interest rate of 4.42% for la Rinascente S.p.A., a possible debt leveraging of 49.6% at a market interest rate of 4.65% for Quinam B.V. and its subsidiaries, and a possible debt leveraging of 67% at a market interest rate of 5.92% for NKT New Solution and Technology Development Investment Joint Stock Company and its subsidiaries.

The cash flow projections included specific estimates for five 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, consistent with the assumptions that a market participant would make.

Budgeted EBITDA was estimated taking into account past experience, adjusted as follows.

- Revenue growth was projected taking into account the average growth levels experienced over the past five years and the estimated sales volume and price growth for the next five years. It was assumed that the sales price would increase in line with forecast inflation over the next five years.
- 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.

The estimated recoverable amount of the CGU exceeded its carrying amount by approximately Euro 239 million (2019: Euro 302 million) for la Rinascente S.p.A., VND 52,193 billion (2019: VND 16,252 billion) for Quinam B.V. and its subsidiaries, and VND 183 billion (2019: VND 32 billion) for NKT New Solution and Technology Development Investment Joint Stock Company 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.

	Quinam B.V. and its la Rinascente S.p.A. subsidiaries				NKT New Solution and Technology Development Investment Joint Stock Company and its subsidiaries		
	2020	2019	2020	2019	2020	2019	
				(%)			
Discount rate	5.80	12.19	4.81	2.17	0.11	0.03	

19 Leasehold rights

		Consol financial s	
	Note	2020	2019
		(in milli	on Baht)
At 31 December		21,042	20,758
Recognition of leasehold rights on initial application of TFRS 16	3(b)	(21,042)	-
At 1 January - as adjusted		-	20,758
Acquired from business acquisition	6(a)	-	415
Addition		-	1,595
Disposal		-	(14)
Amortisation		-	(1,667)
Reversal of impairment loss		-	18
Effect of movement in exchange rates		-	(63)
At 31 December		-	21,042

No	Consolidated financial statements Trademarks System Software and develop-Asset under Note licenses franchise ment installment Total				
NO	e neenses		tillion Baht)	Instannent	Total
Cost		(111 111	union Duniy		
At 1 January 2019	1,323	3,662	1,614	276	6,875
Acquired through business					
combinations 6(a)		1,735	-	-	1,811
Additions	352	2 1	101 173	394	849
Transfers Disposals	25 (40)	(88)	(159)	(199) (19)	(306)
Effect of movements in	(40)	(00)	(159)	(19)	(300)
exchange rates	(28)	(215)	(21)	-	(264)
At 31 December 2019	1,708	5,097	1,708	452	8,965
Additions	524	2	122	439	1,087
Transfers	441	-	44	(485)	-
Disposals	(83)	(19)	(152)	(24)	(278)
Effect of movements in	11	119	22	1	154
exchange rates At 31 December 2020	2.601	5,199	23	383	<u> </u>
At 51 December 2020	2,001		1,743		3,920
Amortisation and impairment losses					
At 1 January 2019	755	338	1,153	26	2,272
Amortisation for the year	180	42	201	-	423
(Reversal of) impairment					
loss	(3)	(10)	(2)	12	(3)
Disposals	(15)	(49)	(154)		(218)
Effect of movements in	()	()	()		()
exchange rates	(17)	(1)	(17)	-	(35)
At 31 December 2019	900	320	1,181	38	2,439
Amortisation for the year	251	38	184	-	473
(Reversal of) impairment					
loss	1	280	(12)	-	269
Disposals	(53)	(17)	(52)	-	(122)
Effect of movements in	(20)	(-/)	()		()
exchange rates	11	1	15	-	27
At 31 December 2020	1,110	622	1,316	38	3,086
Net book value					
At 31 December 2019	808	4,777	527	414	6,526
At 31 December 2020	1,491	4,577	429	345	6,842
AUST DECEMBER 2020	1,771		(45		0,042

The amortisation of other intangible assets and impairment loss are recognised in selling and administrative expense in the statement of comprehensive income.

21 Interest-bearing liabilities

	Consolidated financial statements					
	Commod	2020 2019				Total
	Secured	Unsecured	Total (in millio	Secured	Unsecured	Total
Bank overdrafts	-	-	-	3,547	-	3,547
Short-term loans from financial				-,		-,,
institutions	10,888	20,737	31,625	10,427	37,130	47,557
Current portion of long-term	,	,	<i>,</i>	,	,	,
borrowings	1,795	968	2,763	428	-	428
Current portion of lease liabilities (2019: Current portion of finance lease						
liabilities)	-	6,471	6,471	-	31	31
Long-term borrowings	8,999	20,493	29,492	9,395	-	9,395
Lease liabilities (2019: Finance lease liabilities)	_	51,566	51,566	_	197	197
Total interest-bearing			<u>,</u>			-
liabilities	21,682	100,235	121,917	23,797	37,358	61,155

		Separate financial statements						
			2020			2019		
	Note	Secured	Unsecured	Total	Secured	Unsecured	Total	
				(in millio	on Baht)			
Short-term loans from								
financial institutions		3,000	16,885	19,885	2,000	34,890	36,890	
Short-term loans from								
related parties	7	-	9,277	9,277	-	5,759	5,759	
Current portion of long-								
term borrowings		1,500	-	1,500	-	-	-	
Current portion of lease		, i i i i i i i i i i i i i i i i i i i		,				
liabilities (2019:								
Current portion of								
finance lease								
liabilities)		-	22	22	-	-	-	
Long-term borrowings		-	17,376	17,376	1,500	-	1,500	
Lease liabilities (2019:					,		,	
Finance lease liabilities,)	-	23	23	-	-	-	
Total interest-bearing								
liabilities		4,500	43,583	48,083	3,500	40,649	44,149	

As at 31 December 2020, the Group had unutilised credit facilities from financial institutions totaling Baht 83,654 million (2019: Baht 83,452 million).

As at 31 December 2020, the Company had unutilised credit facilities from financial institutions totaling Baht 45,238 million (2019: Baht 40,631 million).

As at 31 December 2020, the Group had short-term loans from financial institutions representing promissory notes, packing credits, letters of credit and trust receipts which will be repayable within 2021. Interest was charged at rates from 0.15% to 4.45% per annum (2019: 0.40% to 7.00% per annum).

As at 31 December 2020, 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 10 years which will be expired in 2029. Interest was charged at rates from 2.01% to 6.00% per annum (2019: 0.85% to 6.95% 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 2020, the Company had short-term loans from financial institutions representing promissory notes repayable within 2021. Interests was charged at rates from 0.75% to 1.78% per annum (2019: 1.40% to 1.90% per annum).

As at 31 December 2020, the Company had long-term loan agreements with local financial institutions, which were repayable as stipulated in the agreements which will be expired in 2023. Interest was charged at rates from 2.01% to 2.50% per annum (2019 :2.50% per annum). The loans are guaranteed by a subsidiary. 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.

Assets pledged as security for liabilities as at 31 December	0.0000	lidated statements
	2020	2019
	(in milli	on Baht)
Fixed deposit	1,480	1,384
Inventories	-	1,163
Investment properties	1,579	543
Property, plant and equipment	52	61
Total	3,111	3,151

22 Other current payables

		lidated statements	Separate financial statements	
	2020	2019	2020	2019
		(in milli	ion Baht)	
Rental and service payable	4,125	3,691	16	6
Accrued operating expenses	4,980	4,608	41	56
Accrued other tax expense	2,369	4,809	35	1,829
Deposits and advances received	1,744	1,613	-	-
Payable for purchase of assets	1,889	1,635	2	1
Accrued bonus	857	1,246	80	115
Payable for acquisition of subsidiaries	359	-	-	2
Dividend payable	-	12,187	-	12,187
Others	160	158	45	21
Total	16,483	29,947	219	14,217

Separate

23 Non-current provisions for employee benefits Consolidated financial statements financial statements

	infancial statements		mancial	statements		
	2020 2019		2020	2019		
	(in million Baht)					
Defined benefit plan	2,228	2,467	113	109		

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.

Present value of the defined benefit obligations	Consolidated financial statements 2020 2019			arate statements 2019
	2020	= + - >	on Baht)	2019
At 1 January	2,467	1,681	109	42
Include in profit or loss: Current service costs and interest on obligation Past service cost	254	291 375	13	4
	254	666	13	14
Included in other comprehensive income Actuarial (gain) loss				
- Demographic assumptions	125	(2)	1	-
- Financial assumptions	(450)	359	(16)	11
- Experience adjustment	339	27	14	43
Effect of movements in exchange rates	30			
	44	384	(1)	54
Benefit paid	(537)	(264)	(8)	(1)
At 31 December	2,228	2,467	113	109
	Consolidated Separate			
Principal actuarial assumptions	financial s			statements
	2020	2019	2020	2019
	0 65 4 0 0	1.	%)	
Discount rate	0.65-1.99	0.65-1.5	1.71	1.5
Future salary growth	4.0-5.0	5.0-8.0	4.0	5.0-8.0

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2020, the weighted-average duration of the defined benefit obligation was 15 years (2019:9 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	Consolidated financial statements				
Effect to the defined benefit obligation	<i>n</i> 1% increase in assumption 1% decrease in assur			assumption	
At 31 December	2020	2019	2020	2019	
	(in million Baht)				
Discount rate	(169)	(194)	198	228	
Future salary growth	190	213	(165)	(187)	

	Separate financial statements				
Effect to the defined benefit obligation	1% increase in assumption 1% decrease in		assumption		
At 31 December	2020	2019	2020	2019	
	(in million Baht)				
Discount rate	(6)	(6)	7	7	
Future salary growth	7	7	(6)	(6)	

24 Share capital

	Par value	2020		201	9
	per share	Number	Amount	Number	Amount
	(in Baht)		(million shares	/ million Baht)	
Authorised shares					
At 1 January					
 ordinary shares 	10	-	-	470	4,700
- ordinary shares	1	6,320	6,320	-	-
Reduction in par value					
- from Baht 10 to Baht 1	1	-	-	4,700	4,700
Increase of new shares	1	-	-	1,620	1,620
At 31 December		-			
- ordinary shares	1	6,320	6,320	6,320	6,320
Issued and naid up shaves					
Issued and paid-up shares					
At 1 January	10			470	4 700
- ordinary shares	1	4 700	4 700	470	4,700
- ordinary shares	1	4,700	4,700	-	
Reduction in par value	1			4 700	1 700
- from Baht 10 to Baht 1	1	-	-	4,700	4,700
Increases of new shares	1	1,331	1,331		
At 31 December					
- ordinary shares	1	6,031	6,031	4,700	4,700

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

rmance Corporate Governance

Governance Financia

Financial Statements Enclosure

Initial public offering

(L)

The Company offered 1,691 million ordinary shares which consist of (1) 1,331 newly issued ordinary shares (2) 360 existing ordinary shares offered by Hawthorn Resources Limited. The new shares were placed at a price of Baht 42 per share (par value of Baht 1 plus a premium of Baht 41) for which the Company received Baht 22,986 million and received ordinary shares of Robinson Public Company Limited (ROBINS) by offering share swap amounting to Baht 32,916 million, totaling Baht 55,902 million before deduction of expenses from the placement. The shares of the Company began trading on the Stock Exchange of Thailand ("SET") on 20 February 2020.

Expenses directly attributable to the IPO of Baht 781 million were deducted from the IPO's share premium, which was received from shares offering to investors, resulted in net share premium of Baht 53,790 million.

Tender Offer - Robinson Public Company Limited

At the Board of Director's meeting of the Company held on 25 July 2019, pursuant to the business restructuring of the subsidiaries and affiliates, the directors approved to make a tender offer to purchase all shares in Robinson Public Company Limited ("ROBINS") held by other shareholders and proposed to purchase at Baht 66.50 per share by issue new ordinary shares of the Company as consideration for the Conditional Exchange Offer, the newly issued ordinary share price at Baht 42 per share.

Tender offer period started from 27 December 2019 to 3 February 2020. After the completion of tender offer, the Company, the Tender Offer of ROBINS accepted the shares offered for sale in 494,976,571 shares. As a result, the Company has increasing in investments in subsidiaries and equity in amounting to Baht 32,916 million, the direct shareholding in ROBINS increased from 27.75% to 72.31%, resulting to total shareholding included direct and indirect shareholding in ROBINS increased from 53.82% to 98.39% of the total issued and paid up shares of the Company.

The carrying amount of ROBINS's net assets in the Group's financial statements on the date of the acquisition was Baht 19,173 million. The Group recognised a decrease in non-controlling interests of Baht 11,036 million and a decrease in other equity of Baht 21,880 million.

Change in par value

On 6 September 2019, the Company changed in par value of the Company's ordinary shares from Baht 10 per share to Baht 1 per share. The Company has already registered the change of par value and newly issue of 1,620 million ordinary shares amounting to Baht 1,620 million as approved by Board of Director's meeting of the Company with the Ministry of Commerce. Therefore, the Company's ordinary shares have been changed from 470 million shares, par value at Baht 10 per share to 6,320 million shares, par value at Baht 1 per share.

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

Share premium on treasury shares

The share premium on treasury shares represents the accumulated surplus on sale of treasury shares, net of any deficits on sale or cancellation of treasury shares. The surplus on treasury shares is not available for dividend distribution.

25 Reserves

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

Other components of equity

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss or directly included in the initial cost or other carrying amount of a non-financial asset or non-financial liability.

Fair value reserve of 2020

The fair value reserve comprises the cumulative net change in the fair value of equity securities designated at FVOCI.

Fair value reserve of 2019

The fair value changes in available-for-sale investments account within equity comprises the cumulative net change in the fair value of available-for-sale investments until the investments are derecognised or impaired.

26 Segment information and disaggregation of revenue

Management determined that the Group has three reportable segments which are the Group's strategic divisions offer different products and services and cater to different and various needs of customers, but together offer a complete retail experience to consumers. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

Segment 1 Fashion	Operating fashion business mostly under department store format in Thailand and overseas
Segment 2 Food Products Segment 3 Hardline	Operating food retailing such as supermarket and convenience store Operating hardline retailing including consumer electronic, construction material and home products

Each segment's performance is measured based on segment earnings before interest, taxes, depreciation and amortisation "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.

	Consolidated financial statement Fashion Food Products Hardline To							
								otal
For the year ended 31 December	2020	2019	2020	2019	2020	2019	2020	2019
				(in millior	i Bant)			
<i>Information about reportable segments</i> External revenues	50.910	70.260	76 657	82.027	52 774	51.0(2	190 250	204 250
	50,819	70,269	76,657	82,927	52,774	51,063	180,250	204,259
Inter-segment revenue	9,022	49,253	2,697	2,369	859	2,183	12,578	53,805
Total segment revenue	59,841	119,522	79,354	85,296	53,633	53,246	192,828	258,064
Disaggregation of revenue								
Primary geographical markets								
Thailand	41,982	54,900	46,345	53,944	41,633	43,148	129,960	151,992
Italy	8,616	14,907	-	-	-	-	8,616	14,907
Vietnam	124	273	30,310	28,970	11,141	7,915	41,575	37,158
Others	97	189	2	13	-	-	99	202
Total revenue	50,819	70,269	76,657	82,927	52,774	51,063	180,250	204,259
Major products/service lines								
Sale of goods	46,222	64,280	74,684	80,492	52,232	50,583	173,138	195,355
Rental services	3,872	4,976	1,415	1,674	311	329	5,598	6,979
Rendering services	555	913	441	629	216	132	1,212	1,674
Investing	170	100	117	132	15	19	302	251
Total revenue	50,819	70,269	76,657	82,927	52,774	51,063	180,250	204,259
Timing of revenue recognition		< - • • •						
At a point in time	46,947	65,293	75,242	81,253	52,463	50,734	174,652	197,280
Over time	3,872	4,976	1,415	1,674	311	329	5,598	6,979
Total	50,819	70,269	76,657	82,927	52,774	51,063	180,250	204,259
Segment profit (loss) before taxes	(3,968)	9,440	2,147	2,550	1,278	2,865	(543)	14,855
Segment profit before interest, taxes, depreciation and	(-,,,,,,,)	-,	_,	_,	-,_ / 0	_,	(0.10)	- ,,
amortisation	7,011	15,458	7,734	5,823	4,220	4,533	18,965	25,814
Other income	2,426	3,917	8,756	8,063	2,880	3,214	14,062	15,194
Interest income	170	97	117	132	15	19	302	248
Interest expense	1,662	732	706	194	582	159	2,950	1,085
Depreciation and amortisation	9,317	5,286	4,881	3,079	2,360	1,509	16,558	9,874

Consolidated financial statement							
Fashion		Food	Food Products Har		ardline		Total
2020	2019	2020	2019	2020	2019	2020	2019
			(in million	1 Baht)			
132	346	-	-	-	45	132	391
(765)	1,768	(1)	497	(118)	230	(884)	2,495
324	(39)	45	(254)	15	-	384	(293)
304	8	963	966	233	94	1,500	1,068
1,031	980	-	-	-	1	1,031	981
117,491	78,328	71,982	64,100	49,707	41,077	239,180	183,505
126,393	103,102	30,236	23,974	26,836	18,910	183,465	145,986
	2020 132 (765) 324 304 1,031 117,491	2020 2019 132 346 (765) 1,768 324 (39) 304 8 1,031 980 117,491 78,328	Fashion Food 2020 2019 2020 132 346 - (765) 1,768 (1) 324 (39) 45 304 8 963 1,031 980 - 117,491 78,328 71,982	Fashion Food Products 2020 2019 2020 2019 (in million 132 346 - - (765) 1,768 (1) 497 324 (39) 45 (254) 304 8 963 966 1,031 980 - - 117,491 78,328 71,982 64,100	FashionFood ProductsHa20202019202020192020(in million Baht)132346(765)1,768(1)497(118)324(39)45(254)1530489639662331,031980117,49178,32871,98264,10049,707	Food ProductsHardline202020192020201920202019202020192020201920192019(in million Baht)13234645(765)1,768(1)497(118)230324(39)45(254)15-3048963966233941,0319801117,49178,32871,98264,10049,70741,077	$\begin{array}{c c c c c c c c c c c c c c c c c c c $

ements Enclosure

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.

	Consolidated financial statements						
Geographical information	Reve	enues	Non-current assets				
	2020	2019	2020	2019			
	(in million Baht)						
Thailand	129,960	151,992	106,586	77,098			
Italy	8,616	14,907	30,406	9,891			
Vietnam	41,575	37,158	24,667	20,140			
Other countries	99	202	9,313	9,611			
Investments in associates and joint ventures	-	-	1,031	981			
Total	180,250	204,259	172,003	117,721			

Major customer

For the years 2020 and 2019, the Group had no customers with revenue greater than 10% of the Group's revenues.

27 Other income

		lidated statements	Separate financial stateme		
	2020	2019	2020	2019	
		(in millio	n Baht)		
Promotional and advertising income	7,216	7,513	97	115	
Logistic and distribution income	2,560	2,816	-	-	
Net gain on foreign exchange	659	60	24	-	
Utilities income	483	561	-	-	
Royalty income	302	455	291	320	
Management fee income	259	296	-	-	
Income sharing	206	344	-	-	
Reversal of impairment of assets	-	293	-	-	
Gain on sales of investments	-	189	-	-	
Reversal of allowance for doubtful accounts	4	-	2	25	
Others	2,373	2,667	29	29	
Total	14,062	15,194	443	489	

Impact from a fire incidence as a result of political demonstration

On 16 December 2011, the Group filed a law suit against an insurance company related to a fire incident at Zen Department Store. The Group claimed indemnity from Industrial All Risks policy included interest and punitive damages for the Group itself and/or The Bureau of the Crown Property. As at 31 December 2018, the Group and the insurance company appealed to the Supreme Court. During 2019, the Group received the compensation from the insurance company totaling Baht 3,283 million which have been recognised in profit or loss.

28 Selling expenses

	Conso	lidated
	financial	statements
	2020	2019
	(in milli	on Baht)
Depreciation	14,716	8,479
Employee benefit	12,756	14,859
Utilities	4,101	4,500
Marketing and promotion	3,418	3,880
Rental and service expense	785	8,997
Others	4,738	5,137
Total	40,514	45,852

29 Administrative expenses

	Consolidated financial statements		1	arate statements
	2020	2019	2020	2019
		(in millio	n Baht)	
Employee benefit	5,650	6,076	604	572
Management fee	2,028	2,346	15	10
Loss from shrinkage and obsolescence	1,500	1,067	-	-
Technology service expenses	1,151	737	6	3
Depreciation and amortisation	932	656	34	8
Professional	577	592	68	48
Maintenance	465	508	-	-
Impairment loss	390	-	-	-
Rental and service expense	381	804	11	19
Other tax expenses	35	544	-	-
Others	3,465	3,150	124	129
Total	16,574	16,480	862	789

30 Employee benefit expenses

		Consol financial s		Separate financial statements				
	Note	2020	2019	2020	2019			
		(in million Baht)						
Wages and salaries		14,512	15,227	466	364			
Bonus		828	1,700	47	125			
Defined benefit plans	23	254	666	13	14			
Defined contribution plans		168	164	13	11			
Others		2,695	3,321	65	58			
Total		18,457	21,078	604	572			

Defined contribution plans

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 3% to 15% of their basic salaries and by the Group at rates ranging from 3% to 5% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

Income tax recognised in profit or loss			Consolidated financial statements 2020 2019			arate statements 2019
			(in r	nillion l	Baht)	
Current tax expense Current year Under provided in prior years		706 1	,		-	21
Deferred tax expense Movements in temporary differences		<u>(1,591)</u> (884)	· · · · · ·		(1) (1)	<u>3</u> 24
	D	2020			2019	
Income tax		1 4.1				Net of it tax
псоте шх	tux	benefit				
Recognised in other comprehensive income			(<u> </u>	
Defined benefit plan actuarial losses	(14)	4	(10)	(384) 77	(307)
Cash flow hedges reserve	(12)	3	(9)	-		-
				-	-	
Total	(112)	24	(88)	(384) 77	(307)
	Current tax expense Current year Under provided in prior years Deferred tax expense Movements in temporary differences <i>Income tax</i> Recognised in other comprehensive income Defined benefit plan actuarial losses	Current tax expense Current year Under provided in prior years Deferred tax expense Movements in temporary differences Income tax Before tax Recognised in other comprehensive income Defined benefit plan actuarial losses Cash flow hedges reserve Financial assets at FVOCI	Income tax recognised in profit or loss financial 2020 Current tax expense 706 Under provided in prior years 1 Deferred tax expense (1,591) Movements in temporary differences (1,591) Income tax Consolid 2020 Before Tax benefit Income tax tax Deferred tax expense (1,591) (884) 2020 Before Tax benefit Income tax tax benefit 1 Recognised in other comprehensive income (14) Defined benefit plan actuarial losses (14) Cash flow hedges reserve (12) 3 Financial assets at FVOCI (86) 17	Income tax recognised in profit or loss financial statemen 2020 2019 Current tax expense (in r Current year 706 2,51 Under provided in prior years 1 11 Deferred tax expense (1,591) (2 Movements in temporary differences (1,591) (2 Expense (1,591) (2 Before Tax Net of Income tax tax benefit Movements in temporary differences (in million) Deferred tax expense (1,591) (2 Movements in temporary differences (in million) (in million) Before Tax Net of Income tax tax benefit tax Defined benefit plan actuarial losses (14) 4 (10) Cash flow hedges reserve (12) 3 (9) Financial assets at FVOCI (86) 17 (69)	Income tax recognised in profit or loss financial statements 2020 (in million) Current tax expense Current year 706 2,581 Under provided in prior years 1 130 Deferred tax expense Movements in temporary differences (1,591) (216) (884) 2,495 2 Consolidated financial s 2020 2019 Before Tax Net of Before Tax Net of Before Tax Net of Defined benefit plan actuarial losses (14) 4 Cash flow hedges reserve (12) 3 Financial assets at FVOCI (86) 17	Income tax recognised in profit or loss financial statements 2020 financial statements 2020 financial statements 2020 Current tax expense Current year 706 2,581 - Under provided in prior years 1 130 - Deferred tax expense Movements in temporary differences (1,591) (216) (1) (884) 2,495 (1) Consolidated financial statements 2020 2019 Income tax tax benefit tax Before Tax Net of Before Tax Income tax tax benefit tax benefit Defined benefit plan actuarial losses (14) 4 (10) (384) 77 Cash flow hedges reserve (12) 3 (9) - - Financial assets at FVOCI (86) 17 (69) - -

	Separate financial statements							
	2020							
	Before	Tax	Net of	Before	Tax	Net of		
	tax	expense	tax	tax	benefit	tax		
	(in million Baht)							
Defined benefit plan actuarial gain								
(losses)	1	-	1	(54)	11	(43)		
Financial assets at FVOCI	6	(1)	5	-	-	-		
Total	7	(1)	6	(54)	11	(43)		

Reconciliation of effective tax rate		ements 2019		
	Rate	020 (in million	Rate	(in million
	(%)	Baht)	(%)	Baht)
Profit (loss) before tax expense		(543)		14,855
Income tax using the Thai corporation tax rate	20	(109)	20	2,971
Effect of different tax rates in foreign jurisdictions		(192)		136
Difference in effective tax rate of		× /		
investments in associates and joint ventures		(26)		(35)
Income not subject to tax		(247)		(698)
Expenses not deductible for tax purposes		153		114
Recognition of previously unrecognised tax losses		(65)		(94)
Current year losses for which no deferred tax				
asset was recognised		733		272
Deferred tax asset in prior year which recognised in				
this period		(168)		(5)
Expenses with additional deduction for tax purposes		(964)		(296)
Under provided in prior years		1		130
Total	162.80	(884)	16.80	2,495
Reconciliation of effective tax rate	S	eparate financ	cial statem	ents

Keconculation of effective lax rate	Separate miancial statements					
	2	2020	2	2019		
	Rate	(in million	Rate	(in million		
	(%)	Baht)	(%)	Baht)		
Profit before tax expense		3,774		33,052		
Income tax using the Thai corporation tax rate	20	755	20	6,610		
Income not subject to tax		(661)		(6,553)		
Expenses not deductible for tax purposes		1		-		
Expenses with additional deduction for tax purposes		(597)		(1)		
Recognition of previously unrecognised tax losses		-		(32)		
Current year losses for which no deferred tax						
asset was recognised		501		-		
Total	-	(1)	-	24		

Corporation tax rate in other countries

Countries of the Group's subsidiaries using significantly different corporation tax rate from the Company are Italy, Malaysia, France and Hong Kong which use corporate income tax rates of 27.9%, 24%, 28%-33.33% and 16.50%, respectively.

Consolidated financial statements						
Ass	sets	Liabilities				
2020	2019	2020	2019			
(in million Baht)						
3,877	1,915	(3,164)	(3,526)			
(495)	(311)	495	311			
3,382	1,604	(2,669)	(3,215)			
	Ass 2020 3,877 (495)	Assets 2020 2019 (in millio 3,877 1,915 (495) (311)	Assets Liab 2020 2019 2020 (in million Baht) 3,877 1,915 (3,164) (495) (311) 495			

	Separate financial statements					
Deferred tax	Ass	sets	Liab	oilities		
At 31 December	2020	2019	2020	2019		
	(in million Baht)					
Total	17	18	(2)	-		
Set off of tax	(2)	-	2	-		
Net deferred tax assets (liabilities)	15	18	-	-		

				Consolid		ial statements		
					(Charged	l) / Credited		
						to:		
			Impact on			Other	Effect of	
		At 31	changes in	At 1		comprehen-	movements	
		December-	accounting	January-	Profit	sive	in exchange	At 31
Deferred tax	Note	reported	policy	restated	or loss (in million I	income Raht)	rates	December
2020					(in million L	Junij		
Deferred tax assets								
Trade and other current								
receivables								
(allowance for								
expected credit loss)	3(a)	88	(7)	81	40	_	2	123
Inventories (allowance	5(u)	00	(\prime)	01	40	_	2	125
for decline in value)		467		467	34		4	505
		407	-	407	54	-	4	303
Loans to other parties								
(allowance for								
expected credit loss)		-	-	-	19	-	-	19
Property, plant and								
equipment								
(allowance for								
impairment)		37	-	37	15	-	-	52
Right-of-use assets								
(allowance for								
impairment)	3(b)	8	467	475	490	-	17	982
Derivatives	- (-)	-	-	-	-	3	-	3
Non-current provisions						2		2
for employee								
benefits		469	-	469	(54)	4	5	424
Loss carry forward		17	_	17	621	-	4	642
Others			-			-		
		829		829	283		15	1,127
Total		1,915	460	2,375	1,448	7	47	3,877
Deferred tax liabilities								
Financial assets								
measured at FVOCI								
(increase in fair								
value)	3(a)		(297)	(297)		17		(280)
	S(u)	-	(297)	(297)	-	1 /	-	(280)
Property, plant and								
equipment		(210)		(210)			(4)	(225)
(depreciation gap)		(219)	-	(219)	(7)	-	(1)	(227)
Fair value from								
business combination								
(fair value)		(3,199)	-	(3,199)	671	-	-	(2,528)
Others	3(b)	(108)	500	392	(521)			(129)
Total		(3,526)	203	(3,323)	143	17	(1)	(3,164)
Net		(1,611)	663	(948)	1,591	24	46	713

		0.010.01	idated financial s) / Credited to:	tatements	
		(enaiged)	Other		
	At 1	Profit or	comprehensive	Business	At 31
Deferred tax	January	loss	income	acquisition	December
			(in million Baht		
2019				,	
Deferred tax assets					
Trade and other accounts					
receivable (allowance for					
doubtful accounts)	121	(33)	-	-	88
Inventories (allowance for					
decline in value)	432	35	_	-	467
Loans to other parties					
(allowance for doubtful					
accounts)	10	(10)	-	-	-
Property, plant and equipment					
(allowance for impairment)	86	(49)	-	-	37
Leasehold rights <i>(allowance)</i>		()			
for impairment)	11	(3)	-	-	8
Non-current provisions for		(-)			
employee benefits	305	87	77	-	469
Loss carry forward	119	(102)	-	-	17
Others	683	132	-	14	829
Total	1,767	57	77	14	1,915
Deferred tax liabilities					
Property, plant and equipment					
(depreciation gap)	(206)	(13)	-	-	(219)
Fair value from business	()	~ /			()
combination (fair value)	(2,952)	172	-	(419)	(3,199)
Others	(108)	-	-	-	(108)
Total	(3,266)	159	-	(419)	(3,526)
Net	(1,499)	216	77	(405)	(1,611)

	Separate financial statements						
					(Charged)	/ credited to:	
			Impact on			Other	
		At 31	changes in	At 1		comprehen-	
		December-	accounting	January-	Profit or	sive	At 31
Deferred tax	Note	reported	policy	restated	loss	income	December
				(in millio	on Baht)		
2020							
Deferred tax assets							
Trade and other current receivables (allowance							
for expected credit loss)	3(a)	4	(2)	2	-	-	2
Non-current provisions	()		()				
for employee benefits		14	-	14	1	-	15
Total		18	(2)	16	1		17
Deferred tax liabilities							
Financial assets measured at FVOCI (increase in							
fair value)	3(a)		(1)	(1)		(1)	(2)
Total			(1)	(1)		(1)	(2)
Net		18	(3)	15	1	(1)	15

			Other		
	At 1		comprehensive	At 31	
Deferred tax	January	Profit or loss	income	December	
		(in milli	on Baht)		
2019					
Deferred tax assets					
Trade and other accounts receivable					
(allowance for doubtful accounts)	9	(5)	-	4	
Non-current provisions for employee					
benefits	1	2	11	14	
Total	10	(3)	11	18	
	0 0 0 0	lidated	Separ		
Unrecognised deferred tax assets		statements	financial st		
	2020	2019	2020	2019	
		(in milli	on Baht)		
Loss carry forward	2,051	1,134	915	415	

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.

32 Basic earnings per share

	Conso	lidated	Separate		
	financial	statements	financial	statements	
	2020	2019	2020	2019	
		(in million Baht /	million shares)	
Profit attributable to ordinary shareholders					
for the year ended 31 December	46	10,633	3,774	33,028	
Number of ordinary shares outstanding					
at 1 January	4,700	470	4,700	470	
Effect of the change in par value	-	4,230	-	4,230	
Effect of shares issued on 20 February 2020	1,149	-	1,149	-	
Weighted average number of ordinary					
shares outstanding	5,849	4,700	5,849	4,700	
Basic earnings per share (in Baht)	0.01	2.26	0.65	7.03	

On 6 September 2019, the Company changed in par value of the Company's ordinary shares from Baht 10.00 per share to Baht 1.00 per share. As a result, the weighted average number of ordinary shares which was used in the computation of basic earnings per share for the year ended 31 December 2019 was restated for comparative purpose, as if the change of the par value occurred in the previous periods.

On 20 February 2020, the Company issued new ordinary shares (see note 24).

33 Dividends

The shareholders/Board of Directors of the Company have approved dividends as follows:

	Approval date	Payment schedule	Dividend rate per share	No. of share (in million	Amount
			(Baht)	shares)	(in million Baht)
2019					
Interim dividend	10 December 2019	December 2019 to	0.90	4,700	4,230
		January 2020			
Interim dividend	14 November 2019	December 2019	5.96	4,700	28,012
Annual dividend	30 April 2019	May 2019	8.50	470	3,995
Total	*	÷			36,237

34 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. It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value

		Consoli	dated financial	statements			
	Carrying	amount			Fair	value	
	Financial	Financial					
	instruments	instruments					
Hedging	measured at	measured at					
instruments	FVTPL	FVOCI	Total	Level 1	Level 2	Level 3	Total
			(in mi	illion Baht)			
-	215	-	215	215	-	-	215
-	-	1,603	1,603	-	-	1,603	1,603
12	-	-	12	-	12	-	12
			Separate fin	ancial stater	nents		
	Carrying	amount				value	
	Financial	Financial					
	instruments	instruments					
Hedging	measured at	measured at					
instruments	FVTPL	FVOCI	Total	Level 1	Level 2	Level 3	Total
			(in mi	illion Baht)			
	instruments - - 12 Hedging	Hedging instrumentsFinancial instruments measured at FVTPL-215 -12-12-Carrying Financial instruments measured at	Carrying amountFinancial instruments measured at FVTPLFinancial instruments measured at FVOCI-215 - 1,60312-Label{eq:colspan="2">Carrying amount Financial instruments measured atHedgingFinancial measured at	Carrying amountFinancialFinancialinstrumentsinstrumentsHedging instrumentsmeasured atFVTPLFVOCITotal-215215-1,60312-215-12Separate finCarrying amountFinancialFinancialInstrumentsinstrumentsHedging instrumentsFVTPLFVTPLFVOCITotal	Financial instruments measured at fVTPLFinancial instruments measured at FVOCITotal tevel 1-215 (in million Baht)-215 1,603-215 1,60312-12-Separate financial instruments instruments measured atHedging measured atFinancial measured at	Carrying amountFair -Financial instrumentsFinancial instrumentsFinancial instrumentsFair -Hedging instrumentsFVTPLFVOCITotalLevel 1Level 2-215-215215215-2152151,6031,603121212-12Separate financial instrumentsFair -Hedging instrumentsFinancial instrumentsFinancial instrumentsFair -Hedging instrumentsFVTPLFVOCITotalLevel 1Level 2FVTPLFVOCITotalLevel 1Level 2	Carrying amount Financial instrumentsFair valueHedging instrumentsFVTPLFVOCITotalLevel 1Level 2Level 3-215-TotalLevel 1Level 2Level 3-215-2151,6031,6031,60312-1212-1,603Separate financial instrumentsSeparate financial instrumentsFair valueHedging instrumentsFinancial measured at FVTPLFinancial instrumentsFinancial instrumentsLevel 1Level 2Level 3

Corporate Governance

Financial Statements Enclosure

	Consolidated financial statements					
	Carrying amount	6				
		Level 1	Level 2	Level 3	Total	
	(in million Baht)					
31 December 2019 Financial assets measured at						
<i>fair value</i> Debt securities held for trading	196	196	-	-	196	

Financial instruments measured at fair value

Type Equity instruments	Valuation technique The fair value of non-listed unit trusts is estimated based on the net asset value at the reporting date.
Derivatives	The fair value of derivatives is obtained from quoted market prices in active markets, where available. Fair values of derivatives in an illiquid market are obtained using an average price (quoted from several reliable sources), valuation technique and a benchmark price of instruments which have similar characteristics, as appropriate.

(b) Financial risk management policies

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(b.1) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, 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 26.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment, credit limits and delivery terms and conditions are offered.

The following table provides information about the exposure to credit risk and ECLs for trade receivables.

	Consolidated fina	ncial statements Allowance for
At 31 December 2020	Trade receivables	expected credit loss
	(in millio	n Baht)
Within credit terms	2,930	2
Overdue:		
Less than 3 months	1,059	14
3 - 6 months	233	22
6 - 12 months	294	73
Over 12 months	345	180
Total	4,861	291
Less allowance for expected credit loss	(291)	
Net	4,570	

	Separate financial statements					
	-	Allowance for				
At 31 December 2020	Trade receivables	expected credit loss				
	(in millio	on Baht)				
Within credit terms	56	-				
Overdue:						
Less than 3 months	22	-				
3 - 6 months	13	-				
6 - 12 months	4	-				
Over 12 months	35	4				
Total	130	4				
Less allowance for expected credit loss	(4)					
Net	126					

Loss rates are based on actual credit loss experience over the past three years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

ce Corporate Governance

ance Financial Statements Enclosure

	Consolidated financial	Separate financial
Trade receivables	statements	statements
	(in millio	on Baht)
At 31 December 2019		
Within credit terms	2,818	675
Overdue:		
Less than 3 months	1,389	28
3-6 months	166	7
6-12 months	119	6
Over 12 months	128	59
Total	4,620	775
Less allowance for doubtful accounts	(237)	(2)
Net	4,383	773

The normal credit term granted by the Group ranges from 30 days to 60 days.

Movement of allowance for expected credit loss of trade receivables		Consolidated financial statements	Separate financial statements
l	Note	(in millio	n Baht)
At 1 January 2020 - restated 3	(a.2)	207	6
Addition		89	-
Reversal		-	(2)
Write-off		(4)	-
Effect of movements in exchange rates		(1)	-
At 31 December 2020	_	291	4

(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 Group considers the counterparties which are banks and financial institutions, to have low credit risk.

(b.1.3) Guarantees

The Group's policy is to provide financial guarantees only for subsidiaries' liabilities. At 31 December 2020, the Group has issued a guarantee to certain banks in respect of credit facilities granted to subsidiaries (see note 7).

(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 are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

	Consolidated financial statements Contractual cash flows More than				
	Comming	1	1 years but	More than	
	Carrying	1 year	less than 5		T-4-1
	amount	or less	years million Baht	5 years	Total
4.21 D 1 2020		(1)	і типоп Бапі)	
At 31 December 2020					
Non-derivative financial liabilities					
Short-term loans from financial					
institutions	31,625	31,625	-	-	31,625
Trade payables	31,569	31,569	-	-	31,569
Other current payables	16,483	16,483	-	-	16,483
Long-term borrowings	32,255	2,763	29,087	405	32,255
Lease liabilities	58,037	7,230	23,885	47,218	78,333
	169,969	89,670	52,972	47,623	190,265
Derivative financial liabilities					
Interest rate swaps	12	12	-		12
	12	12			12
At 31 December 2019					
Loans payable - financial					
institutions	60,927	59,375	1,526	26	60,927
Financial lease liabilities	228	31	38	159	228
	61,155	59,406	1,564	185	61,155

	Separate financial statements Contractual cash flows More than 1 years but					
	Carrying	1 year	less than 5	More than		
	amount	or less	years	5 years	Total	
	(in million Baht)					
At 31 December 2020						
Non-derivative financial liabilities						
Short-term loans	29,162	29,162	-	-	29,162	
Other current payables	219	219	-	-	219	
Long-term borrowings	18,876	1,500	17,376	-	18,876	
Lease liabilities	45	22	23	-	45	
	48,302	30,903	17,399		48,302	
At 31 December 2019 Loans payable - financial						
institutions	38,390	36,890	1,500	-	38,390	
Loans payable - related parties	5,759	5,759	-	-	5,759	
	44,149	42,649	1,500	-	44,149	

formance Corporate G

Corporate Governance Financi

Financial Statements Enclosure

(b.3) Market risk

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivatives for speculative or trading purposes.

(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					
		2020			2019	
Exposure to foreign						
currency at 31 December	USD	Others	Total	USD	Others	Total
			(in millio	on Baht)		
Cash and cash equivalents	-	3	3	50	9	59
Trade and other current						
receivables	64	30	94	36	3	39
Trade and other current						
payables	(606)	(289)	(895)	(621)	(339)	(960)
Net exposure	(542)	(256)	(798)	(535)	(327)	(862)
						·

	Separate financial statements					
		2020	•		2019	
Exposure to foreign						
currency at 31 December	USD	EUR	Total	USD	EUR	Total
			(in milli	on Baht)		
Cash and cash equivalents	-	1	1	-	1	1
Trade and other accounts						
receivable	5	3	8	5	15	20
Short-term loans to						
related parties	42	-	42	42	221	263
Net exposure	47	4	51	47	237	284

(b.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because debt securities and loan interest rates are mainly fixed. The Group is primarily exposed to interest rate risk from its borrowings (see note 21). The Group mitigates this risk by ensuring that the majority of its debt securities and borrowings are at fixed interest rates and uses derivatives, principally interest rate swaps, to manage exposure to fluctuations in interest rates on specific debt securities and borrowings.

		Conse	olida	nted	Sepa	arate
Exposure to interest rate risk at 31 December		financial statements		financial statements		
		2020		2019	2020	2019
				(in millio	n Baht)	
Financial instruments with fixed in	nterest					
rates		0.047		()((07 (14	27 (04
Financial assets		8,047		6,266	27,614	27,684
Financial liabilities		(87,061)	_	(14,584)	(19,222)	(44,149)
T () ()		(79,014)		(8,318)	8,392	(16,465)
Interest rate swaps		(1,659)	_	-		-
		(80,673)	-	(8,318)	8,392	(16,465)
T						
Financial instruments with variable	le interest					
<i>rates</i> Financial assets		215		196		
Financial liabilities				(46,571)	(20.061)	-
Financial hadinties		(34,856)	_		(28,861)	
Interact rate aware		(34,641) 1,659		(46,375)	(28,861)	-
Interest rate swaps				-	(20.0(1))	
		(32,982)	—	(46,375)	(28,861)	
	Consolidated financial statements					
		Maturity period				
				After 1	.) p	
	Effective			year but		
	interest	Withi	n	within	After	
At 31 December 2019	rate	1 year	r	5 years	5 years	Total
	(% per ann				ion Baht)	
Financial Assets	. 1	,		,	,	
Loans receivable - related parties	5.00	35	5	-	-	35
Loans receivable - other parties	6.25	5	5	-	-	5
Total		40)	-	-	40
			_			
Financial Liabilities						
Loans payable - financial institutions	0.40 - 7.0	0 59,375	5	1,526	26	60,927
Financial lease liabilities	1.58 - 11.9	93 31		38	159	228
Total		59,406	5	1,564	185	61,155
		Separa	ite f	inancial sta		
					ty period	
	E CC			After 1		
	Effective			year but		
	interest	Within	1	within 5	After 5	
At 31 December 2019	rate	year		years	years	Total
	(% per ann	um)	_	(in mill	ion Baht)	
Financial Assets	1.00 4.20	0. 10	.			26 405
Loans receivable - related parties	1.80 - 4.35	- ,				26,495
Total		26,495)	-	-	26,495

					· · · · · · · · · · · · · · · · · · ·
Financial Liabilities					
Loans payable - financial institutions	1.40 - 2.50	36,890	1,500	-	38,390
Loans payable - related parties	1.60	5,759	-	-	5,759
Total		42,649	1,500		44,149

rnance Financial Statements

tements Enclosure

Interest rate swap contract

On 28 July 2020, the Group entered into an interest rate swap agreement for a long-term loan amounted of EUR 45 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.

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed-rate financial assets or financial liabilities, at FVTPL. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonable possible change of 1 % in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Consolidated financial statement Profit or loss		
	1% increase in	1% decrease in	
At 31 December 2020	interest rate	interest rate	
	(in millio	on Baht)	
Financial instruments with variable interest rate	330	(330)	
Cash flow sensitivity	330	(330)	
	Separate finan Profit	cial statements or loss	
	1% increase in	1% decrease in	
At 31 December 2020	interest rate	interest rate	
	(in millio	on Baht)	
Financial instruments with variable interest rate	289	(289)	
Cash flow sensitivity	289	(289)	

35 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

36 Commitments with non-related parties

		Consolidated financial statements		
	2020	2019		
	(in millio	(in million Baht)		
Capital commitments				
Land	-	5		
Buildings and other constructions	1,329	1,114		
Leasehold right	-	690		
System development	11	106		
Furniture, fixtures and office equipment	13	22		
Total	1,353	1,937		

	0.01000	lidated statements
	2020	2019
	(in milli	on Baht)
Future minimum lease payments under non-cancellable operating leases		· · · · ·
Within 1 year	57	3,591
1 - 5 years	16	12,898
After 5 years	-	31,226
Total	73	47,715
Other commitments		
Unused letters of credit for goods and supplies	1,941	1,654
Bank guarantees	1,572	897
Forward contract	-	57
Total	3,513	2,608

37 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 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 constructed store from a related party. The related party was served with claims by third parties regarding the permits under which it constructed the store in Italy. 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. The hearing was held on 18 June 2020. On 9 September 2020, the judgement was issued by the Board of the Council of State which rejected the action for the nullity of the acts advanced by the counterparties. The building permit was issued validly and legally subject to the authority of Municipality of Rome. However, there are still pending disputes relating to the challenge against the building permit in respect of the counter of the building permit and the claim for indemnification before the Administrative Regional Court. The hearings for these cases have not been scheduled yet and it is impossible to reasonably estimate the potential impact. Management believes the claims are unlikely to succeed and a provision for future payments is not necessary.

Tax assessment in Italy

The Group received an assessment from the Italian Tax Authority in relation to VAT for the fiscal year 2013 and 2014. During the year 2019, the Provincial Tax Court of Milan judged in flavor to the Group. However, the Italian Tax Authority appealed to the Provincial Tax Court of Milan during the year 2020. In November 2020, the Group signed the closure of all litigations with a mediation agreement with the Italian Tax Authority, resulting in VAT payment in an amount of Euro 730 thousand plus an interest of Euro 110 thousand with no penalties. Such amounts were already recorded in the consolidated financial statement for the year ended 31 December 2020. With this signed agreement, the Group will no longer receive an assessment from the Italian Tax Authority in relation to this matter.

Corporate Governance

Financial Statements Enclosure

38 Events after the reporting period

COVID-19 pandemic

As disclosed in note 5, the Group has elected to apply accounting guidance on temporary accounting relief measures for additional accounting options in response to impact from the situation of coronavirus pandemic (COVID-19). The guidance expired on 31 December 2020. However, The COVID-19 pandemic continued subsequent to the expiration of the guidance as increasingly affected cases were found and spread all over Thailand. As the situation is highly uncertain and fluid, it is currently not possible to determine the impact of the continued pandemic, government measures and roll out of the vaccination on the business of the Group. Management is closely monitoring the situation and managing to lessen the impact as much as possible.

Acquisition of COL Public Company Limited

At the Board of Director's meeting held on 14 September 2020 resolved to approve the business acquisition of COL Public Company Limited ("COL"), at a price of Baht 19 per share, by PBHD Limited ("the offeror"), by means of a tender offer for all securities of COL after the shareholders of COL and the Stock Exchange of Thailand ("SET") approve to delist such securities from SET. At the Extraordinary general shareholder's meeting of COL held on 21 October 2020 resolved to approve the delisting of the shares from SET.

After the completion of tender offer on 5 February 2021, the Group, the Tender Offeror of COL accepted the shares offered for sale in 638,241,100 shares. As a result, the Group has investments in COL amounting to Baht 12,126.58 million or 99.73% shareholding of the total issued and paid up shares in COL. The Group expects that the acquisition process will be completed within the first quarter of 2021.

Dividend payment

At the Board of Director's meeting of the Company held on 25 February 2021, the directors approved the appropriation of annual dividends based on the operating profit for the year 2020 of Baht 0.4 per share, amounting to Baht 2,412 million. The dividend will be paid to shareholders during 2021.

39 Thai Financial Reporting Standards (TFRS) not yet adopted

Conceptual Framework for Financial Reporting

The Conceptual Framework for Financial Reporting contains updated definitions of an asset and a liability and updated criteria for including assets and liabilities in financial statements. In addition, new concepts and guidance have been added on the following topics:

- (a) measurement, including factors to be considered when selecting a measurement basis;
- (b) presentation and disclosure, including when to classify income and expenses in other comprehensive income;
- (c) derecognition of assets and liabilities; providing guidance on when assets and liabilities are removed from financial statements.

The Conceptual Framework also clarifies the roles of stewardship, prudence and measurement uncertainty in financial reporting. The amendment in the Conceptual Framework resulted in amendments of reference to the Conceptual Framework in several TFRS, i.e. TAS 1, TAS 8, TAS 34, TAS 37, TAS 38, TFRS 2, TFRS 3, TFRS 6, TFRIC 20, TFRIC 22 and TSIC 32.

Amendments to TFRS 3 on Definition of a Business

The amendment clarifies the definition of a business, with the objective of assisting entities to determine whether a transaction should be accounted for as a business combination or as an asset acquisition. The amendments:

- (a) provide an option for an entity to simply assess whether a transaction is a business combination, by using the concentration test. If substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets, the transaction shall be accounted for as an asset acquisition. However, if the concentration test is not met or the entity chooses not to use the concentration test, the entity shall further assess whether the transaction is a business combination by considering inputs, processes and outputs. The entity can choose to apply the test on a transaction-by-transaction basis.
- (b) clarify that to be considered a "business", an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs; this can be explained in 2 cases:
 - if an acquirer does not acquire an output at the date of acquisition, the transaction is deemed as a business combination if substantive process together with inputs are acquired and can generate outputs. An acquired process is substantive if it is critical to the ability to develop or convert an input into outputs, and the entity acquired an organised workforce that has the necessary skills, knowledge or experience to perform that process, and other inputs that an organised workforce could develop or convert into outputs
 - if an acquirer acquires an output at the date of acquisition, the transaction is deemed as a business combination if the entity acquires both substantive process and an organised workforce that has the necessary skills, knowledge or experience to perform that process, and the entity is able to continue producing outputs when combining the acquired inputs with the process
- (c) remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs; and
- (d) narrow the definitions of a business and of outputs by focusing on goods and services provided to customers and by removing the reference to an ability to reduce costs.

Amendments to TAS 1 and TAS 8 on Definition of Material

The new definition states that information is material if, omitting, misstating or obscuring it could reasonably be expected to influence decision that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity. The amendment also makes consequential amendments to a number of other standards, i.e. TAS 8, TAS 10, TAS 34 and TAS 37.

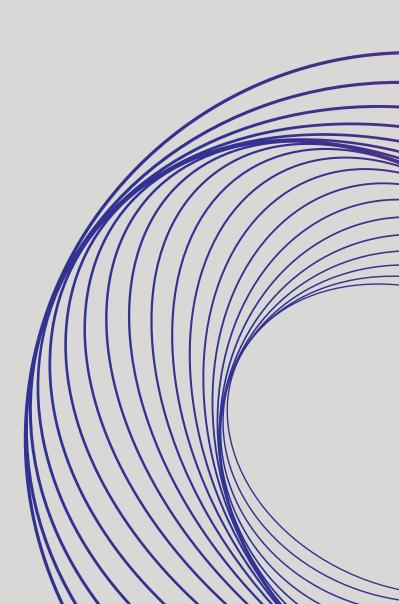
Amendments to TFRS 16 on COVID-19-related rent concessions

The amendment to TFRS 16 provides an option for lessees not to assess whether COVID-19-related rent concessions are lease modifications, but to directly decrease the lease liability. The impact from the application of the option shall be adjusted to retained earnings on 1 January 2021 and no adjustments are to be made on comparative financial statements. Management is currently considering whether or not to elect to apply the option.

Management is currently assessing the potential impact of such Thai Financial Reporting Standards not yet adopted which is not expected to result in a material impact to the Group.



Enclosure



Enclosure 1

Details of Directors, Executives, Controlling Person, Person in charge of Finance and Accounting, Head of Controller and Company Secretary

1. Details of Directors, Executives, Controlling Person, Person in charge of Finance and Accounting, Head of Controller and Company Secretary

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



Dr. Prasarn Trairatvorakul

Age 68 years Chairman

Date of Appointment as a Director Education

- 6 September 2019 Present
- 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 in Business Administration, Harvard University, Massachusetts, USA.
- Doctor of Business Administration, Harvard University, Massachusetts, USA

Training Programs

- Role of the Chairman Program (RCP) 2/2001, Thai Institute of Directors Association
- Director Certification Program (DCP) 21/2002, Thai Institute of Directors Association
- Ethical Leadership Program (ELP) 2/2015, Thai Institute of Directors Association
- Board Nomination and Compensation Program (BNCP) 5/2018, Thai Institute of Directors Association
- IT Governance and Cyber Resilience Program (ITG) 15/2020, Thai Institute of Directors Association

Board Member/Management in Other Listed Company

- 2016 Present Chairman / Independent Director, Pruksa Holding Public Company Limited
- 2018 Present Independent Director, Siam Cement Public Company Limited
- 2020 Present Chairman / Independent Director, SCG Packaging Public Company Limited

Position in Other Company/Organization/Institution

2 Companies 10 Organizations

Experiences

1999 - 2003Secretary-General,
Securities and Exchange Commission of Thailand2004 - 2010President, Kasikornbank Public Company Limited2010 - 2015Governor, Bank of Thailand2015 - 2019Member, Committee to Enhance Competitiveness of the Nation2017 - 2019Member, Education Reform Committee2017 - 2019Chairman, Public Procurement Committee2017 - 2019Chairman, Economic Reform Committee

Shareholdings (Ordinary Shares) (as at 31 December 2020)

- Held personally : -None-
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives -None-Meeting attendance in 2020

- Annual General Meeting of Shareholders 2020 1/1
- The Board of Directors meeting

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)



Mr. Suthichai Chirathivat

Age 80 years Vice Chairman

Date of Appointment as a Director Education

6 September 2019 - Present

- Diploma in Civil Engineering, Kingston College of Technology, UK
- Honorary Doctorate Degree in Business Administration, Chiang Rai Rajabhat University Training Programs

Training Programs

- Director Accreditation Program (DAP) 55/2006, Thai Institute of Directors Association
- Role of the Chairman Program (RCP), Thai Institute of Directors Association

Board Member/Management in Other Listed Company

- 1993 Present Vice Chairman, Central Plaza Hotel Public Company Limited
- 2000 Present Chairman, Central Pattana Public Company Limited

Position in Other Company/Organization/Institution

87 Companies

Experiences

2009 - 2013 Chairman of the Supervisory Board, Central Group of Companies Company Limited

Shareholdings (Ordinary Shares) (as at 31 December 2020)

- : 0.095%
- Held by spouse or minor children : 0.623%

Family Relationship among Directors and Executives

- Elder Brother of (1) Mr. Suthikiati 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 2020

• Held personally

- Annual General Meeting of Shareholders 2020
 1/1
- The Board of Directors meeting

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)



Mr. Suthikiati Chirathivat

Age 78 years Vice Chairman

Date of Appointment as a Director Education

6 September 2019 - Present

Experiences

- Diploma in Mechanical Engineering, South West Essex Technical College, UK
- Bachelor of Arts in Political Science, Ramkamhaeng University
- Master of Arts in Political Science, Ramkamhaeng 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, Ramkamhaeng University

Training Programs

- Director Accreditation Program (DAP) 68/2008, Thai Institute of Directors Association
- Diploma, The Joint State-Private Sectors Class 1, Thailand National Defense College
- Diploma, The Modern Management Course Class 1, Thailand National Defense College

Board Member/Management in Other Listed Company

- 2002 Present Director, Central Pattana Public Company Limited
- 2004 Present Chairman, Central Plaza Hotel Public Company Limited
- 2009 Present Chairman and Chairman of the Executive Committee, Bangkok Post Public Company Limited

Position in Other Company/Organization/Institution

66 Companies

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 Advises to Chairman of the Constitutional Court

- 2014 2015 Advisor to Chairman of the Constitutional Court, Constitutional Court of Thailand
- 2014 2016 Honorary Advisor, Thai Hainanese Trade Association

Shareholdings (Ordinary Shares) (as at 31 December 2020)

Held personally

- : 0.644%
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives

- Younger Brother of Mr. Suthichai Chirathivat
- Elder Brother of (1) Prof.Dr. Suthipand 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 2020

- Annual General Meeting of Shareholders 2020
 1/1
- The Board of Directors meeting 9/11

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)



Mrs. Patareeya Benjapolchai

Age 66 years Independent Director / Chairman of Corporate Governance and Sustainability Committee / Member of the Audit Committee and Member of the Risk Policy Committee

Date of Appointment as a Director Education

6 September 2019 - Present

- Bachelor of Accountancy (Accounting), Chulalongkorn University
- Master of Business Administration, Thammasat University
- Certificate, Advanced accounting and Auditing, Chulalongkorn University

Training Programs

- Director Certification Program (DCP) 1/2000 Thai Institute of Directors Association
- Capital Market Academy Programs (CMA)1/2005, Capital Market Academy
- Financial Institutions Governance Program (FGP) 1/2010 Thai Institute of Directors Association
- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives (PDI 13/2010), King Prajadhipok's Institute
- Director Certification Program Update (DCPU) 155/2014 Thai Institute of Directors Association
- Director Certification Program refresher course (DCP) 2/2014 Thai Institute of Directors Association
- IT Governance and Cyber Resilience Program (ITG) 2/2016 Thai Institute of Directors Association
- Thriving in a Changing World (2016) from IOD, UK
- The Sustainability Imperative (2017) from IOD, Singapore
- Ethical Leadership Program (ELP) 12/2018, Thai Institute of Directors Association

Board Member / Management in Other Listed Company (2)

- 2016 Present Independent Director, Thaicom Public Company Limited
- 2019 Present Independent Director and member of the Audit Committee, ANZ BANK (THAI) Public Company Limited

Position in Other Company / Organization / Institution

3 Companies 4 Organizations

Experiences	
• 2006 - 2008	Member of the National Legislative Assembly
• 2006 - 2010	President, The Stock Exchange of Thailand / Chairman,
	Thailand Securities Depository Co.,Ltd.
 2010 - 2017 	Directors' Responsibilities Steering Committee,
	The Securities and Exchange Commission
 2010 - 2019 	Independent Director and Audit Committee, Chairman of the
	Corporate Governance Committee
	TISCO Financial Group Public Company Limited
• 2011 - 2016	Chairman of the Audit Committee,
	The Office of the Agricultural Futures Trading Commission
• 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
 2015 - 2019 	Older Fund Administration Committee,
	Ministry of Social Development and Human Security
 2017 - 2019 	Advisor for Civil Penalties Measurement,
	The Securities and Exchange Commission
Shareholdings (C	Ordinary Shares) (as at 31 December 2020)
 Held personall 	
 Held by spouse 	e or minor children : -None-
Family Relations	hip among Directors and Executives -None-
Meeting attenda	
 Annual Genera 	Il Meeting of Shareholders 2020 1/1
 The Board of D 	irectors meeting 10/11
 The Audit Com 	mittee Meeting 13/13
 Risk Policy Com 	imittee Meeting 3/3

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)



Mrs. Atchaka Sibunruang

Age 66 years Independent Director, Chairman of the Nomination and Remuneration Committee

Date of Appointment as a Director Education

6 September 2019 - Present

- Bachelor of Economics (First Class Honors), Chulalongkorn University
- Master of Arts in Economics, Sussex University, UK
- Doctor of Philosophy in Economics, Sussex University, UK

Training Programs

- Program on Investment Appraisal and Management Class 1990, Harvard Institute for International Development, USA
- National Defense Course (NDC) 2005, Thailand National Defense College
- Director Certification Program (DCP) 88/2007
 Thai Institute of Directors Association
- Top Executive Program in Commerce and Trade Program Class (TEPCOT) 48/2008, Commerce Academy
- Diploma in Political and Governance Program Class 13/2009, King Prajadhipok's Institute
- Capital Market Academy Executive Program Class 10/2010, Capital Market Academy
- Executive Program on Energy Literacy for a Sustainable Future Class 1/2012, Thailand Energy Academy
- IT Governance and Cyber Resilience Program (ITG) 15/2020 Thai Institute of Directors Association

Position in Other Company / Organization / Institution

-None-

Other Position in Other Company/Organization/Institution

2 Companies 3 Organizations

Experiences

- 2014 2015Chairman, Thai Cane & Sugar Corporation Limited2014 2015Chairman, General Environmental Conservation Public
 - Company Limited
- 2014 2015 Chairman, Naraiphand Company Limited
- 2014 2015 Permanent Secretary, Ministry of Industry
- 2014 2015 Chairman, Industrial Estate Authority of Thailand
- 2015 2016 Minister, Ministry of Industry
- 2016 2017 Minister, Ministry of Science and Technology
- Shareholdings (Ordinary Shares) (as at 31 December 2020)
- Held personally : 0.001%
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives -None-Meeting attendance in 2020

- Annual General Meeting of Shareholders
 1/1
- The Board of Directors meeting
- 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)

CENTRALRETAIL ONE REPORT 2020



Mr. Sompong Tantapart

Age 63 years Independent Director, Member of the Audit Committee Member of the Nomination and Remuneration Committee

Date of Appointment as a Director Education

6 September 2019 - Present

- Bachelor of Accounting, Thammasat University
- Master of Public Administration (M.P.A.), Chulalongkorn University

Training Programs

- Director Certification Program (DCP) 210/2015
 Thai Institute of Directors Association
- Advanced Audit Committee Program (AACP) 33/2019
 Thai Institute of Directors Association

Board Member / Management in Other Listed Company (2)

- 2019 Present Independent Director, Chairman of the Board and 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	Director, Principal Advisor on Strategic Tax Administration,
	The Revenue Department of Thailand

-None-

Shareholdings (Ordinary Shares) (as at 31 December 2020)

- Held personally :
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives -None-Meeting attendance in 2020

- Annual General Meeting of Shareholders 2020
 1/1
- The Board of Directors meeting
- The Audit Committee Meeting 13/13
- Nomination and Remuneration Committee meeting 3/3

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)



Mrs. Pratana Mongkolkul

Age 57 years Independent Director, Chairman of the Audit Committee

Date of Appointment as a Director Education

6 September 2019 - Present

- Bachelor of Accounting, Thammasat University.
- Master of Business Administration, Thammasat University
- Certificate Advanced Management Program, Harvard Business School, Harvard University, USA

Training Programs

- Director Certification Program (DCP) 34/2003
 Thai Institute of Directors Association
- Director Accreditation Program (DAP) 2/2003
 Thai Institute of Directors Association
- Capital Market Academy Leader Program 6/2008, Capital Market Academy
- Public Director Certification Program Class 13/2015, King Prajadhipok's Institute
- Advanced Audit Committee Program (AACP) 22/2016
 Thai Institute of Directors Association
- Risk Management Program for Corporate Leaders (RCL) 8/2017
 Thai Institute of Directors Association
- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives Rationale 20/2016, King Prajadhipok's Institute
- Ethical Leadership Program (ELP) 21/2021 Thai Institute of Directors Association

Board Member / Management in Other Listed Company (4)

- 2015 Present Independent Director, Chairman of the Risk Management Committee, Member of the Nomination and Remuneration Committee and Member of the Good Corporate Governance Committee, FN Factory Outlet PLC
 2017 - Present Independent Director and Chairman of the Audit Committee, Rojukiss International PLC.
 2019 - Present Independent Director, TBSP Public Company Limited Independent Director, Member of Audit Committee, Member of the Nomination Committee, and Member of the Remuneration Committee,
 - Total Access Communication PLC.

Position in Other Company / Organization / Institution

8 Companies 4 Organizations

	Experiences	
	19 <mark>9</mark> 2 - 1998	Senior Vice President of Finance and Accounting Department, Central Pattana Public Company Limited
	1998 - 2011	Director and Group Chief Financial Officer, Minor International Public Company Limited
	2007 - 2011 2007 - 2011	Director, S&P Syndicate Public Company Limited Independent Director, Chairman of Audit Committee,
	2012 - 2015 2013 - 2019	Thoresen Thai Agencies Public Company Limited Director and Chairman of Executive Committee, MC Group PLC. Independent Director, Member of the Audit Committee, T.K.S. Technologies PLC.
	2014 - 2017	Independent Director and Member of the Executive Committee, Dusit Thani PLC.
	2014 - 2018	Member of Board Commissioners, Chairman of the Audit Committee, Port Authority of Thailand
	2015 - 2017	Director, Member of the Executive Committee, Government Saving Bank
for	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
	Shareholdinas (O	rdinary Shares) (as at 31 December 2020)
nd	 Held personally 	
	 Held by spouse 	
		ip among Directors and Executives -None-
<i>)</i> ,	Meeting attendar	nce in 2020
		Meeting of Shareholders 2020 1/1
	 The Board of Dir 	
	The Audit Comr	nittee Meeting 13/13
	Ronalty in the pact	t 5-year regarding Securities and Eychange (Act R F (2535 (1992))

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)



Mr. Kanchit Bunajinda

Age 53 years Independent Director, Chairman of the Risk Policy Committee

Date of Appointment as a Director Education

6 September 2019 - Present

- Bachelor of Engineering, Civil Engineering, Chulalongkorn University.
- MBA (Finance) Sasin Graduate Institute of Business Administration of Chulalongkorn University

Training Programs

- Director Certification Program (DCP) 30/2003
 Thai Institute of Directors Association
- Director Accreditation Program (DAP) 2/2005
 Thai Institute of Directors Association
- Audit Committee Program (ACP) 14/2006, Thai Institute of Directors Association
- Monitoring the Quality of Financial Reparting (MFR) 8/2009, Thai Institute of Directors Association
- Monitoring the System of Internal Control and Risk Management (MIR) 6/2009, Thai Institute of Directors Association
- Monitoring the Internal Audit Function (MIA) 5/2009, Thai Institute of Directors Association

Board Member / Management in Other Listed Company (1)

 2016 - Present Independent Director, Member of Enterprise Risk Policy Committee KCE Electronics Public Company Limited

Position in Other Company/Organization/Institution

2 Companies 1 Organizations

Experiences

2003 - 2015Director, Central Pattana Public Company Limited2006 - 2015Director, Pruksa Real Estate Public Company Limited2009 - 2018Director, Robinson Public Company Limited2014 - 2017Director, ZEN Corporation Group Public Company Limited

Shareholdings (Ordinary Shares) (as at 31 December 2020)

- Held personally : -None-
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives -None-Meeting attendance in 2020

- The Board of Directors meeting
 10/11
- Risk Policy Committee Meeting 3/3

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)



Prof.Dr. Suthiphand Chirathivat

Age 67 years Director / Member of the Nomination and Remuneration Committee

Date of Appointment as a Director Education

13 November 2020 - Present

- License ès Sciences Economiques (Economics), Aix-Marseille University
- Maitrise ès Sciences Economiques (Economics), Aix-Marseille University
- D.E.A en Sciences Economiques (Economics), Paris I - Pantheon-Sorbonne University
- Doctorat de 3e cycle ès Sciences Economiques (Economics), Paris I - Pantheon-Sorbonne University

Training Programs

-None-

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
- 2006 2008 Chairman of Economics Research, Faculty of Economics, Chulalongkorn Universit
- 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

Shareholdings (Ordinary Shares) (as at 31 December 2020)

- : 0.727%
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives

- Younger Brother of (1) Mr. Suthichai Chirathivat and (2) Mr. Suthikiati 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 2020

• Held personally

- The Board of Directors meeting
 - 1/1
- Nomination and Remuneration Committee meeting 1/1

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)



Mrs. Yuwadee Chirathivat

Age 67 Years Directors powers to bind a company Director and Executive Director

Date of Appointment as a Director Education

6 September 2019 - Present

- Bachelor of Arts (Second Class Honors), Thammasart University
- Master of Science in Journalism, Northwestern University, USA

Training Programs

- Director Accreditation Program (DAP) 111/2014
 Thai Institute of Directors Association
- 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
- Capital Market Academy Leader Program Class 19, Capital Market Academy

Board Member/Management in Other Listed Company

-None-

Position in Other Company/Organization/Institution

36 Companies

Experiences

- 1996 2013 President, Central Department Store Company Limited
- 2014 2017CEO and President Department Store Group,
Central Group of Companies Company Limited

Shareholdings (Ordinary Shares) (as at 31 December 2020)

- : 0.282%
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives

- Nephew of (1) Mr. Suthichai Chirathivat (2) Mr. Suthikiati 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 2020

• Held personally

Annual General Meeting of Shareholders 2020	1/1
The Board of Directors Meeting	10/11
The Executive Committee Meeting	12/12

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)



Mr. Suthilaksh Chirathivat

Age 65 years Directors powers to bind a company Director

Date of Appointment as a Director Education

6 September 2019 - Present

- Bachelor of Political Science, Chulalongkorn University
- Master of Business Administration, University of New Haven, USA

ประวัติการอบรม

• Director Accreditation Program (DAP) 100/2013, Thai Institute of Directors Association

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

Shareholdings (Ordinary Shares) (as at 31 December 2020)

- Held personally : 0.744 %
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives

- Younger Brother of (1) Mr. Suthichai Chirathivat (2) Mr. Suthikiati Chirathivat and (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 2020

Annual General Meeting of Shareholders 2020 1/1 The Board of Directors meeting 10/11

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)



Mr. Prin Chirathivat

Age 58 years Directors powers to bind a company DirectorMember of the Risk Policy Committee

Date of Appointment as a Director Education

6 September 2019 - Present

- Bachelor of Science (Accounting), Skidmore College, USA
- Master of Business Administration, SASIN Graduate Institute of Business Administration Chulalongkorn University

Training Programs

- Director Certification Program (DCP) 2/2000 Thai Institute of Directors Association
- Director Accreditation Program (DAP) 35/2005 Thai Institute of Directors Association
- Audit Committee Program (ACP) 6/2005 Thai Institute of Directors Association
- Role of the Chairman Program (RCP) 11/2005 Thai Institute of Directors Association
- Capital Market Academy 1/2005, King Prajadhipok's Institute
- Monitoring the Internal Audit Function (MIA) 1/2007 Thai Institute of Directors Association
- Monitoring the System of Internal Control and Risk Management (MIR) 1/2007 Thai Institute of Directors Association
- Monitoring the Quality of Financial Reporting (MFR) 7/2009 Thai Institute of Directors Association
- Monitoring Fraud Risk Management (MFM) 1/2009 Thai Institute of Directors Association
- Advanced Audit Committee Program (AACP) 1/2009 Thai Institute of Directors Association
- Corporate Governance for Capital Market Intermediaries (CGI) 20/2018 Thai Institute of Directors Association
- Advanced Audit Committee Program, AACP 39/2021 Thai Institute of Directors Association

Board Member/Management in Other Listed Company

- Director, Member of Nomination and Compensation Committee, • 1994 - Present 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

148 Companies

Experiences

Director Malee Sampran Company Limited 1999 - 2012

2003 - 2012 Director Bualuang Securities Public Company Limited

Shareholdings (Ordinary Shares) (as at 31 December 2020) : 0.407%

- Held personally
- Held by spouse or minor children : 0.530%

Family Relationship among Directors and Executives

- Nephew of (1) Mr. Suthichai Chirathivat (2) Mr. Suthikiati 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 2020

- Annual General Meeting of Shareholders 2020 1/1
- The Board of Directors Meeting 11/11 3/3
- The Risk Policy Committee Meeting

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)



Mr. Tos Chirathivat

Age 56 years Directors powers to bind a company Director / Chairman of the Executive Committee / Member of the Nomination & Remuneration Committee

Date of Appointment as a Director Education

6 September 2019 - Present

- Bachelor's Degree Economics, Wesleyan University, USA
- Master of Business Administration Finance, Columbia University, USA

Training Programs

 Capital Market Academy Leader Program 3/2006, Capital Market Academy

Board Member/Management in Other Listed Company

-None-

Position in Other Company/Organization/Institution

58 Companies

Experiences

 2010 - 2020
 Director, Central Embassy Plaza Company Limited

2011 - 2018 Director, Central Training Center Company Limited

Shareholdings (Ordinary Shares) (as at 31 December 2020)

- Held personally : 0.638%
- Held by spouse or minor children : 0.015%

Family Relationship among Directors and Executives

- Nephew of (1) Mr. Suthichai Chirathivat (2) Mr. Suthikiati 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 2020

- Annual General Meeting of Shareholders 2020
 1/1
- The Board of Directors Meeting
 10/11
- The Nomination and Remuneration Committee Meeting 5/5
- The Executive Committee Meeting
 12/12

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)



Mr. Pichai Chirathivat

Age 59 years Directors powers to bind a company Director / Member of the Corporate Governance and Sustainability Committee

Date of Appointment as a Director Education

6 September 2019 - Present

- Bachelor of Business Administration, Azusa Pacific University, USA
- Master of Business Administration (Marketing), Pitzer College, USA

Training Programs

- Strategic Planning & Management in Retailing, Intercontinental Group of Department Stores (IGDS)
- Diploma, The National Defense Course Class 53, Thailand National Defense College
- Director Accreditation Program (DAP) No. 169/2020 Thai Institute of Directors Association

Board Member/Management in Other Listed Company

2012 - Present Director, Malee Group Public Company Limited

Position in Other Company/Organization/Institution

26 Companies

Experiences

2003 - 2016 CEO, Central Trading Company Limited

Shareholdings (Ordinary Shares) (as at 31 December 2020)

- : 0.883%
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives

- Nephew of (1) Mr. Suthichai Chirathivat (2) Mr. Suthikiati 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 2020

• Held personally

- Annual General Meeting of Shareholders 1/1
- The Board of Directors Meeting
 11/11

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)



Mr. Yol Phokasub

Age 59 years Directors powers to bind a company Director / Member of the Executive Committee / Member of the Risk Policy Committee / Chief Executive Officer

Date of Appointment as a Director Education

6 September 2019 - Present

Experiences

 Bachelor of Engineering (Honors) in Computer Science and Software Engineering, Imperial College, University of London, UK

Training Programs

- Capital Market Academy Leader Program Class 13/2011, Capital Market Academy
- Director Accreditation Program (DAP) 120/2015 Thai Institute of Directors Association
- The Executive Program in Energy Literacy for a Sustainable Future Class 7/2016, Thailand Energy Academy
- Ethical Leadership Program (ELP) 21/2021 Thai Institute of Directors Association

Board Member/Management in Other Listed Company

• 2017 - Present Chairman.

Synergetic Auto Performance Public Company Limited

Position in Other Company/Organization/Institution

17 Companies

2009 - 2015

Chairman, SCB Asset Management Ltd. Vice Chairman of the Board SCB Life Assurance Public 2011 - 2015 Company Limited Member of the Advisor Board, Master Card Asia/Pacific Pte. Ltd. 2013 - 2016 Director, Mrigadayavan Palace Foundation 2015 - 2016 2015 - 2016 Director, Siam Commercial Foundation 2015 - 2016 President, Siam Commercial Bank Public Company Limited

Shareholdings (Ordinary Shares) (as at 31 December 2020)

- Held personally
- : 0.005%
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives -None-Meeting attendance in 2020

- Annual General Meeting of Shareholders 1/1
- The Board of Directors Meeting 11/11
- The Risk Policy Committee Meeting 3/3
- The Executive Committee Meeting 12/12

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)



Mr. Nicolo Galante

Age 54 years Member of the Executive Committee / President

Education

- Master of Business Administration, INSEAD, France
- Master of Science, Nuclear Engineering, Politecnico di Torino, Italy

Training Programs

-None-

Board Member/Management in Other Listed Company

-None-

Position in Other Company/Organization/Institution

-None-

Experiences

1994 - 2016 Consultant, Partner & Director, McKinsey & Co

2016 - 2018 Chief Executive Officer, Central Group

Shareholdings (Ordinary Shares) (as at 31 December 2020)

: 0.001%

• Held by spouse or minor children : -None-

Family Relationship among Directors and Executives -None-

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-

• Held personally



Mr. Piya Nguiakaramahawongse

Age 63 years Being person in charge of finance and accounting Member of the Executive Committee / Chief Financial Officer

Education

- MBA and M.S. (Electrical Engineering) University of Southern California, Los Angeles, USA
- B.S. (Electrical Engineering) and B.S. (Management), Massachusetts Institution of Technology, Cambridge, USA

Training Programs

- Director Certification Program (DCP) 64/2005
 Thai Institute of Directors Association
- Corporate Governance for Capital Market Intermediaries (CGI) 20/2018
 Thai Institute of Directors Association
- Chief Financial Officer Certification Program Class 2018 Federation of Accounting Professions (FAP) under The Royal Patronage of His Majesty the King
- Catch up with New Thai Financial Reporting Standards which are effective on 2019 and 2020 Federation of Accounting Professions (FAP) under The Royal Patronage of His Majesty the KingCFO Refresher Class 2020
- CFO's Refresher Course 2020

Board Member/Management in Other Listed Company

-None-

Position in Other Company/Organization/Institution

12 Companies

Experiences

2007 - 2014Director, Central Life Broker Company Limited2007 - 2019Director, Terasoft Solutions Development Company Limited2008 - 2016Director, CR Hatyai (Thailand) Company Limited2011 - 2018Director, CG Training Center Company Limited2014 - 2018Co-Group CFO, Harng Central Department Store Limited

Charabeldings (Ordingry Sharee) (as at 31 December 2020)

Shareholdings (Ordinary Shares) (as at 31 December 2020)

Held personally

- : 0.004%
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives -None-

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)



Mr. Phillippe Jean Broianigo

Age 60 years Chief Executive Officer - Central Retail Vietnam

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

2014 - PresentVietnam Chief Executive Officer, Central Group VietnamShareholdings (Ordinary Shares) (as at 31 December 2020)• Held personally: 0.001%• Held by spouse or minor children: -None-Family Relationship among Directors and Executives-None-Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992)

or Derivatives Act B.E. 2546 (2003)



Mr. Pierluigi Cocchini

Age 50 years President - Central Retail Italy

Education

• Scientific High School, Galileo Galilei Ciriè (Turin-Italy)

Training Programs

-None-

Board Member/Management in Other Listed Company -None-

Position in Other Company/Organization/Institution 2 Companies

Experiences

• Sales Director, La Rinascente S.p.A.

Shareholdings (Ordinary Shares) (as at 31 December 2020)

- : -None-
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives -None-Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-

Held personally

Mr. Yingyai Eumkhrong

Age 36 years Vice President - Financial and Accounting Person in charge of accounting

Education

- Bachelor of Accounting (First-class Honor), Thammasat University
- Master of Accountancy (Academic Excellence), Chulalongkorn University

Training Programs

- Management Acceleration Program by Central Group x SEAC x RISE, Year 2020
- "TFRS 2020 Update" by Central People Development Center, Year 2020
- "Tax Benefits for Corporate Income Tax and New Regulations Update" by Central People Development Center, Year 2020
- "Financial Statements Analysis" by Department of Business Development Year, 2020
- "Cash Flow Statement" by Department of Business Development Year, 2020 (completed refresher course according to the requirement)

Board Member/Management in Other Listed Company

-None-

Position in Other Company/Organization/Institution

-None-

Experiences

2015	Assistant Vice President - Accounting,
	Sumitomo Mitsui Trust Bank (Thai) Public Company Limited
2016 - 2018	General Manager - International Finance
	and Accounting Support, Central Group (Thailand)

Shareholdings (Ordinary Shares) (as at 31 December 2020)

- Held personally : -None-
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives -None-

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

Mrs. Ngamchit Kiattanavith

Age 52 years Vice President - Company Secretary Office as the Company Secretary

Education

- Bachelor of Science (Economics), Kasetsart University
- MBA (Finance) Sasin Graduate Institute of Business Administration of Chulalongkorn University

Training Programs

- Company Secretary Program (CSP) 92/2018 Thai Institute of Directors Association
- Company Reporting Program (CRP) 22/2018 Thai Institute of Directors Association
- Effective Minutes Taking (EMT) 42/2018 Thai Institute of Directors Association
- Anti-Corruption the Practical Guide (ACPG) 46/2018 Thai Institute of Directors Association
- Road to Certified 2020 Thai Institute of Directors Association
- Road to Join CAC 3 / 2020 Thai Institute of Directors Association
- CGR Workshop 2020 "Enhancing Good Corporate Governance based on CGR Scorecard The Stock Exchange of Thailand
- THSI 2021 The Stock Exchange of Thailand

Board Member/Management in Other Listed Company -None-

Position in Other Company - None-

Experiences

 2012- 2016 Manager, Stock Exchange Compliance Department, Thai Airways International Public Company Limited
 2017 - 2019 Director, Corporate Compliance and Governance Department, Thai Airways International Public Company Limited

Shareholdings (Ordinary Shares) (as at 31 December 2020)

- Held personally : 0.001%
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives -None-

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2003 (2003)

1.2 The Company Secretary and agents scope of duties and responsibilities

1.2.1The Company Secretary's scope of duties and responsibilities

To comply with Section 89/15 of the Securities and Exchange Act, the Board of Directors' meeting of the Company No. 6/2019 on 13 May 2019 had a resolution to appoint Mrs. Ngamchit Kiattanavith as the company secretary of the Company which shall have scope of duties and responsibilities as follows:

- Prepare and maintain all documents relating to the Company's statutory register of directors, the Board of Directors' meeting invitations, meeting minutes and supporting documents, Annual Reports, shareholders' meeting invitation, meeting minutes and supporting documents.
- (2) Send conflict of interest reports prepared by directors and executives as per Section 89/14 of the Securities and Exchange Act to the Chairman of the Board of Directors and the Chairman of the Audit Committee within seven (7) days of the receipt of each report and maintain and keep record of conflict-of-interest reports submitted by directors and executives.
- (3) Provide initial advices regarding to regulations, laws and Company's rules to the Board of Directors and executives and regular follow up, as well as report the significant changes in regulations and/or laws to the Board of Directors and executives.
- (4) Coordinate and follow up the Company's compliance with laws, regulations, rules, the Board of Directors' resolutions and shareholders' meeting resolutions and the good corporate governance policy.
- (5) Organize the Board of Directors meetings and shareholders' meeting according to applicable laws, the Company's rules and practices.
- (6) Ensure that appropriate information disclosure and information reports are submitted to the related regulators as required.
- (7) Ensure that the Board of Directors activities and any actions are in line with the laws and or the regulations of the Thai Capital Market Supervisory Board or as assigned by the Board of Directors.

1.2.2 Responsibility of agents (overseas)

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

Mr. Suthichart Chirathivat Mr. Sudhisak Chirathivat Age 75 years Age 75 years Education Education Accounting, St. Joseph's College, USA Bachelor of Arts in Mathematics, St. John Fisher College, USA **Training Programs Training Programs** Director Accreditation Program (DAP) 61/2007 • Role of Chairman Program (RCP) 1/2000 Thai Institute of Directors Association Thai Institute of Directors Association Director Certification Program (DCP) 89/2007 Finance for Non-Finance Director (FND) 5/2003 Thai Institute of Directors Association Thai Institute of Directors Association **Board Member/Management in Other Listed Company** • Director Accreditation Program (DAP) 29/2004 Director, Central Pattana Public Company Limited. 2002 - Present Thai Institute of Directors Association 2003 - Present Director, Central Plaza Hotel Public Company Limited **Board Member/Management in Other Listed Company** Position in Other Company/Organization/Institution -None-2 Companies Position in Other Company/Organization/Institution 9 Companies Experiences • 2019 - Oct 2020 Director, Central Retail Corporation Public Company Limited. **Experiences** Shareholdings (Ordinary Shares) (as at 31 December 2020) 2014 - 2017 Vice Chairman, Central Group Held personally : 0.98% Shareholdings (Ordinary Shares) (as at 31 December 2020) Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) : 0.305% Held personally or Derivatives Act B.E. 2546 (2003) Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003) -None--None-

Mr. Sudhitham Chirathivat

Age 72 years

Education

- Master of Business Administration Operations Research IONA University, New York, USA
- Bachelor's Degree Electrical Engineering, University of Maryland (College Park), USA

Training Programs

Director Certification Program (DCP) 37/2003
Thai Institute of Directors Association

Board Member/Management in Other Listed Company

- 1994 Present Director, Central Pattana Public Company Limited
- 2003 Present Director, Central Plaza Hotel Public Company Limited
- 2010 Present Chairman, Jasmine International Public Company Limited
- 2014 Present Director, Member of Nomination and Remuneration Committee, Member of Risk Management Committee, Member of Audit Committee of TV Thunder Public Company Limited
- 2018 Present Chairman, Grand Canal Land Public Company Limited

Position in Other Company/Organization/Institution

72 Companies

Experiences

1995 - 2018 Director, Central Retail Corporation Public Company Limited

Shareholdings (Ordinary Shares) (as at 31 December 2020)

• Held personally : 0.668%

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-

Mr. Suthisarn Chirathivat

Age 53 years

Education

- Master's Degree Computer Management, Boston University
- Bachelor's Degree MIS, Syracuse University, USA

Training Programs

-None-

Board Member/Management in Other Listed Company

-None-

Position in Other Company/Organization/Institution

18 Companies

Experiences

- 2011 2014 Managing Director Power Buy Co., Ltd.
- 2012 2014 Director CRC Thai Watsadu Co., Ltd.
- 2018 2019 Director Central Retail Corporation Public Company Limited

Shareholdings (Ordinary Shares) (as at 31 December 2020)

• Held personally : 0.738%

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

Mr. Kriengsakdi Chirathivat

Age 66 years

Education

Bachelor's Degree - Marketing, Pace University, USA

Training Programs

-None-

Board Member/Management in Other Listed Company -None-

Position in Other Company/Organization/Institution

9 Companies

Experiences

- 1993 2013 President Cetrac International Co., Ltd.
- Shareholdings (Ordinary Shares) (as at 31 December 2020)
- Held personally : 0.448%

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-

Mr. Watt Chirathivat

Age 67 years

Education

Bachelor of Arts, Holy Names University, USA

Training Programs

-None-

Board Member/Management in Other Listed Company -None-

Position in Other Company/Organization/Institution

3 Companies

Experiences

• 2012 - 2017 Deputy Managing Director - Corporate Image, Central Group Shareholdings (Ordinary Shares) (as at 31 December 2020)

Held personally : 0.871%

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

Mr. Narongrit Chirathivat

Age 62 years

Education

- Master's Degree, MBA, University of New Heaven, USA
- Bachelor of Arts, King's College, USA

Training Programs

Corporate Governance for Executives (CGE) 8/2017
Thai Institute of Directors Association

Board Member/Management in Other Listed Company

-None-

Position in Other Company/Organization/Institution

65 Companies

Experiences

- 1995 2018 Director, Central Pinklao Department Store Co., Ltd.
- 1995 2018 Director, Central Retail Corporation Public Company Limited
- 2015 2018 Director, CG Training Center Co., Ltd.

Shareholdings (Ordinary Shares) (as at 31 December 2020)

• Held personally : 1.207%

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-

Mrs. Sirikate Chirakiti

Age 63 years

Education

- Master of Business Administration International Business Education and Research, University of Southern California, USA
- Bachelor's Degree, Chemical, George Washington University, USA

Training Programs

-None-

Board Member/Management in Other Listed Company

2020 - Present Director, Central Plaza Hotel Public Company Limited

Position in Other Company/Organization/Institution

4 Companies

Shareholdings (Ordinary Shares) (as at 31 December 2020)

• Held personally : 0.247%

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

Mrs. Sukanya Promphan

Age 68 years

Education

- Master of Business Administration Economics, St. John's University, New York, USA
- Bachelor of Economics of Chulalongkorn University

Training Programs

-None-

Board Member/Management in Other Listed Company

-None-

Position in Other Company/Organization/Institution

6 Companies

Shareholdings (Ordinary Shares) (as at 31 December 2020)

• Held personally : 0.480%

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-

Ms. Jariya Chirathivat

Age 54 years

Education

- Advance Management Program, Harvard Business School, USA
- Master of Business Administration, Clark University, USA
- Bachelor's Degree Faculty of Political Science, Thammasat University

Training Programs

- Director Accreditation Program (DAP) 100/2013 Thai Institute of Directors Association
- Board Matters and Trends (BMT) 8/2019 Thai Institute of Directors Association

Board Member/Management in Other Listed Company

-None-

Position in Other Company/Organization/Institution

107 Companies

Experiences

- 2005 2018 Director, Central Retail Corporation Public Company Limited
- 2010 2017 Director, Central Embassy Hotel Co., Ltd.
- 2013 2018 Director, Shop Global (Thailand) Co., Ltd.
- 2015 2018 Director, Central Pinklao Department Store Co., Ltd.

Shareholdings (Ordinary Shares) (as at 31 December 2020)

• Held personally : 0.507%

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

Ms. Sukulaya Uahwatanasakul

Age 51 years

Education

- Master's Degree Business Administration, Leonard N.Stern School, New York University, USA
- Bachelor of Business Administration, Chulalongkorn University

Training Programs

-None-

Board Member/Management in Other Listed Company

-None-

Position in Other Company/Organization/Institution

107 Companies

Experiences

- 2005 2018 Director, Central Retail Corporation Public Company Limited
- 2010 2017 Director, Central Embassy Hotel Co., Ltd.
- 2013 2018 Director Shop Global (Thailand) Co., Ltd.
- 2015 2018 Director, Central Pinklao Department Store Co., Ltd.
- 2017 2018 Deputy Managing Director, Finance Department, Harng Central Department Store Limited

Shareholdings (Ordinary Shares) (as at 31 December 2020)

• Held personally : 0.501%

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992)

or Derivatives Act B.E. 2546 (2003)

-None-

Mrs. Nidsinee Chirathivat

Age 65 years

Education

- Master of Business Administration, Notre Dame College, USA
- Bachelor's Degree Business Administration, Menlo College, USA

Training Programs

-None-

Board Member/Management in Other Listed Company

-None-

Position in Other Company/Organization/Institution

1 Companies

Experiences

• 2014 - 2018 Co-President, Central Department Store Ltd.

Shareholdings (Ordinary Shares) (as at 31 December 2020)

• Held personally : -None-

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

Ms. Wallaya Chirathivat

Age 59 years

Education

- Master's Degree Business Administration, University of Hartford, USA
- Bachelor's Degree Business Administration University of California, Los Angeles (UCLA), USA

Training Programs

Director Certification Program (DCP) 251/2018
Thai Institute of Directors Association

Board Member/Management in Other Listed Company

2018 - Present Deputy Chief Executive Officer, Central Pattana Public Company Limited

Position in Other Company/Organization/Institution

2 Companies

Experiences

- 2011 2018 Vice President, Business Development and Construction Management, Central Pattana Public Company Limited
- 2005 2011 Assistant Vice President, Business Development and Construction Management,

Central Pattana Public Company Limited

Shareholdings (Ordinary Shares) (as at 31 December 2020)

• Held personally : 0.490%

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992)

or Derivatives Act B.E. 2546 (2003)

-None-

Mrs. Supatra Chirathivat

Age 62 years

Education

- Honorary Doctorate Degree Sripatum University
- Master of Business Administration, University of New Haven, USA
- Bachelor's Degree Faculty of Political Science, Chulalongkorn University.

Training Programs

Director Accreditation Program (DAP) 121/2009
Thai Institute of Directors Association

Board Member/Management in Other Listed Company

 2009 - Present Senior Vice President - Corporate Image, Central Plaza Hotel Public Company Limited

Position in Other Company/Organization/Institution

2 Companies

Shareholdings (Ordinary Shares) (as at 31 December 2020)

• Held personally : 0.501%

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

Mrs. Jintana Bunyara

Age 68 years

Education

• Bachelor's Degree - Business, Menlo College, USA

Training Programs

- Director Certification Program (DCP) 5/2000
 Thai Institute of Directors Association
- Role of Chairman Program (RCP) 15/2011
 Thai Institute of Directors Association

Board Member/Management in Other Listed Company

- 2535 Present Director, Abico Holdings Public Company Limited
- 2542 Present Director and Executive Director, Malee Group Public Company Limited
- 2020 Present Director, Central Plaza Hotel Public Company Limited

Position in Other Company/Organization/Institution

10 Companies

Shareholdings (Ordinary Shares) (as at 31 December 2020)

Held personally : -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. Pong Skuntanaga

Age 48 years

Education

- Master of Business Administration (MBA), Finance Concentration Master of Science in Management of Information System (MoIS), University of Pittsburgh, Pennsylvania, USA
- B.Eng., Industrial Engineering Chulalongkorn University

Training Programs

-None-

Board Member/Management in Other Listed Company -None-

Position in Other Company/Organization/Institution

4 Companies

Experiences

- 2015 2018 Executive Vice President Franchise, Central Family Mart Company Limited
- 2018 2019 Executive Vice President Operations, Central Family Mart Company Limited

Shareholdings (Ordinary Shares) (as at 31 December 2020)

• Held personally : 0.403%

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

Mr. Wuttikiat Techamongklapiwat

Age 46 years

Education

- Bachelor of Business Administration Assumption University of Thailand
- Bachelor of Arts Finance, California State University San Bernardino, California, USA
- Associate of Arts General Business and Administration, Grossmont College, California, USA

Training Programs

Director Certification Program (DCP) 257/2018
Thai Institute of Directors Association

Board Member/Management in Other Listed Company

-None-

Position in Other Company/Organization/Institution

2 Companies

Experiences

- 2010 2012 Deputy Managing Director, Food Service and CP Fresh Mart, Charoen Pokphand Foods Public Company Limited
- 2012 2014 Head of Leasing, Ek-Chai Distribution System Co., Ltd.
- 2014 2017 Deputy Managing Director, Property & Lifestyle Mall, Robinson Department Store Public Company Limited

: 0.001%

Shareholdings (Ordinary Shares) (as at 31 December 2020)

Held personally

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-

Mr. Nath Vongphanich

Age 52 years

Education

- Master of Business Administration Information System, University of Texas at Arlington, USA
- Master of Business Administration Information System, University of Texas at Arlington, USA
- Master of Science Industrial Engineering, University of Texas at Arlington, USA
- Advance Management Program, Harvard Business School, USA

Training Programs

- Driving Organic Top-Line Growth, Kellogg, 2007
- Advanced Management Program, Harvard, 2010
- Crucial Conversations Skills, PacRim, 2011
- Director Accreditation Program (DAP), 2011 Thai Institute of Directors Association
- Executive Development Program, INSEAD, 2016
- Top Executive Program in Commerce and Trade (TEPCoT12)
- Director Certification Program (DCP) 287/2019
 Thai Institute of Directors Association
- Capital Market Academy Leader Program Class 2020, Capital Market Academy

Board Member/Management in Other Listed Company

-None-

Position in Other Company/Organization/Institution

3 Companies

Experiences

• 2540 - 2000 Power Buy Co., Ltd.

Shareholdings (Ordinary Shares) (as at 31 December 2020)

• Held personally : 0.002%

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

Mr. Worawoot Ounjai

Age 53 years

Education

 Master of Business Administration, National Institute of Development Administration
 Bachelor of Business Administration Program in Marketing, Kasetsart University
 Training Programs
 None Board Member/Management in Other Listed Company
 None Position in Other Company/Organization/Institution
 4 Companies
 Shareholdings (Ordinary Shares) (as at 31 December 2020)
 Held personally
 C.001%
 Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992)
 Son Derivatives Act B.E. 2546 (2003)

-None-

Mr. Kowin Kulruchakorn

Age 50 years

Education

- Master's Degree Faculty of Science, Chulalongkorn University
- Bachelor's Degree Faculty of Commerce and Accountancy, Statistics, Chulalongkorn University

Training Programs

-None-

Board Member/Management in Other Listed Company

-None-

Position in Other Company/Organization/Institution

2 Companies

Experiences

2015 - 2017 Managing Director, Cenergy Innovation Company Limited

Shareholdings (Ordinary Shares) (as at 31 December 2020)

Held personally : -None-

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

Mr. Panet Mahankanurak

Age 51 years

Education

 (\cap)

- Master of Business Administration, University of Illinois, USA
- Bachelor of Engineering, Chulalongkorn University

Training Programs

-None-

Board Member/Management in Other Listed Company

-None-

Position in Other Company/Organization/Institution

1 Companies

Experiences

- 2014 2015 Senior Executive Vice President Corporate Finance, Central Department Store Ltd.
- 2016 2018 Chief Financial Officer Corporate Finance, Central Department Store Ltd.
- 2561 2563 Senior Vice President Corporate Finance Central Department Store Ltd.

Shareholdings (Ordinary Shares) (as at 31 December 2020)

• Held personally : 0.002%

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992)

or Derivatives Act B.E. 2546 (2003)

-None-

Mr. Parivat Sopasit

Age 62 years

Education

Bachelor Degree in Commerce and Accountancy, Chulalongkorn University

Training Programs

-None-

Board Member/Management in Other Listed Company -None-

Position in Other Company/Organization/Institution

1 Companies

Shareholdings (Ordinary Shares) (as at 31 December 2020)

• Held personally : 0.001%

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

Mr. Alistair Charles Taylor

Age 57 years

Education

 Bachelor's Degree, Vocational Certificate/Business Studies/ East Warwickshire College

Training Programs

-None-

Board Member/Management in Other Listed Company

-None-

Position in Other Company/Organization/Institution

1 Companies

Experiences

- 2009 2019 President of CFR, Central Food Retail Company
- 2019 2020
 President of CFM, Central Family Mart Company

Shareholdings (Ordinary Shares) (as at 31 December 2020)

• Held personally : 0.001%

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-

Mr. Stephane Coum

Age 49 years

Education

- Executive Retail and MBA Program, IMD Business, France
- High Business School, Groupe, ESC Bretagne, France

Training Programs

-None-

Board Member/Management in Other Listed Company

-None-

Position in Other Company/Organization/Institution

3 Companies

Experiences

- 2013 2017 Carrefour Market Business Unit Director, Board Member
- 2017 2019 Chief Operating Officer, President Carrefour Italy

Shareholdings (Ordinary Shares) (as at 31 December 2020)

• Held personally : 0.001%

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

Mr. Fumio Hiraoka

Age 60 years

Education

• Bachelor's Degree - Education, Waseda University, Japan

Training Programs

-None-

Board Member/Management in Other Listed Company -None-

Position in Other Company/Organization/Institution

2 Companies

Shareholdings (Ordinary Shares) (as at 31 December 2020)

Held personally : -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. Toshiyuki Inada

Age 54 years

Education

• Bachelor's Degree - Commerce and Economics, Osaka University, Japan

Training Programs

-None-

Board Member/Management in Other Listed Company -None-

Position in Other Company/Organization/Institution

1 Companies

Shareholdings (Ordinary Shares) (as at 31 December 2020)

Held personally : -None-

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

Financial Statements Enclosure

Mr. Masahiro Hirata

Age 56 years

Education

• Bachelor's Degree - Business Administration, Meiji University, Japan

Training Programs

-None-

Board Member/Management in Other Listed Company -None-

Position in Other Company/Organization/Institution

2 Companies

Shareholdings (Ordinary Shares) (as at 31 December 2020)

Held personally : -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. Takashi Matsumoto

Age 45 years

Education

• High School, Teikyo School, UK

Training Programs

-None-

Board Member/Management in Other Listed Company -None-

Position in Other Company/Organization/Institution

4 Companies

Shareholdings (Ordinary Shares) (as at 31 December 2020)

Held personally : -None-

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

Mrs. Suzana Binti Husin

Age 49 years

Education

Malaysia General Certificate of Secondary Education, Malaysia

Training Programs

-None-

Board Member/Management in Other Listed Company

-None-

Position in Other Company/Organization/Institution

3 Companies

Shareholdings (Ordinary Shares) (as at 31 December 2020)

• Held personally : -None-

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-

Mrs. Triprang U-nontakarn

Age 55 years

Education

- Master Degree in Information Technology, Chulalongkorn University
- Bachelor Degree in Business Administration, Prince of Songkla University

Training Programs

-None-

Board Member/Management in Other Listed Company

-None-

Position in Other Company/Organization/Institution

5 Companies

Experiences

Head of Supply Chain, SEA & India, Henkel (Thailand) Co., Ltd. · 2006 - 2015

Shareholdings (Ordinary Shares) (as at 31 December 2020) • Held personally

: -None-

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

Mr. Vittorio Radice

Age 63 years

Education

• High School Diploma, the Scientific High School

Training Programs

-None-

Board Member/Management in Other Listed Company -None-

Position in Other Company/Organization/Institution

2 Companies

Experiences

2012 - 2015 Collaborator - A Project Basis

Shareholdings (Ordinary Shares) (as at 31 December 2020)

Held personally : -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. Hidetoshi Sugimoto

Age 47 years

Education

- Master's Degree, Science in Pharmacy, Kyoto University, Japan
- Bachelor's Degree Pharmacy, Kyoto Pharmaceutical University, Japan

Training Programs

-None-

Board Member/Management in Other Listed Company

-None-

Position in Other Company/Organization/Institution

1 Companies

Shareholdings (Ordinary Shares) (as at 31 December 2020)

Held personally :-None-

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-

Details of the executives shown on www.centralretail.com

Enclosure 2

Details of the Directors of the Subsidiaries

	Subsidiaries																			
List of Directors	CDS	ROBINS	TWT	CMK	CTD	CNGI	CGO	CFR	CFM	SPS	C Trading	John Master	Kiko Garment	PWB	NK Trading	Cap C	LC Investment	LC Ha Nam	LC Trading	LR
Mr. Suthichai Chirathivat	/							/		/	/			/						
Mr. Suthikiati Chirathivat	/										/			/						
Mr. Suthilaksh Chirathivat	/		/		/			/	/	/				/		/				
Mr. Sudhisak Chirathivat		/									/									
Mrs. Yuwadee Chirathivat	/	/					/													/*
Mr. Tos Chirathivat	/				/			/								/				/*
Mr. Prin Chirathivat	/	/		/	/			/	/		/	/*	/*			/				/*
Mr. Pichai Chirathivat											/	/*	/*							
Mr. Yol Phokasub				/				/	/											
Mr. Piya Nguiakaramahawongse		/																		
Mr. Philippe Jean Broianigo															/					
Mr. Pierluigi Cocchini																				/
Ms. Jariya Chirathivat	/		/					/		/				/	/*		/*	/*	/*	
Mr. Narongrit Chirathivat	/						/	/		/				/		/				
Mr. Kriangsak Chirathivat	/										/	/*	/*							
Mrs. Nidsinee Chirathivat	/																			

	Subsidiaries																			
List of Directors	CDS	ROBINS	ТМТ	CMK	CTD	CNGI	CGO	CFR	CFM	SPS	C Trading	John Master	Kiko Garment	PWB	NK Trading	Cap C	LC Investment	LC Ha Nam	LC Trading	LR
Mr. Watt Chirathivat	/																			
Mrs. Sirikate Chirakiti	/																			
Mrs. Sukanya Promphan	/							/		/										
Mr. Suthichart Chirathivat	/							/		/	/			/						
Mr. Sudhitham Chirathivat		/						/							/					/*
Mr. Wuttikiat Techamongklapiwat		/																		
Mr. Fumio Hiraoka			/																	
Mr. Masahiro Hirata			/																	
Mr. Toshiyuki Inada			/																	
Mr. Hidetoshi Sugimoto				/																
Mr. Stephane Coum				/				/	/											
Mr. Takashi Matsumoto				/																
Mrs. Supatra Chirathivat						/														
Mr. Kowin Kulruchakorn						/														
Mr. Worawoot Ounjai						/	/													
Mr. Panet Mahankanurak							/													
Mr. Parivat Sopasi								/	/											
Mr. Alistair Charles Taylor									/											
Mr. Suthisarn Chirathivat					/					/				/	/*					

ments Enclosure

		Subsidiaries																		
List of Directors	CDS	ROBINS	ТWТ	CMK	CTD	CNGI	CGO	CFR	CFM	SPS	C Trading	John Master	Kiko Garment	PWB	NK Trading	Cap C	LC Investment	LC Ha Nam	LC Trading	LR
Ms. Wallaya Chirathivat										/										
Mr. Nath Vongphanich					/					/										
Mr. Pong Skuntanaga					/									/						
Ms. Sukulaya Uahwatanasakul					/						/									
Mrs. Jintana Bunyarat											/	/*	/*							
Mrs. Suzana Binti Husin												/	/							
Mrs. Triprang U-nontakarn												/*	/*							
Mr. Vittorio Radice																				/

Remarks: For the overseas companies, * refers to directors who residing in Thailand.

Directorship in Subsidiaries

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

Enclosure 3

Details of Head of Internal Audit and Head of Compliance

Details of Head of Internal Audit

Position

Head of Internal Audit

Date of Appointment 28 March 2019 - Present

Education

- Bachelor of Accounting, Thammasat University
- Master of Accounting, Thammasat University

Training Programs

- Director Accreditation Program (DAP) No. 51/2006, Thai Institute of Directors Association

Working Experience (In the last 5 years) and / or key positions

2008 - 2014	Vice President, Internal Audit Department,
	Central Retail Corporation Public Company Limited
2014 - 2016	Vice President, Internal Audit Department,
	Harng Central Department Store Company Limited
2016 - 2018	Senior Vice President, Internal Audit Department,
	Harng Central Department Store Company Limited

Details of Head of Compliance Unit

Mrs. Lasanan Leelamanee	Age 55 years
Position	Head of Compliance
Date of Appointment	5 October 2020 - Present

Education

- Bachelor of Science (Mathematics), Prince of Songkla University
- Master of Economics, University of the Thai Chamber of Commerce
- Certificate in Data collection for research Technic, Mahidol University
- Certificate in Business and Economic Analysis, Chulalongkorn University

Training Programs

- Company Secretary Program (CSP) No. 85/2018, Thai Institute of Directors Association
- Board Reporting Program (BRP) No. 27/2018, Thai Institute of Directors Association
- Anti-Corruption : The Practical Guide (ACPG) No. 47/2018, Thai Institute of Directors Association
- Advances for Corporate Secretaries No. 1/2018, Thai Listed Companies Association

Financial Statements Enclosure

Work Experience

2015	Department Manager of Processing and						
	Transportation Revenue Department,						
	Thai Airways International Public Company Limited						
2016 - 2018	Director of Corporate Transformation Management Office						
	Thai Airways International Public Company Limited						
2018 - 2020	Vice President, Corporate Secretariat Department,						
	and Company Secretary						
	Thai Airways International Public Company Limited						

Duties and Responsibilities

The Head of Compliance has duties and responsibilities to set the Company's compliance framework or procedures for executives and officers to severely perform tasks pursuant to both internal and external regulations as well as enhance knowledge and understanding, give advice, disseminate, and promote the accurate and efficient implementation of such framework or procedures independently from all units of the Company. The Head of Compliance also oversees and reviews through and standardized compliance with the regulations of different agencies as well as develops tools or information technology systems for overseeing regulatory compliance, for example, storing, searching, and disseminating systems of relevant regulations as well as non-compliance systems, to ensure efficiency in overseeing overall regulatory compliance.

The Head of Compliance is also responsible for developing and reviewing a compliance policy, a compliance charter, and a compliance framework regularly to be in accordance with international best practices and changing regulations.

The Board of Directors develops the policy and documents stipulating the duties of the Board of Directors, executives, and employees relating to compliance with relevant rules, laws, and regulations in

- Code of Conduct
- Company's practices
- Charter of Board of Directors
- Code of Conduct of Central Group

The Company also communicates with its employees to be aware of their duties and responsibilities of studying and developing an understanding of relevant laws and regulations in their jobs, and ensuring strict compliance in an accurate and complete manner.

Enclosure 4 Operating Assets and Details of Assets Assessment

4.1 Investments

The Company operates its business by investing in holding companies who are multi-format and multi-category retailers in Thailand, and expanding into international markets, namely Vietnam and Italy, where it has become one of the retail leaders. Therefore, the Company's key assets are investments in subsidiaries and associates. According to the separate financial statements, as of 31 December 2020, the Company had investments in subsidiaries and associates of 94,907 million Baht, representing 74.8 percent of the total assets. Details are as follows:

No.	Company	Net Investments under the Equity Method in Separate Financial Statements (million Baht) ⁽¹⁾
Subsidiarie	s	
1.	CDS	3,807
2.	SFMH	3,575
З.	MASS	237
4.	SSHD	255
5.	PBHD	375
6.	CTD	5,429
7.	Cap C	26,815
8.	CMG	1,901
9.	CGO	O ⁽²⁾
10.	CNGI	O ⁽²⁾
11.	CRC Holland	989
12.	CGSJSC	6

No.	Company	Net Investments under the Equity Method in Separate Financial Statements (million Baht) ⁽¹⁾					
13.	Hillborough Group	17,255					
14.	ROBINS	33,720					
15.	CRG-S	218					
16.	Central US Trading	3					
17.	Central Pet and Me	0 (2)					
18.	Quinam B.V.	269					
	Total	94,854					
Associated	l Company						
1.	Watson	53					
	Total	53					
Total Inves and Assoc	tment Value in Subsidiaries iates	94,907					

Remark:

⁽¹⁾ Such investment value is in accordance with the percentage of direct shareholding of the Company.

⁽²⁾ The investment value of CGO, CNGI, and Central Pet and Me equal is equivalent to 0.05 million Baht, 0.15 million Baht, and 100 Baht, respectively.

4.2 Fixed Assets

As of 31 December 2020, land, buildings and equipment, and right-of-use assets used for the core business operations of the Company and subsidiaries operating core business had net book value after deducting accumulated depreciation and impairment losses of 41,654 million Baht and 67,029 million Baht, respectively, in the Company's consolidated financial statements for the year ended 31 December 2020. Details are as follows:

Business Overview and Performance Corporate Governance Financial Statements Enclosure

Information

Building

CENTRALRETAIL | ONE REPORT 2020

Land, Buildings, and Equipment

Leasehold

 (\cap)

Land and Land

(Unit: million Baht)

Total Net Book

Assets under

Improvements	Improvements	Construction and Improvements	System Equipment	Building System Equipment	Fixtures and Office Equipment	Vernoiee	Construction	Value
2,915	1,933	22,883	424	6,669	3,915	236	2,679	41,654
<u>Right-of-Use /</u>	<u>Assets</u>							(Unit : million Baht)
Land a Land Impro		Building Construc and Improvemen		Furniture, Fixtures and Office Equipment		Assets under Construction	Total Ne	t Book Value
17,38	5	49,432		91		121	6	7,029
								,

Utilities and

Furniture,

Vehicles

The list of above-mentioned fixed assets of Central Retail can be categorized into different types of core assets, and ownership and right-of-use which can be detailed as follows:

4.2.1 Land and Land Improvements Used for the Core Business Operations of the Company and Subsidiaries Operating Core Business

(1) Land and Land Improvements Owned

As of 31 December 2020, land and land improvements owned by Central Retail had net book value after deducting accumulated depreciation and impairment losses of 2,915 million Baht in the Company's consolidated financial statements for the year ended 31 December 2020.

The land and land improvements owned for the core business operations of the Company and subsidiaries operating core business can be detailed as follows:

Business Unit	No. of Branches	Net Book Value (million Baht)	Ownership Objective	Obligations
 Robinson Department Store and Robinson Lifestyle Center 	18	2,915	Plaza / Department Store	None

(2) Right-of-Use Assets - Land

As of 31 December 2020, Central Retail's right-of-use land for long-term leases had net book value after deducting accumulated depreciation and impairment losses of 17,385 million Baht in the Company's consolidated financial statements for the year ended 31 December 2020 for a lease term from 1 year to 54 years.

The right-of-use land for long-term leases used for the core business operations of the Company and subsidiaries operating core business can be detailed as follows:

Business Unit	No. of Branches	Net Book Value (million Baht)	Ownership Objective	Obligations
1. Central Department Store	16	2,039	Department Store	None
2. Robinson Department Store and Robinson Lifestyle Center	23	2.093	Department Store / Plaza	None
3. Thaiwatsadu and Baan & Beyond	64	7,024	Specialty Store	None
4. Power Buy	9	309	Specialty Store	None
5. Tops and Central Food Hall	21	211	Supermarket	None
6. FamilyMart	203	282	Convenience Store	None
7. Lanchi Mart	8	297	Hypermarket	None
8. Big C Vietnam	9	5,087	Hypermarket	None
9. Nguyen Kim	18	43	Specialty Store	None

However, Central Retail had entered into long-term lease agreements (e.g. lease agreements with the term of more than 3 years) in Thailand which were not registered with the Department of Lands. In this regard, the unregistered long-term lease agreements shall be enforceable by legal action for a 3-year term only, irrespective of the term in the lease agreements. After the third year, such agreements shall be deemed as non-fixed term leases by law whereby the lessor shall have the right to terminate the agreements without prior notice.

4.2.2 Buildings Construction and Improvements Used for the Core Business Operations of the Company and Subsidiaries Operating Core Business

(1) Buildings Construction and Improvements owned

As of 31 December 2020, the buildings construction and improvements owned by Central Group had net book value after deducting accumulated depreciation and impairment losses of 22,883 million Baht in the Company's consolidated financial statements for the year ended 31 December 2020.

Financial Statements

Enclosure

The buildings construction and improvements owned for the core business operations of the Company and subsidiaries can be detailed as follows:

Business Unit	No. of Branches	Net Book Value (million Baht)	Ownership Objective	Obligations
1. Central Department Store	15	4,016	Department Store	None
2. Robinson Department Store and Robinson Lifestyle Center	35	6,181	Department Store / Shopping Center	None
3. Thaiwatsadu and Baan & Beyond	66	9,153	Specialty Store	None
4. Power Buy	9	371	Specialty Store	None
5. Tops and Central Food Hall	20	1,051	Supermarket / Warehouse	None
6. FamilyMart ⁽¹⁾	-	46 (Building improvement)	Convenience Store	None
7. Super Sports ⁽¹⁾	-	184 (Building improvement)	Specialty Store	None
8. Big C Vietnam	18	672	Hypermarket	None
9. Lanchi Mart ⁽¹⁾	-	226 (Building improvement)	Hypermarket	52
10. Nguyen Kim	7	549	Specialty Store	None
11. Others	-	434	For other related businesses such as retail stores and offices	None

Remark:

⁽¹⁾ FamilyMart, Super Sports, and Lanchi Mart business units have no ownership in buildings, but owned in building improvements.

(2) Right-of-Use Assets - Buildings

As of 31 December 2020, Central Retail's right-of-use buildings for long-term leases had net book value after deducting accumulated depreciation and impairment losses of 49,432 million Baht in the Company's consolidated financial statements for the year ended 31 December 2020 for a lease term from 1 year to 40 years. The right-of-use buildings for long-term leases used for the core business operations of the Company and subsidiaries can be detailed as follows:

Business Unit	No. of Branches	Net Book Value (million Baht)	Ownership Objective	Obligations
1. Central Department Store	33	7,505	Department Store	None
2. Robinson Department Store and Robinson Lifestyle Center	29	5,471	Department Store / Plaza	None
3. Rinascente	13	20,650	Department Store	None
4. Super Sports	159	650	Specialty Store	None
5. Power Buy	50	1,185	Specialty Store	None
6. Tops and Central Food Hall	154	3,148	Supermarket	None
7. FamilyMart	740	1,183	Convenience Store	None
8. Big C Vietnam	88	6,736	Hypermarket	None
9. Nguyen Kim	31	1,378	Specialty Store	None
10. Thaiwatsadu and Baan & Beyond	4	256	Specialty Store	None
11. Central Trading	302	767	Manufacturing and Importation	None
12. Central and Matsumoto Kiyoshi	28	170	Specialty Store	None
13. Others	-	333	Used for other related businesses	None

4.3 Intellectual Property

As of 31 December 2020, Central Retail's key trademarks and service marks used for its business operations, whether being owned by Central Retail itself or obtaining a license to use, were registered and were in the registration application process with the Department of Intellectual Property, the Ministry of Commerce and related overseas agencies as follows:

No.	Image	Owner Name	Classification of Goods and Services	Registration Number or Application Number / Country of Registration	Terms of Protection	Remark
ashion Seg	ment					
1.	R	robins	(35) Gather a wide variety of products for buyer convenience through the website	191108222 / Thailand	06/12/2017 - 05/12/2027	-
2.		ROBINS	(35) Purchase and sale of chemical products and chemicals; purchase and sale of industrial adhesives; purchase and sale of industrial plastics; purchase and sale of paints, enamels, rust inhibitors, and resins; purchase and sale of drugs and animal drugs; purchase and sale of pesticides; purchase and sale of metal products and metal construction equipment; purchase and sale of small tools and equipment; purchase and sale of scientific instruments and equipment; purchase and sale of photography equipment; purchase and sale of communication equipment; purchase and sale of computers, computer software, and equipment; purchase and sale of electronic tools and equipment; purchase and sale of electronic tools and equipment; purchase and sale of firefighting equipment; purchase and sale of eyeglasses and lenses; purchase and sale of lighting, heating, and ventilation equipment; purchase and sale of sanitary ware; purchase and sale of firearms, ammunition, explosives, and fireworks; purchase and sale of clocks and time indicators; purchase and sale of gems, precious metals, and jewelry; purchase and sale of gems, precious materials; purchase and sale of construction materials; purchase and sale of plants; flowers, and fertilizers; purchase and sale of atts and crafts products; purchase and sale of souvenirs and gifts; purchase and sale of liquor; purchase and sale of atts and crafts products; purchase and sale of carpets, mats, and curtains; purchase and sale of lace and embroidery; purchase and sale of yarns and knitting wools; purchase and sale of ropes, nets, tents, and tilt	Bor26055 / Thailand	12/09/2012 - 11/09/2022	

4.3.1 Intellectual Property Owned

No.	Image	Owner Name	Classification of Goods and Services	Registration Number or Application Number / Country of Registration	Terms of Protection	Remark
3.	ROBINSON	ROBINS	(35) Gather a wide variety of products for buyer convenience and manage department store business	Bor40300 / Thailand	29/01/2018 - 28/01/2028	-
4.	SUPERSPORTS	The Company	(35) Gather a wide variety of products for buyer convenience (except transportation)	201107863 / Thailand	07/09/2018 - 06/09/2028	-
5.	SUPERSPORTS	The Company	(35) Gather a wide variety of products for buyer convenience (except transportation)	201107864 / Thailand	07/09/2018 - 06/09/2028	-
6.	SUPER SPORTS	The Company	(35) Distribute sports equipment and fitness equipment	Bor73660 / Thailand	30/09/2014 - 29/09/2024	-
7.	SUPER Sports	The Company	(35) Gather a wide variety of products for buyer convenience through the website	191102646 / Thailand	22/09/2017 - 21/09/2027	-
8.	CENTRAL MARKETING GROUP	C Trading	(35) Sell products on the website	171117129 / Thailand	08/10/2015 - 07/10/2025	-
9.	CENTRAL MARKETING GROUP	C Trading	(35) Trade management, wholesale management, business management in department stores, marketing via electronic means, sale of products in retail stores such as apparel, ready-to-wear clothes, clothes, shoes, headdress, retail management of apparel and clothing, time indicators, cosmetics, and sale management electrical appliances and equipment	181305760 / Thailand	13/07/2016 - 12/07/2026	-

No.	Image	Owner Name	Classification of Goods and Services	Registration Number or Application Number / Country of Registration	Terms of Protection	Remark
10.	RINASCENTE	LR	(35) Advertising, business management, business administration, and office management	362017000079725 / Italy	31/07/2017 - 31/07/2027	-
Hardline S	egment					
11.	ไทวัสดุ เหนา พลายสอบ	The Company	35) Construction material management	Bor47344 / Thailand	21/05/2019 - 20/05/2029	-
12.	โทวัสดุ เหม่งสารสอบ	The Company	(35) Gather a wide variety of products for buyer convenience through the website	191105850 / Thailand	19/10/2017 - 18/10/2027	-
13.	Sturme Topic & BEYOND HOME IMPROVEMENT STORE	The Company	(35) Gather a wide variety of products for buyer convenience (except transportation)	180118458 / Thailand	(In the trademark registration application process)	In the appeal process
14.	Nº P	The Company	(35) Sell electrical appliances	Bor33979 / Thailand	13/07/2016 - 12/07/2026	-

No.	Image	Owner Name	Classification of Goods and Services	Registration Number or Application Number / Country of Registration	Terms of Protection	Remark
15.	Power Buy	The Company	(35) Sell electrical appliances	Bor33980 / Thailand	13/07/2016 - 12/07/2026	
16.	Power Buy	The Company	(35) Gather a wide variety of products for buyer convenience through the website	171128729 / Thailand	29/01/2016 - 28/01/2026	
17.	<u>Nguyenkim</u> *	NK Trading	(35) Purchase and sale of electrical appliances, electronic devices, coolers, electrical appliances for consumers, telecommunications equipment, computers, motorcycles, vehicles, household and industrial machinery and equipment, clocks, telephones, and facsimiles; purchase and distribution of cosmetics, apparel, shoes, bags, hats, and eyeglasses; consignment representative, accounting, marketing, and advertising consultant, and advertising broker	40154966000 / Vietnam	21/08/2017 - 21/08/2027	-
18.	NR Nguyenkim	NK Trading	(35) Buy and distribute electrical appliances, electronic devices, coolers, electrical appliances for consumers, telecommunications equipment, computers, motorcycles, vehicles, industrial and household machinery, clocks, telephones, facsimiles; distribute construction materials and interior design tools; purchase and distribution of cosmetics, apparel, shoes, bags, hats, and eyeglasses; accounting, marketing, and advertising consultant, and advertising broker	4201933245 / Vietnam	(In the trademark registration application process)	Already submitted the registration application and in the consideration process. Expected to obtain a certificate in 2021.

No.	lmage	Owner Name	Classification of Goods and Services	Registration Number or Application Number / Country of Registration	Terms of Protection	Remark
Food Segm	nent					
19.	Tops	CUT	(35) Gather a wide variety of products for buyer convenience (except transportation) and manage online retail business	191109650 / Thailand	14/06/2018- 13/06/2028	-
20.	TOPS SUPER STORE	CUT	(35) Gather a wide variety of products for buyer convenience	1048648 / Thailand	(In the trademark registration application process)	-
21.	Topsmarket	CUT	(35) Gather a wide variety of products for buyer convenience (except transportation) and manage online retail business	201126434 / Thailand	25/03/2019 - 24/03/2029	-
22.	Tops market	CUT	(35) Gather a wide variety of products for buyer convenience (except transportation) and manage online retail business	201126435 / Thailand	25/03/2019 - 24/03/2029	-
23.	Tops plaza	CUT	(35) Gather a wide variety of products for buyer convenience	170108988 / Thailand	(In the trademark registration application process)	-
24.	CENTRAL FOOD HALL	The Company	(35) Gather a wide variety of products for buyer convenience	Bor30223 / Thailand	26/09/2015 - 25/09/2025	-

Financial Statements Enclosure

No.	Image	Owner Name	Classification of Goods and Services	Registration Number or Application Number / Country of Registration	Terms of Protection	Remark
25.		EBS	(35) Provide retail and wholesale service; consignment sales representative for products such as food products; fresh food; food additives; canned food; frozen food, beverage; household utensils (such as bowls, dishes, spoons, chopsticks, knifes, pots, and pans); apparel; shoes; bags; backpacks; school bags; fashion hats; cosmetics (such as perfumes, lipsticks, chalk, cream, cosmetics, and cosmetic products); cleaning chemicals (such as detergents, roll-ons, mouthwashes, soaps, shampoos, and shower gels); household electrical appliances (such as electric fans, electric rice cookers, microwaves, irons, waterheaters, multi-purposegrinders, blenders, milk makers, washing machines, air- conditioners, refrigerators, televisions, video players, antennas, digital signal receivers, and CD readers); interior decorations (such as tables, chairs, TV cabinets, wardrobes, beds, vases, and picture frames); stationery (such as books, notebooks, pens, ink, papers, maps, envelopes, document cases, and briefcases) in supermarkets and stores, manage business and operate supermarket and general department store business, advertising, commercial information collection, and business advice services		19/04/2018 - 19/04/2028	-
26.	LANCHI	LC Investment	(35) Sell a variety of types of products in supermarkets and department stores as specified in the registration application	4201535335 / Vietnam	(In the trademark registration application process)	Already submitted the registration application and in the consideration process
27.	L.	LC Investment	(35) Sell products in supermarkets and department stores as stipulated in the registration application	155071 / Vietnam	08/04/2009 - 08/04/2019	Already submitted the trademark renewal application and in the

consideration process

CENTRALRETAIL | ONE REPORT 2020

4.3.2 Right-of-Use Intellectual Property

 $\widehat{\Box}$

No.	Image	Owner Name	Classification of Goods and Services	Registration Number or Application Number / Country of Registration	Terms of Protection	Remark
Fashion Se	egment					
1.	CENTRAL 淡	HCDS	(35) Gather a wide variety of products for buyer convenience	1053231 / Thailand	(In the trademark registration application process)	Once the trademark is registered, HCDS will further proceed with the trademark licensing for the Company. (See Remark 1.)
2.	CENTRAL	HCDS	(35) Manage department store business and provide distribution services through the website	170135621 / Thailand	(In the trademark registration application process)	Once the trademark is registered, HCDS will further proceed with the trademark licensing for the Company. (See Remark 1.)
3.	CENTRAL	HCDS	(35) Gather a wide variety of products for buyer convenience	1053228 / Thailand	(In the trademark registration application process)	Once the trademark is registered, HCDS will further proceed with the trademark licensing for the Company. (See Remark 1.)

Financial Statements Enclosure

No.	Image	Owner Name	Classification of Goods and Services	Registration Number or Application Number / Country of Registration	Terms of Protection	Remark
4.	鯊	HCDS	(35) Gather a wide variety of products for buyer convenience	171137319 / Thailand	25/07/2016 - 24/07/2026	Obtained the trademark license (See Remark 1.)
5.	淡	HCDS	(35) Gather a wide variety of products for buyer convenience through the website	191104163 / Thailand	06/10/2017 - 06/10/2027	Obtained the trademark license (See Remark 1.)
6.	Billing	HCDS	(35) Chemical products and chemicals; artificial and synthetic resins; industrial plastics; organic and chemical fertilizers; paints, enamels, and rust inhibitors; gums and natural resins; cleaning and laundry supplies; cosmetics; fuel and lubricating oil; human and animal medications; pesticides; medicinal herbs; metal products; metal construction equipment; machinery, motors, and equipment; agricultural tools and machinery; small tools and equipment; scientific instruments and equipment; communication equipment; computers and equipment; electronics devices and equipment; firefighting equipment; eyeglasses, lenses, and equipment; lighting, heating, and ventilation equipment; sanitary ware; vehicles; spare parts and equipment; all types of tires; firearms, ammunition, explosives, and fireworks; clocks and time indicators; jewelry and gems; utensils and stuffs made of precious metal; musical instruments; paper and paper products; office supplies; stationery; notebooks; books; rubber, plastic, and insulation products; leather bags and stuffs; construction materials and cement; furniture and home decorations; bedding, utensils, and household supplies; ceramics and small containers; ropes, nets, tents, and tilts; yarns and knitting wools; clothing and attire; laces and embroidery products, carpets, mats, and curtains; game players and toys; sport equipment and fitness equipment; souvenirs and gifts; liquor and alcohol drinks; tobacco and smoking accessories		20/08/2011 - 19/09/2021	Obtained the trademark license (See Remark 1.)

G Bu	Business Overview and Performance Corporate Governance Financial Statements Enclosure CENTRALRETAIL ONE REPORT 2020					
No.	Image	Owner Name	Classification of Goods and Services	Registration Number or Application Number / Country of Registration	Terms of Protection	Remark
7.	FamilyMart	Family Mart Company Limited	(35) Manage department store business, provide retail and wholesale services of department stores, manage supermarket business, provide retail and wholesale services of convenience stores, manage shopping center business, provide retail and wholesale services of shopping centers and provide other services as specified in the registration application	Thailand	08/12/2017 - 07/12/2027	Obtained the trademark license (See Remark 2.)
8.	SUMERCENTER	Big C Supercenter Public Company Limited	(35) Advertise and operate business; business management; office tasks; give out brochures and product samples; print advertising in newspapers counselling services; provide information and search for information on accounting services; original printing services; job advertising services; computer information management; organization of trade fairs and exhibitions for commercial and advertising purposes; management of trade fairs and exhibitions	Vietnam	20/10/2013 - 20/10/2023	Obtained the trademark license (See Remark 3.)

Remarks:

1. Central Retail uses trademarks and service marks as in items 1 - 6 under the trademark and service mark license agreement between HCDS and Central Retail, which is effective from the date of the Company's registration as the public company limited.

2. Central Retail uses the service mark as in item 7 under the area franchise agreement dated 26 August 2012 in supplement to the service mark license agreement dated 1 October 2012 and the supplemental agreement to service mark agreement between Family Mart Company Limited and CFM.

3. Central Retail uses the service mark as in item 8 under the service mark license agreement dated 1 January 2008 between Big C Supercenter Public Company Limited and Cavi Retail.

Financial Statements Enclosure

4.4 Insurance

The Company believes that Central Retail's insurance policies in each country where it operates core business are appropriate and consistent with its nature, size, and scope of business. Such insurance policies provide coverage for 1-2 years. Central Retail has continuously renewed its insurance policies before their expiration.

The coverage and sum insured of Central Retail's insurance policies in each country where it operates core business can be concluded as follows:

4.4.1 Thailand

Central Retail has insured its retail brands in Thailand against various types of risks with 6 insurance companies. The details of insurance coverage can be concluded as follows:

No.	Type of Insurance	Details of Coverage
1.	Property Insurance ⁽¹⁾	The insurance covers damages to Central Retail's properties, including but not limited to buildings, furniture and equipment, money, goods, materials, machine failure, electrical system and other systems caused by all types of risks, e.g. fire, flood, natural disasters, robbery, strike, and so on.
2.	Third Party Liability ()	The insurance covers injuries or deaths, and damages to properties of third parties, caused by negligent acts or mistakes whereby Central Retail and its employees shall be liable for compensation. The insurance also covers unsafe product liability in the event that Central Retail shall be liable to compensate for damages to consumers.
3.	Business Interruption Insurance $^{(I)}$	The insurance covers damages caused by business interruption such as Central Retail's income losses due to the damages to its properties resulting from the events specified in the policy, e.g. flood.
4.	Directors & Officers Liability Insurance	The insurance covers damages to third parties caused by wrongful acts from the performance of duties of directors and/or executives of Central Retail and corporate secretary, compensation payment to the Company as well as lawsuits relating to the Company's properties and labor (coverage starts from 17/8/20).
5.	Terrorism Insurance ⁽²⁾	The insurance covers losses or damages to Central Retail's properties caused by terrorism, sabotage, riot, and political unrest.
6.	Active Assailant Insurance ⁽²⁾	The insurance covers losses or damages caused by property crimes in the insured locations of Central Retail, not by politics or terrorism that cause damages to properties or business.

<u>Remarks:</u>

⁽¹⁾ In Central Retail's insurance policies, the assured and/or beneficiary are companies in Central Retail and companies in Central Retail along with other persons and companies who are (a) lessors or sub-lessors of land and/or buildings which are insured for the business operations of Central Retail, (b) trade partners in joint venture of certain companies in Central Retail, and (c) product suppliers to certain companies in Central Retail.

(2) Central Retail with terrorism insurance and burglary insurance: Central and Robinson Department Stores as well as associates located within the areas of Central and Robinson Department Stores.

4.3.2 Vietnam

Central Retail has insured its retail brands in Vietnam against various types of risks with 2 insurance companies. The details of insurance coverage can be concluded as follows:

No.	Type of Insurance	Details of Coverage
1.	Property Insurance	The insurance covers any damages to Central Retail's properties and properties in the possession of Central Retail within the location of property insured, including but not limited to buildings, properties inside the buildings, inventories, and movable properties, caused by all types of risks, e.g. fire, flood, and natural disasters.
2.	Business Interruption Insurance $^{(1)}$	The insurance covers any damages caused by business interruption such as Central Retail's income losses due to the damages to Central Retail's properties resulting from the events specified in the policy, e.g. fire and explosion.
З.	Third Party Liability	The insurance covers injury or death and damages to properties of third parties resulting from the events specified in the policy, e.g. Central Retail's business operations, Central Retail's unsafe product liability to consumers, and liability for advertising or media relations of Central Retail, that cause damages to third parties.

<u>Remarks:</u>

 $^{(\mathrm{l})}$ $\,$ Central Retail with business interruption insurance: Big C $\,$

(2) Central Retail with third party liability insurance coverage for limited sum insured: Nguyen Kim and Lanchi Mart

 $^{\scriptscriptstyle (3)}$ $\,$ Central Retail with third party liability insurance coverage for unlimited sum insured: Big C $\,$

4.4.3 Italy

Central Retail has insured its retail brands in Italy against various types of risks with 2 insurance companies. The details of insurance coverage can be concluded as follows:

Enclosure

No.	Type of Insurance	Details of Coverage
1.	Third Party Liability of Employees and Executives	The insurance covers any damages to third parties caused by wrongful acts from the performance of duties of employees and/or executives of Central Retail.
2.	Third Party Liability	The insurance covers injury or death and damages to properties of third parties caused by (1) Central Retail's business operations (2) Central Retail's employees, and (3) Unsafe product liability whereby Central Retail shall pay compensation to third parties. The insurance also covers Central Retail's legal expenses, including terrorism.
3.	Combined Property Damage / Business Interruption	The insurance covers any direct or indirect damages caused by business interruption, including and not limited to property losses, property deterioration, and income losses due to the risks specified in the policy, e.g. natural disasters and robbery. The insurance covers either direct or indirect damages caused by business interruption, including but not limited to Central Retail's property losses, property deterioration, and income losses due to the risks as specified in the policy such as natural disasters and robbery.
4.	Business Interruption Insurance from Malicious Acts	The insurance covers any damages caused by business interruption from malicious acts $^{(3)}$
5.	Transport Insurance	The insurance covers any damages to properties and goods during transportation as specified in the policy, e.g. transportation of goods by water, air, and land, transportation of goods between warehouses and department stores, transportation of goods to trade shows or exhibitions, and transportation of goods sold via E-commerce.
6.	Legal Defence	The insurance covers legal expenses, adjuster fees & investigative expense for middle management.

<u>Remarks:</u>

⁽¹⁾ For the third party liability of employees and executives insurance policy, the assured and the beneficiaries are Central Retail and Illum A/S and Lagrange Estate S.r.l.

(2) The third party liability insurance policy, the business interruption insurance policy, and the transport insurance policy of Central Retail, the assured and the beneficiary are Central Retail and Illum A/S.

⁽³⁾ Malicious acts means acts of any person or group of persons with intent to cause damage to the insured property.

4.5 Policy on Investing in Subsidiaries and Associates

The Company has a policy to invest in subsidiaries and associates as in alignment with Central Retail's vision and strategic plan, which will result in an increase in Central Retail's operating results or profits, or invest in synergy business to increase Central Retail's competitiveness and enable Central Retail to achieve its goal to become the leading operator in core business of Central Retail.

The Company, subsidiaries and/or associates may consider investing in other businesses that have potential business growth or are beneficial to Central Retail's business, which can generate good returns on investment. The Company will consider investment proportion, expected profits, potential risks, and the Company's financial position as well as conduct probability analysis for investment and consider potential before investing in projects. The consideration of investments of the Company, subsidiaries and/or associates must be approved and/or endorsed by the Board of Directors meeting and/or the shareholders' meeting (as the case may be).

Enclosure 5 Corporate Governance Policy, Code of Business Ethics and Charters Corporate Governance Policy (Full Version)

During the course of business, the Board of Directors complied with the laws, regulations, its objectives and the shareholders' resolutions, and adhered to the Principles of Good Corporate Governance of Listed Companies according to the Stock Exchange of Thailand's principles and the Corporate Governance Code for Listed Companies 2017 according to the Securities and Exchange Commission (SEC)'s principles. The Company has adopted the Corporate Governance Code to be a guideline for the Company's operations to achieve operational efficiency and transparency to investors, leading to outsiders' trust in the Company's operation. The Company's Good Corporate Governance Policy covers 5 categories of principles as • follows:

Section 1: Rights of Shareholders

The Company recognizes and gives importance to the basic rights of shareholders as investors and company owners such as the rights to purchase, sell, and transfer their own shares; the right to receive the Company's profit; the right to receive clear and accurate information; the right to attend shareholders' meetings and vote on director appointment or dismissal, the right to appoint auditors, and the right to approve significant transactions affecting the Company's business operational directions such as the approval of dividend payment, the amendment of the Company's Memorandum of Association and Articles of Association, the approval of capital increase, capital decrease and special transaction.

The Company has the obligations in supporting and facilitating the shareholder's rights as follows:

- Support and promote all shareholders to be granted basic rights, including:
 - the right to purchase, sell, and transfer shares and to receive part of the profit.
 - the right to receive adequate and proper information to make decision that effect the Company and the shareholders.
 - the right to attend shareholders' meetings and vote on significant transactions to make decisions on the Company's fundamental

changes according to laws or policies by facilitating and encouraging shareholders and institutional investors to attend the meetings.

- any other rights the shareholders deserve as specified by laws.
- (2) For the shareholders' meeting, the Company uses the record date so that shareholders have sufficient time to consider the meeting document and information prior to the meeting date.
- Provide details about date, time, (3) place and meeting agenda, together with the descriptions and reasons for each respective agenda or supporting the resolutions requested in the ordinary and extraordinary general meeting of shareholders' invitations or in the meeting agenda attachments. Refrain from any action that may limit the shareholder's rights of access to the Company's information, by delivering the documents to shareholders and registrar not less than seven (7) or fourteen (14) days (depending on the case) prior to the meeting date and advertising the meeting

appointment in the newspapers for three (3) consecutive days prior to the meeting date. The Company will comply with principles and conditions of the laws or the related announcement and try its best to make the shareholders informed before the meeting date as soon as possible.

- (4) The Company facilitates the shareholders to exercise their rights in proper meeting attendance and voting and refrain from any action that may limit the shareholder's rights of meeting attendance. For example, the Company will hold the meeting in an easily-accessible venue, attach the map showing the meeting venue in the meeting invitation, choose appropriate date and time, and allocate adequate time for the meetings.
- (5) Prior to the meeting date, the Company will provide the shareholders opportunities to submit opinions, suggestions or questions in advance with clearly defined rules and inform the shareholders of the rules in the meeting invitation. The Company will also publish the rules on its website.

- (6) Encourage the shareholders to use the proxy in the form that allows the shareholders to control their votes and to suggest at least one (1) independent director as a choice in appointing their proxies.
- (7) Provide the opinions of the Board of Director in each agenda item and attach the annual report and a proxy form with detail descriptions of the documents needed in granting proxy as supporting documents of the meeting invitation.
- (8) Before considering the agenda items, shareholders are informed about the voting and vote-counting procedures and shareholders' representatives are requested to witness the vote-counting.
- (9) During the shareholders' meeting, the Chairman will allocate proper time for shareholders to have chances in expressing their opinions, suggestions or asking questions in each related agenda freely before voting on resolutions in any agenda.
- (10) Encourage all directors to attend the shareholders' meeting to answer questions in the meeting.
- (11) Prepare the vote casting in the shareholders' meeting for each item in case that there are many items in the agenda, such as the director appointment agenda.

- (12) The Company encourages the use of ballots for casting votes in every agenda for transparency and accountability in vote counting.
- (13) The Company assigns an independent party to jointly examine the vote counting in each agenda for transparency of the shareholders' meeting.
- (14) After the shareholders' meeting, the Company will prepare a complete and comprehensive minutes of the meeting which includes details of the important queries, opinions and suggestions for shareholders to later reviewed. Furthermore, the Company will publish the voting results of each agenda item and the minutes of the meeting on its website and the SET's channels.

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:

 Shareholders will be treated fairly and receive necessary information in timely manners from the Company. (2) Shareholders have rights to vote proportionally to the shares they own and have equal access to the information related to the Company.

Enclosure

- (3) Announce the shareholders' meeting, together with the agendas and director's opinions through SET, and publish the schedule in the Company's website. The Company will also prepare and distribute the shareholder's meeting invitation in Thai and English and publish on its website.
- (4) Establish the principle that allows minor shareholders to propose qualified persons for selection as directors prior to shareholders' meetings, with details regarding their qualifications and consent of those who are proposed.
- (5) Establish the principle that allows minor shareholders to propose additional agendas prior to shareholders' meetings for the fair and transparent consideration whether the proposed agenda will be added or not.
- (6) Executive shareholders should not unnecessary add agendas without prior notice, especially the important ones that require shareholders to take time in consideration before making any decisions.

- (7) In every shareholders' meeting, the Company provide all shareholders equal opportunity. Before the meeting commences, the Chairma meeting rules, voting procedures for each securities type and votecounting procedures of each agenda item.
- (8) Regarding the appointment of directors, the Company will encourage an individual election, in which one shareholder has one (1) vote per share.
- (9) Directors have to report their interest in any agenda item at least before such agenda item is considered in the Board of Directors' meeting and must not take part in the decisionmaking process of such agenda item. The directors' interest should be recorded in the minutes of the meeting.
- (10) Set written guidelines for the use or misuse of inside information and announce the guidelines to everyone in the organization. All directors and executives are required to regularly report their securities possession to the Company Secretary according to the laws and the information will also be disclosed in the Company's annual report.

 (\cap)

Financial Statements

Section 3: The Role of Interested Persons

The Company values the rights of all stakeholders, whether internal - the Company's shareholders and employees or external - suppliers and customers. It acknowledges that supports and opinions from all stakeholders will benefit its business operation and development. Therefore, it will comply with the laws and related regulations, treat each group of stakeholders with consideration of the stakeholders' rights according to laws or agreements with the Company, and not violate those stakeholders' rights.

Furthermore, the Company takes the rights of all stakeholders into consideration, as detailed below:

1. Shareholders

The Company will conduct the business based on corporate governance, transparency and effectiveness, aiming to achieve good operating results and stable growth for the Company's sustainable and stable financial position, maximally benefiting its shareholders in the long term. It will also disclose the information transparently and trustworthily to the shareholders on its website and through investor relations officers.

2. Employees

The Company equally and fairly treats its employees, respects the rights of every employee and gives appropriate compensation, welfare and benefits not less than the legal requirement and comparable to other companies in the same industry. Furthermore, the Company focuses on the development of skills, knowledge, capabilities and potential of employees on a regular basis. For instance, the Company widely arranges trainings and seminars for employees and retains high caliber with the Company. The Company also sets the anti-corruption guideline and fosters all staff to comply with the laws and related regulations.

3. Suppliers

The Company establishes its own procedure for business partner selection by having the partners compete with equal information and selecting the partner fairly according to its business partner evaluation and selection principles. Also, the Company uses the proper form of agreement to offer fairness to all suppliers and ensures that all conditions of the agreement are met and the corruption and misconduct are prevented in every selection process. The Company strictly adhere to all terms of any agreement and keep the suppliers' information confidential without using such information for inappropriate benefit.

4. Competitors

Conducting business with fairness and transparency, competing fairly, refraining from taking commercial advantages over the competitors and refraining from seeking confidential information in illegal ways, and refraining from defaming its competitors with wrong accusations.

Enclosure

5. Customers

The Company is responsible toward its customer in maintaining the quality and standard of its products and services, as well as fulfilling the customers' needs completely or as much as possible, to satisfy customers in the long term. In addition, it cares for the health and hygiene of the consumers of its products, providing correct and complete information regarding the products and services. The Company also provides channels for customers to report the inappropriate products and services, so it can prevent and solve the problems quickly. The customer's confidential information will be protected and not illegally used for personal benefits or that of the related parties.

6. Creditors

The Company will strictly stick to the conditions and requirements of the contracts and financial obligations, as well as pay the principal, interests and collaterals in the related contracts. It will not dishonestly conceal the information or facts that may damage the creditors. In case that it cannot follow any of the conditions, it will notify the creditors immediately to agree on solutions.

7. Government

Conducting business by giving importance to the government, strictly adhering to laws and related regulations, as well as responding to the government's policy as it deemed necessary and appropriate, in consistent with its business operation method.

8. Communities, societies and environment

The Company pays attention to and takes importance on the safety and security of the communities, societies, environment and quality of life of those related to its business operation, encourages our employees to be in good conscience and have responsibility towards environment and society and requires them to strictly follow the laws and related regulations. Additionally, the Company makes efforts to participate in activities that help creating and preserving environment, society and supporting the local cultures where its business is operating.

Moreover, stakeholders can inquire, make complaints, inform any illegal conduct and report on the inaccuracy of financial reports, deficient internal controls or any misconduct of the Company via the Company's independent (\cap)

Financial Statements Corporate Governance

Enclosure

directors or audit committee members. The complaints and whistleblowing information will be kept confidential. The independent directors or audit committee members will investigate, find solutions (if any) and further report to the Board of Directors.

Section 4: Disclosure and Transparency

The Company is committed to correct, complete, timely and transparent disclosure of information, whether financial or non-financial, according to the principles of SEC and SET, as well as other information which may influence the Company's securities prices and then decisions of the investors and stakeholders. The Company will carry out as follows:

- Set mechanism to ensure that the (]) disclosed information is correct, not misleading and adequate for the investors' decision.
- (2) Appoint Investor Relations officers to communicate with investors or shareholders. The Company will publish its information, financial and general information to shareholders, securities analysts, credit rating agencies and related departments through various channels, namely the SEC, SET and the Company's website. Moreover, it places importance on updating information

disclosure in Thai and English for the shareholders to receive information via the Company's website. It will frequently update the information available in the website, including its vision, mission, financial statements, public relations, annual report, corporate structure and executives, as well as shareholding structure and major shareholders and meeting invitation letter.

- (3) The Company will not disclose any non-public information to any unauthorized employees, group of persons or person (including investors, mass media and analysts) until such information is made public. In the event that information has to be released to the auditor. underwriter, bank, legal counsel or other advisors, the Company ensures that such persons utilize it with due care in order to protect its privacy. If any undisclosed information is leaked, the Company will promptly unveil such information in accordance with the SET's regulation on information disclosure and other rules. If necessary, the Company will notify the SET to temporarily suspend the trading of the Company's securities.
- (4) The Company will disclose its financial statements, audited by skilled and qualified independent auditors. It has the policy to change

the auditors who review, examine and report on its financial statements for seven (7) fiscal years, whether it is consecutive or not, in order for the true independency of the auditor's report. The Company will be able to reassign the auditors once again at least after five (5) consecutive fiscal years, unless stated otherwise by law. It will publish the financial statements according to the specified principles and via the SET's channels for the benefits for shareholders and investors. Furthermore, the Board of Directors requires the Audit Committee to review the reliability and accuracy of the Company's financial report to ensure the trustworthiness

- Prepare management discussion (5)and analysis (MD&A) to support financial statements disclosure in every quarter, in order for investors to be better informed and understand the changes to the Company's financial position and operating results in each quarter, apart from figures in the financial statements only.
- Disclose the information regarding (6) duties and responsibilities of the Board of Directors and subcommittees, a number of meetings and meeting attendance in the

previous year, opinions and suggestions, continuous educations and occupational trainings, disclosure of remuneration policy for directors and senior executives, as well as types or methods of remuneration. However, the disclosed remuneration should include the one that each director received from being the director of subsidiaries

(7) Disclose the audit expenses and other expenses relating to audit's services. Apart from disclosing information in the Annual Registration Statement (Form 56-1) and the annual report according to the SET's principles and channels, the Board will consider disclosing and regularly updating information in both Thai and English language via other channels such as the Company's website.

Section 5: Responsibilities of the **Board of Directors**

1. Structure of the Board of **Directors and Sub-committees**

The Company's Board of Directors consists of members with various qualifications in terms of knowledge, capabilities and experiences beneficial to the Company. The Board of Directors plays a significant role in defining policy and organization overview as well as overseeing, reviewing

and evaluating the Company's business operation to ensure it is carried out as planned.

 (\cap)

The Board of Directors consists of at least five (5) people, from which independent directors are at least one third (1/3) of all Company's director and at least three (3) persons to maintain the balance in proper consideration and voting. All independent directors should be qualified according to the announcements of Thai Capital Market Supervisory Board, SET's principles and regulations, rules and other related laws.

Each term of directorship is limited to three (3) years as prescribed by the relevant law. Directors may be re-elected if the Board of Directors views appropriate and necessary. Furthermore, the Company's directors and executives can take up positon as directors of other companies within and outside the Group on the condition that it is in accordance with the regulations of the SEC, the Capital Market Supervisory Board and the SET as well as other relevant regulations, rules and laws. Such positions held outside the Company have to be reported to the Board of Directors. Each director may hold the director position at no more than five (5) listed companies. Independent director can be in office for not more than nine (9) consecutive years, except the Board of Directors is of the opinion that it is necessary and proper to extend the term of such independent director.

Moreover, the Board of Directors has appointed sub-committees to assist in the Company's governance as follows:

- (1) Executives consists of at least three (3) executive directors to support the Board of Directors in managing the Company's operations in accordance with the policies, plans, requirements, as well as the targets within the scope set by the Board of Directors.
- (2) Audit Committee consists of at least three (3) independent directors to support the Board of Directors in governing and auditing the management, internal control and compliance, as well as preparation of the financial reports in order to ensure transparency and trustworthy of the Company's operation and disclosure. At least one (1) Audit Committee should have knowledge or experience in accounting and finance to review the reliability of the financial statements.
- (3) Nomination and Remuneration Committee consists of at least three (3) nomination and remuneration committee members to nominate qualified persons to take up the positions of directors, members of the sub-committees, Chief Executive Officer and senior executives; to consider the methods and principles in paying remunerations to committees, sub-committees, Chief Executive

Officer and senior executives (as per the definition of "executives" in the announcement of the Securities and Exchange Commission at KorChor. 17/2551 regarding the determination of definitions in notifications relating to issuance and offer for sale of securities): to consider the methods and principles in paying remunerations to committees, sub-committees, Chief Executive Officer and senior executives for submitting suggestions for approval of the Board of Directors and/or in the Shareholder's Meeting (as the case may be); as well as to consider the development plans for the Company's Chief Executive Officer and senior executives.

(4) Risk Policy Committee consists of at least three (3) risk policy committee members to support the Board of Directors in stipulating the proper, adequate, effective and efficient risk management policy and providing a system or procedure to manage and limit overall risks to the acceptable level.

Furthermore, the Company has appointed the corporate secretary to carry out the Board of Directors' and the shareholders' meetings, support the work of the Board of Directors in respect to laws and regulations as well as coordinate to ensure compliance with resolutions of the Board of Directors' and the shareholders' meetings.

2. The Board of Director's Duties and Responsibilities

The Board of Directors is accountable to the shareholders in conducting the Company's business operation. It has duty to define the Company's policy and direction as well as to ensure the business operation is carried out in accordance with the business goal, objective, vision, strategy and direction for the long-term benefit of shareholders within the legal framework and the Company's guidelines while considering the benefit of all stakeholders. Details of the role, duties and responsibilities of the Board of Directors are prescribed in its Charter. Additionally, the Board of Directors is responsible for the following matters:

(1) Good Corporate Governance Policy The Company sets the Good Corporate Governance Policy in writing and proposes to the Board of Directors' meeting to approve such policy, with the purposes to serve as a guideline for the directors, executives and employees. The policy will be reviewed annually.

(2) Code of Conduct

The Company has the intention to carry out the business transparently, honestly, and with responsibility to the stakeholders, societies and environments. With approval of the Board of Directors, it has set up its Code of Conduct for its employees to adhere as follows:

- Section 1 Guidelines for business conduct
- Section 2 Guidelines for dealing with customers, suppliers, creditors and competitors.
- Section 3 Guidelines on conducting towards the Company
- Section 4 Guidelines on social responsibility
- Section 5 Guidelines on violation or non-compliance to the Company's Code of conduct

The Company has announced its practices for acknowledgement and compliance by all employees via its intranet.

(3) Conflict of Interests

The Company manages the conflict of interest carefully, honestly, reasonably and independently under the good ethical framework mainly for the benefit of the Company. Person who has a conflict of interest and/ or connected person and person who has interest in any matter have to disclose information to the Company and must not take part in considering and approving such matter.

The Company also sets a policy related to the Related Party Transactions (RPT) and Conflict of Interest Transactions related to laws, regulations of the Office of SEC, SEC, the Thai Capital Market Supervisory Board and SET. The transactions will be disclosed in the Annual Report and the Annual Registration Statement (Form 56-1).

(4) Internal Audit

The Company has set up the efficient internal control system in both management and operation levels. The Company's Internal Audit Department is responsible for assessing the adequacy of the internal control system and report to the Audit Committee according to its plan.

(5) Risk Management

The Company has defined proper risk management system and procedures to appropriately reduce the impact towards the Company's business. Its Risk Policy Committee will set the comprehensive internal and external risk management policy, consistent to the business' strategies and directions and submit for approval to the Board of Directors.

(6) The Committee's Report

The Audit Committee has the duty in reviewing the financial statements with the Accounting Department and the auditor and then proposes to the Board of Directors on a quarterly basis. The Board of Directors is accountable for the financial statements of the Company and its subsidiaries and the financial information disclosed in the annual report.

Enclosure

3. The Board of Directors' Guideline

Guideline 1:

Recognize the duties and responsibilities of the Board of Directors as the organizational leader who creates sustainable values to the business, understand the roles and recognize the responsibilities of the leader to ensure the good corporate management and govern the business to create values sustainably.

Guideline 2:

Set and manage the main objectives and goals for sustainability, which are consistent with the value creation for the corporation, customers, stakeholders and the whole society.

Guideline 3:

Be responsible in setting and reviewing the structure of the Board of Directors regarding the size, proportion of proper independent directors necessary in leading the organization to achieve the objectives and goals, as well as ensuring the transparency and clear director selection and nomination for qualified and efficient Board members.

Guideline 4:

The Board of Directors should ensure that the Company has effective human resources management and development programs to guarantee that the Company has ample staffs with proper knowledge, skills, experiences and motivation. Also, the Board of Directors should make sure that the succession plan for the CEO and senior executives, the appropriate remuneration structure and the performance evaluation are in place.

Guideline 5:

The Board of Directors should focus and promote innovation that creates value for the Company while benefiting clients, other stakeholders, society and the environment. Furthermore, the Board of Directors should ensure that management allocates and manages resources efficiently and effectively throughout all aspects to enable the Company to sustainable achieve its objectives and main goals.

Guideline 6:

Ensure that the Company has effective and appropriate risk management system and internal control to achieve the corporate objectives effectively and compliance with related laws and standards.

Moreover, the Board of Directors will manage the conflict of interest between the Company, the management, the Board members or shareholders that may arise, and prevent the misuse of the Company's properties, information and Corporate Governance

nce Financial Statements

opportunities, and transactions with related parties in inappropriate manners.

Guideline 7:

In order to ensure the disclosure and financial integrity, the Board of Directors should make sure that the financial reporting system and major information disclosure are conducted accurately, sufficiently, in a timely manner and consistent with applicable regulations, standards and guidelines.

Furthermore, the Board of Directors should monitor the Company's financial liquidity and solvency and arrange mitigation plan for the event that the Company faces or tend to have financial difficulties.

Guideline 8:

To support the engagement and communication with shareholders, the Board of Directors will ensure that the shareholders are given opportunity to participate in the Company's important decisions.

4. The Board Meeting and Self-Evaluation

The Board of Directors shall meet at least quarterly or more frequently as it deems necessary. The meeting agendas are clearly set in advance and the agenda to follow-up the business operation is regularly fixed. The Company sends notice of the meeting along with agenda items and relevant documents to all directors no less than seven (7) days prior to the meeting date, except in urgent cases. Minutes of meetings are recorded, certified, kept for reference and made available for examination. In every meeting, executives and responsible staffs are invited to attend the meeting to present information to the Board of Directors for making accurate and prompt decisions.

The meeting resolution must be passed by a majority vote of the Board members attending the meeting. Each director has one (1) vote. In the event that any director has a conflict of interest in any matter, he/ she must not take part in the decision-making process of such matter. In case there are equal votes, the Chairman of the meeting has a casting vote.

The Board of Directors conducts a selfassessment at least once a year so as to improve its performance. Assessment aspects have been clearly identified in advance. The result of the Board of Directors' assessment is reported to the Board of Directors' meeting and will be disclosed in the annual report along with the assessment guideline and process starting from the year 2020.

5. Remunerations

Enclosure

The remuneration of the directors should be comparable to the standard practice in the industry, with consideration of the experience, duties and roles, scope of accountability and responsibility and the expected usefulness of each director. Those who are assigned more duties and responsibilities, such as being a member of sub-committees, should receive suitable additional compensations.

The Company has established the Nomination and Remuneration Committee to consider and submit the remuneration methods and principles of director for approval in the Shareholders' Meeting.

6. Director and Executive Development

The Board of Directors' policy is to support and facilitate trainings and educating sessions for the parties related to the Company's governance, such as directors, Audit Committee, executives and company secretary, in order for continuous operation improvement. The trainings and educating sessions may be held internally or by the outside institutions. In case of any director replacement or new directors, the management will prepare documents with information useful to the operation of the new directors and orient them to the Company's business nature and business operation guideline.

The Board of Directors will rotate the assignments according to the expertise of the executives and employees, mainly with consideration of the appropriateness of the work and time. The CEO will decide the time period and review the operating results to draw up the work development and succession plan in order to improve the knowledge and skills of the executives and employees, enabling them to work on behalf of each other.

This charter of the Board of Directors is effective from 4 April 2019 onwards.

Prasarn Trairatvorakul (Dr. Prasarn Trairatvorakul) Chairman Central Retail Corporation Public Company Limited

Code of Business Ethics (Full Version)

The Company sets the following code of business ethics for directors, executives and employees, who are its representatives, to adhere to in performing duties

1. Shareholders

The Company will conduct the business based on corporate governance, transparency and effectiveness, aiming to achieve good operating results and stable growth for the Company's sustainable and stable financial position, maximally benefiting its shareholders in the long term. It will also disclose the information transparently and trustworthily to the shareholders on its website and through investor relations officers.

2. Employees

The Company equally and fairly treats its employees, respects the rights of every employee and gives appropriate compensation, welfare and benefits not less than the legal requirement and comparable to other companies in the same industry. Furthermore, the Company focuses on the development of skills, knowledge, capabilities and potential of employees on a regular basis. For instance, the Company widely arranges trainings and seminars for employees and retains high caliber with the Company. The Company also sets the anti-corruption guideline and fosters all staff to comply with the laws and related regulations.

3. Suppliers

The Company establishes its own procedure for business partner selection by having the partners compete with equal information and selecting the partner fairly according to its business partner evaluation and selection principles. Also, the Company uses the proper form of agreement to offer fairness to all suppliers and ensures that all conditions of the agreement are met and the corruption and misconduct are prevented in every selection process. The Company strictly adhere to all terms of any agreement and keep the suppliers' information confidential without using such information for inappropriate benefit.

4. Competitors

Conducting business with fairness and transparency, competing fairly, refraining from taking commercial advantages over the competitors and refraining from seeking confidential information in illegal ways, and refraining from defaming its competitors with wrong accusations.

5. Customers

The Company is responsible toward its customer in maintaining the quality and standard of its products and services, as well as fulfilling the customers' needs completely or as much as possible, to satisfy customers in the long term. In addition, it cares for the health and hygiene of the consumers of its products, providing correct and complete information regarding the products and services. The Company also provides channels for customers to report the inappropriate products and services, so it can prevent and solve the problems quickly. The customer's confidential information will be protected and not illegally used for personal benefits or that of the related parties.

6. Creditors

The Company will strictly adhere to the conditions and requirements of the contracts and financial obligations, as well as pay the principal, interests and collaterals in the related contracts. It will not dishonestly conceal the information or facts that may damage the creditors. In case that it cannot follow any of the conditions, it will notify the creditors immediately to agree on solutions.

7. Government

Conducting business by giving importance to the government, strictly adhere to laws and related regulations, as well as responding to the government's policy as it deemed necessary and appropriate, in consistent with its business operation.

8. Communities, societies and environment

The Company pays attention to and takes importance on the safety and security of the communities, societies, environment and quality of life of those related to its business operation, encourages our employees to be in good conscience and have responsibility towards environment and society and requires them to strictly follow the laws and related regulations. Additionally, the Company makes efforts to participate in activities that help creating and preserving environment, society and supporting the local cultures where its business is operating.

These Principles of Business Ethics are effective from 26 March 2019 onwards.

Prasarn Trairatvorakul (Dr. Prasarn Trairatvorakul) Chairman Central Retail Corporation Public Company Limited

Charter of the Board of Directors

1. Purpose

The Board of Directors has an important role in overseeing the administration, specifying the direction, policy and business strategy of the Company for the utmost benefit of the Company and its shareholders, as well as monitoring the performance of the Company's subcommittees. Also, the Board of Directors has the authorities, duties and responsibilities as specified by laws, the Company's objective and the resolution of the shareholders' meeting.

2. Composition

The Composition of the Board of Directors is as follows:

- The Board members do not have to be the Company's shareholder.
- (2) The number of Board members is set by the shareholders' meetings. However, it has to be comprised of no less than 5 directors and no less than half must have a domicile in Thailand.
- (3) The ratio of independent directors to the total number of directors on the Board should be at least 1:3 with no fewer than 3 independent directors.

The Board of Directors shall select one director to be the Chairman of the Board. If it deems appropriate, the Board of Directors may select another director or several directors to be the Deputy Chairman of the Board.

3. Qualifications of the Board of Directors

The directors must possess the following qualifications:

- (1) Directors should be individuals and
 - (a) Have come of legal age;
 - (b) are not bankrupt, incompetent persons or quasi-incompetent persons;
 - (c) have never been sentenced in the final judgment to imprisonment for the offence relating to corruption;
 (d) have never been dismissed or removed from the government service, government organizations or agencies for malfeasance.
- (2) Be knowledgeable and capable, be honest and ethical, in the conduct of business, and have adequate time to dedicate knowledge and skills to perform duties to the Company.

- (3) Be Fully qualified and not be under any of the prohibitions prescribed in the Public Limited Company Act, the Securities and Exchange Act and other related laws. In addition, directors must not possess any untrustworthy characteristics unsuitable for the Company's management position according to SEC's announcement.
- (4) Not conduct businesses in the similar conditions which are considered the competition against the Company's business, or be a partner of any ordinary partnership, to be a general partner of a limited partnership, or be director of any private companies or other companies conducting the similar businesses to those of the Company, whether for their own or other's interests, unless such information is announced in the Shareholders' Meetings before the appointment resolution is reached.
- (5) Independent directors should possess the qualifications of independence as set by the Company and subject to the guideline in the announcement of Thai Capital Market Supervisory Board and the principles set by SEC

and SET. They should be able to ensure equal benefits for all shareholders to avoid conflict of interests. Additionally, they shall participate in the Board of Directors' Meeting to give their opinions freely.

- (6) Directors of the Company may serve as directors of other companies, but such service must not impede their responsibilities to the Company. A director should not serve in more than five (5) listed companies.
- (7) Independent directors should possess the additional qualifications as follows:
 - (a) Not holding more than one (1) percent of the total outstanding voting shares of the Company, its parent company, subsidiary or associated company, major shareholders or controlling person including shares held by related persons of the independent director.
 - (b) Neither being nor having been an executive director, officer, employee, advisor who receives a salary of the Company or controlling person of the

Financial Statements Enclosure

- company, its parent company, subsidiary, associated company, a same-level subsidiary, major shareholder or controlling person; unless the foregoing status ended not less than two (2) years prior to the date of appointment. Such disqualified characteristics exclude the case that the independent director has been a government officer or consultant of government agency which is a major shareholder or controlling person of the company.
- (c) Not being a person related by blood or registration under law, such as a father, mother, spouse, sibling, or child, including spouses of children of directors, executives, major shareholders, controlling persons, or persons to be nominated as directors, executives or controlling persons of the company or its subsidiaries.
- (d) Not having nor having had a business relationship with the Company, its parent company, subsidiary, associated company, major shareholder or controlling person, in a manner which may interfere with his or her independent judgment, and neither being nor having been a substantial

shareholder or controlling person of any entity having business relationship with the company, its parent company, subsidiary, associated company, major shareholder or controlling person; unless the foregoing status ended not less than two (2) years prior to the date of appointment.

- (e) The term 'business relationship' under the above paragraph includes any normal business transaction, rental, or lease of immovable properties, transaction relating to assets or services, or grant or receipt of financial support through receiving or extending loans, guarantee, providing assets as collateral, including any other similar action of which value more than 3% of the net tangible assets or exceeds THB 20 million, whichever is lower. The value of each transaction is based on the calculation method for the values of related party transactions under the Announcement of the Thai Capital Market Supervisory Board regarding the related party transactions. Under the regulation, all transactions occurring within one (1) year of preceding transactions must be included in such calculation
- (f) Neither being nor having been an auditor of the Company, its parent company, subsidiary, associated company, major shareholder or controlling person nor being a substantial shareholder, controlling person or supplier of an audit firm which employs auditors of the Company, its parent company, subsidiary, associated company, major shareholder or controlling person; unless the foregoing relationship ended not less than two (2) years from the date of appointment.
- (g) Neither being nor having been any kind of professional advisor including a legal advisor or financial advisor who receives an annual service fee exceeding THB two (2) million from the Company, its parent company, subsidiary, associated company, major shareholder or controlling person, and neither being nor having been a substantial shareholder, controlling person or supplier of the professional advisor; unless the foregoing relationship ended not less than two (2) years from the date of appointment.

- (h) Not being a director who has been appointed as representative of the Company's directors, major shareholders, or shareholders who are related to the major shareholders.
- (i) Not conducting any businesses which have the same nature as or are in competition with the Company's or its subsidiaries or neitherbeing asignificant partner in a partnership, executive director, employee, officer or consultant who receives regular salary, shareholder holding more than one (1) percent of the voting shares of businesses which have the same nature as or in competition with the Company or its subsidiaries;
- (j) Not having any characteristics that could prevent him/her from giving independent opinions concerning the Company's operation.

4. Term of Office and Selection of the Board of Director

 The Nomination and Remuneration Committee will select and nominate those persons qualified for the position of directors and further (\cap)

e Corporate Governance

ce Financial Statements

submit to the Board of Directors' and/or Shareholders' Meetings (as the case may be) for appointment as directors.

- (2) Directors are to be elected in the Shareholders' Meeting and the candidates should receive the majority votes of the attending and voting shareholders. If more than one candidate receives equal votes, the chairperson of the meeting casts his/her deciding vote. In case of a vacant position due to causes other than term completion, the Board of Directors must appoint qualified candidates as replacement directors. Each replacement serves in such position only for his/her predecessor's remaining term.
- (3) At every Annual General Meeting of Shareholders, one-third of the directors must retire. If the total number is not a multiple of three, the number closest to one-third must be used. The names of the directors to retire during the first year and second year after the Company was registered are to be drawn by lots. For subsequent years, directors who have served the longest terms must

retire. If the number of retired directors does not reach one-third, the directors to retire, who have served the longest terms, are to be drawn by lots. Retired directors may be re-elected.

Independent directors may hold office for up to nine (9) years in total, unless the Board extends independent directors' terms as seen necessary and fit.

Other than for completion of terms, a director may retire for the following reasons:

(a) death

- (b) resignation
- (c) lacking qualifications or having any prohibited characteristics prescribed by law or possessing any distrustful characteristics unsuitable for the Company's management position according to the law regarding securities and stock exchange;
- (d) removal resolution in the Shareholders' Meetings;
- (e) court order.

(4) Directors who wish to resign must submit their resignation letters to the Company. The resignation takes effect on the day the resignation letter is received by the Company.

5. Authorities, Duties and Responsibilities

Enclosure

As the representatives of shareholders, the Board of Directors has the authorities, duties and responsibilities were determined as follows:

- Perform duties and oversee the Company's business in consistent with laws, the Company's objective, articles of association, resolution of the Board of Directors' and the shareholders' meetings with responsibility, honesty and due care for the interest of the Company and all shareholders.
- (2) Define vision, strategy, business direction, objective, policy, target, business plan, budget and management structure as well as delegate authority of the Company and its subsidiaries as proposed by the management. Oversee the business operation and the performance of the management

or any assigned persons. Support the use of technology to effectively and efficiently increase the business opportunity and the operating result in accordance with the set vision, strategy, business direction, objective, policy, target, business plan and budget in order to create the highest value to the Company and shareholders. The Company's strategy, business direction, plan and budget are reviewed at least once a year so as to be able to adapt to any changes in economy, market and competition.

- (3) Continuously and regularly monitor and assess the performance of duties of the management and sub-committees to ensure they are in line with the strategy, business plan and budget.
- (4) Ensure that the remuneration framework, policy and structure are properly set. Such remuneration policy should be able to incentivize the directors, sub-committees, executives and employees at every level to perform their duties in accordance with the organization's objective and main goal and for the

 \bigcirc

Corporate Governance

Financial Statements Enclosure

long-term benefit of the organization. Also, consider the appropriate proportion of remuneration among salary and remuneration that is linked to the organization's short- and long-term performance, business size and individual responsibility. Ensure that the remuneration paid, which is proposed by the Nomination and Remuneration Committee, is comparable with that of other listed companies which have equal size in the same industry.

- (5) Establish the succession plan to prepare candidates for the positions of CEO and senior executives and oversee the personnel development so that the Company has enough calibers with proper motivation. The progress of the succession plan is periodically reported to the Board of Directors by the CEO at least once a year.
- (6) Ensure that the Company and its subsidiaries have appropriate and efficient accounting system and credible financial reporting and auditing, which is in line with the general certified accounting standards of the country where the Company operates the business.

Make certain that the Company has sufficient and proper internal control and internal audit systems, the documents are kept for later inspection and technology is used to disclose information.

- (7) Continuously monitor the performance of the Company and its subsidiaries to ensure it is in line with the Company's plan and budget.
- (8) Oversee the safeguard of information, define the data privacy policy, the management of sensitive information that may affect the Company's share price, the silent period for trading the Company's share prior to the disclosure of information that may affect the Company's share price, and ensure that employees and related persons abide by the applicable policies.
- (9) Acknowledge the reports of the Audit Committee as well as other sub-committees and ensure that the Company has the whistleblowing channels and procedures to deal with such reporting.
- (10) Approve the acquisition and or disposal of assets (in case the transaction size does not require the

shareholders' approval), new business investment and any other operations in accordance with laws, notifications and applicable regulations.

- (11) Approve the connected transaction (in case the transaction size does not require the shareholders' approval) in accordance with laws, notifications and applicable regulations as well as the principle for the trading agreement with general trading condition for the transactions entered into by the Company or its subsidiaries with the directors, executives or related persons in order to be the framework for the management to conduct the transactions under the scope of laws and applicable regulations.
- (12) Approve the interim dividend payment (if any) for the Company's shareholders and report such payment to the next shareholders' meeting.
- (13) Review the risk management policy and process and conduct the performance review.
- (14) Ensure there is no conflict issue between the Company's stakeholders and its subsidiaries. In the event that

any director has an interest in any matter or any change in the shareholding in the Company and/or its subsidiaries, such director has to promptly inform the Company.

- (15) Define the good corporate governance policy, the social responsibility policy as well as the anti-corruption policy and ensure efficient compliance.
- (16) Consider and propose the directors' remuneration (both financial and non-financial) along with other benefits, as recommended by the Nomination and Remuneration Committee, to the shareholders' meeting for approval.
- (17) Establish the sub-committees, such as the Audit Committee and/ or other sub-committees, to assist and support the Board of Directors as deem appropriate as well as appoint the CEO.
- (18) Appoint the corporate secretary in accordance with the law on securities and exchange to assist the Board of Directors in performing its duties in operating the Company's business in accordance with laws, notifications and applicable regulations.

 (\cap)

nance Financial Statements

- (19) Request additional information from various units of the Company and its subsidiaries for making decision.
- (20) Seek further professional opinion from external consultants, if necessary, for making proper decision.
- (21) Prepare the annual report and take responsible for preparing and disclosing the financial statements, which reflect the Company's financial position and performance in the previous year and have been audited by the Company's auditor prior to proposing to the shareholders' meeting.
- (22) Conduct the Board self-assessment both as a whole and as an individual in order to review the performance, problems and difficulties in each year and utilize the assessment result to develop and improve the performance in various aspects.
- (23) Arrange the annual general meeting of shareholders within four (4) months from the end of the Company's accounting period.
- (24) Approve any matters by considering the benefit of the Company's shareholders and all stakeholders with fairness.

(25) Authorize any director or a group of director or others to perform any act on behalf of the Board of Directors.

> The delegation of authority, duty and responsibility of the Board of Directors shall not have any characteristics that enable the authorized person to approve the connected transaction of himself/ herself or related person (as defined in the notifications of the Securities and Exchange Commission and/or the Capital Market Supervisory Board) or the transaction which may have a conflict of interest with the Company or its subsidiaries, except the transactions that are in line with the policy or guideline approved by the shareholders' meeting or the Board of Directors

(26) Review the charter of the Board of Directors at least once (1) a year.

6. Meeting

 The Board of Directors shall meet at least once every three (3) months. The meeting schedule is set in advance throughout the year and there may be additional meetings as deem necessary. (2) The non-executive directors must hold a meeting at least once (1) a year without the presence of the management to exchange opinions on any issues under responsibility.

Enclosure

- In order to call the Board of Directors' (3) meeting, the Chairman of the Board of Directors or designated person shall send the meeting notice along with agenda items and relevant documents to all directors which can be via an electronic channel no less than seven (7) days prior to the meeting date so that directors have sufficient time to consider the meeting documents. Except in case of necessity and urgency to preserve the right and benefit of the Company, the Board of Directors may be called by other methods or designated on earlier date.
 - If the Chairman of the Board of Directors is not an independent director, the Board of Directors may consider appointing an independent director to jointly compile the meeting agenda items so as to be in consistent with the Corporate Governance Code for Listed Companies.

(4) In the event that any director has a conflict of interest in any matter, such director has no right to vote on such matter.

7. Quorum and Voting

- The auorum of the Board of Directors' (1)meeting must consist of no less than half of the Board members. In case the Chairman of the Board of Directors is not present at the meeting or unable to perform his duty, if there incurs a Vice Chairman of the Board of Directors in the meeting, he will assume the position of the Chairman of the meeting. If there is no Vice Chairman of the Board of Directors or he is not present at the meeting or unable to perform his duty, the directors present at the meeting are required to select one director to become the Chairman of the meeting.
- (2) The resolution of the meeting shall be passed by majority votes of the directors present at the meeting.
- (3) Each director has one (1) vote. Any director, who has a conflict of interest in any matter for consideration, has no right to vote on such matter. In the event that there are equal votes, the Chairman of the meeting has a casting vote.

8. The meeting to consider the opportunity for investment in both domestic and international retail businesses which have the same condition and may compete with the Company's business, including partial investment in such opportunity, in the future ("future investment opportunity in the retail business"). If the Board of Directors resolves not to invest in the future investment opportunity in the retail business, Harng Central **Department Store Limited** ("HCDS"), the Company's major shareholder, may invest in such future investment opportunity in the retail business which may result that the business operation of HCDS competes with the Company's business.

<u>Principle</u>

The Board of Directors has the duty and responsibility to perform duty with care and honesty for the right and benefit of the Company and all shareholders. In addition, if any director has a conflict of interest in any matter, such director has no right to vote on such matter and must leave the meeting venue while considering such matter so that the meeting can freely discuss.

<u>Guidelines</u>

At the Board of Directors meeting to consider the future opportunity in the retail business, if the Board of Directors resolves not to invest in such opportunity due to its financial liquidity, current business plan or the profitability of the targeted business and HCDS, the Company's major shareholder, may directly or indirectly invest in such future investment opportunity in the retail business resulting that the business operation of HCDS may compete with the Company's business. In such case, the Company will proceed as follows:

- Call the Board of Directors' meeting and clearly specify in the notice of the meeting that if the Board of Directors resolves not to invest in such business, HCDS may invest in such business, either directly or indirectly, and specify the impact to the Company.
- (2) Arrange the Board of Directors' meeting of which members are directors who have no conflict of interest and have the right to vote. All independent directors, who have no conflict of interest, must attend such meeting. In case the number of directors, who have no conflict of interest attending the meeting, does not meet the required quorum, the

directors who have conflict of interest can attend such meeting to make the quorum constituted. Yet they are unable to express their opinion and vote in such meeting.

In case of necessity and urgency to preserve the benefit of the Company, if not all independent directors who have no conflict of interest can attend such meeting in person, independent directors are allowed to attend and vote in such meeting by phone as long as this does not make the quorum and the voting be against the applicable laws.

- (3) For the highest benefit of the Company and all shareholders, the Board of Directors, which consists of the directors who have no conflict of interest, shall consider on the future investment opportunity in the retail business by paying attention especially to its business suitability, the impact to the Company in case HCDS invests in such business and that HCDS' business may compete with the Company's business.
- (4) As deems appropriate, the Board of Directors' meeting, which consists of the directors who have no conflict of interest, may request for professional opinion from the outside specialists.

- (5) In case of urgency to preserve the benefit of the Company, the Board of Directors' meeting, which consists of the directors who have no conflict of interest, may be called less than seven (7) days prior to the meeting date.
- (6) The resolution of the meeting in this case shall be passed by majority votes of the directors who have no conflict of interest and are present in the meeting and have the right to vote. In the event that there are equal votes, the Chairman of the meeting has a casting vote.

The Board of Directors has the final decision on the investment as stated in No.8 and no authorization to other committees can be made.

This charter of the Board of Directors is effective from 6 February 2020 onwards.

Prasarn Trairatvorakul (Dr. Prasarn Trairatvorakul) Chairman of the Board of Directors Central Retail Corporation Public Company Limited

Charter of the Audit Committee

1. Purpose

The Audit Committee is a sub-committee established to support the Board of Directors in governance and screening of management, internal control and the related law compliance, as well as preparation of financial reports for the transparency and relitability of the Company's information disclosure.

2. Composition

The Audit Committee consists of at least three (3) independent directors with at least one (1) of the Audit Committee members should have adequate knowledge and experience in accounting or finance to review the reliability of financial statements.

The Audit Committee shall appoint a secretary to the Audit Committee to assist the operation of the Audit Committee regarding meeting appointments, meeting agenda preparation, meeting supporting document submission and minute taking.

3. Qualification of the Audit Committee

The Audit Committee members must possess the following qualifications:

- The Company's directors who are fully qualified as independent directors according to principles and conditions set by SEC, Thai Capital Market Supervisory Board and SET.
- (2) Not be the director to whom the Board of Directors grants authority to decide in the operation of the Company, its parent company, subsidiary, associated company, a same-level subsidiary, major shareholder or controlling person.
- (3) Not being a director of the registered parent company, subsidiary or a same-level subsidiary.
- (4) Having adequate knowledge and experience in duties as a member of the Audit Committee. At least one (1) Audit Committee should have knowledge or experience in accounting and finance to review the reliability of the financial statements. Constantly gain knowledge regarding the Company's operation to improve the efficiency of the Audit Committee.

4. Term of Office and Selection of the Audit Committee

The Board of Directors appoints the Company's independent directors as members of the Audit Committee, with the same term of office as that of the directors. Also, the Audit Committee members who are expired from their terms may be reappointed. Members who wish to resign before the end of their terms must inform and submit their resignation letters with a reason to the Company within a proper time prior.

In case that any Audit Committee members are expired from their terms or unable to hold the positions until the end of their terms, resulting in the Company having less than three (3) members of the Audit Committee; the Board of Directors should propose a resolution to appoint a new Audit Committee member in order to complete the Committee immediately or no later than three (3) months from the date of incompletion to ensure continuity in operation.

5. Authorities, Duties and Responsibilities

- Review the financial reports for accuracy, completeness, credibility, and timely information disclosure by coordinating with the external auditor and executives responsible for preparing quarterly and annual financial reports.
- (2) Review the significant non-ordinary transactions (if any) by considering the transactions' reasonableness and the impact to the financial positon and performance of the Company as well as the accuracy and completeness of information disclosure.
- (3) Review the Company's internal control and internal audit systems to ensure they are suitable and effective.
- (4) Review the Company's measure and risk management system.
- (5) Consider the internal audit unit's independence as well as approve the appointment, transfer and dismissal of the Head of the Internal Audit Department or any other unit in charge of internal audit.

 \square

Financial Statements

- (6) Consider and give consent on the annual budget, headcount and resources necessary for the Internal Audit Department, approve the annual audit plan and its significant revision, ensure the performance of the Internal Audit Department is in accordance with the approved annual audit plan and the international professional auditing standards, conduct the annual evaluation of the internal audit work and engage the external independent agency to assess the internal audit work at least every five (5) years. Moreover, the Audit Committee shall meet with the Head of Internal Audit, without the presence of management, at least once a year to discuss on significant matters.
- (7) Ensure the Company's compliance to the laws on securities and exchange, regulations and announcements of the Stock Exchange of Thailand and the related laws applicable to the Company and/or its businesses. Regularly acknowledge the progress of the significant issues regarding to the compliance of the related regulations and laws.

- (8) Consider, nominate, and propose the independent person as the Company's external auditor, suggest the compensation of the auditors and attend meetings with auditors without the presence of management at least once (1) a year and propose to discharge of the auditors.
- (9) Review the Connected Transactions or transactions with possible conflict of interests to be in line with the laws regarding securities and exchange, regulations and announcements of the Stock Exchange of Thailand and the related laws applicable to the Company and/or its businesses to ensure the reasonableness of the transactions and the utmost benefits of the Company.
- (10) Prepare the Audit Committee report to present to the Board of Directors, which will be included in its annual reports, signed by the Chairman of the Audit Committee and consists of at least the following information:
 - (a) opinions on the accuracy, completeness and reliability of the Company's financial reports;
 - (b) opinions on the adequacy of the Company's internal control system;

(c) opinions on the compliance of the laws regarding securities and exchange, regulations and announcements of the Stock Exchange of Thailand and the related laws applicable to the Company and/or its businesses;

Enclosure

- (d) opinions on the suitability of the auditors;
- (e) opinions on the transactions with possible conflict of interests;
- (f) number of Audit Committee meetings and the attendance rate of each Audit Committee members;
- (g) overall opinions or suggestions from Audit Committee on its duties in accordance with its charter;
- (h) other transactions which, according to the Audit Committee's opinion, should be known to shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Board of Directors.

- (11) Inspect or question any relevant personnel and hire or bring in specialists to assist with the auditing process with the expenses borne by the Company.
- (12) Report to the Board of Directors in order that remedial action can be taken within the timeframe which the Audit Committee deems appropriate in case the Audit Committee finds or suspects any misconducts as follows:
 - (a) any transaction which causes a conflict of interest;
 - (b) any fraud, irregularity or significant defect in an internal control system; or
 - (c) any violation of the law on securities and exchange, the Stock Exchange of Thailand's rules and notifications and laws applicable for the Company and/ or its business.

If the Board of Directors fails to rectify the matter within the specified period, one of the Audit Committee shall disclose such transaction or act to the Securities and Exchange Commission or the Stock Exchange of Thailand.

- (13) Review and give consent on the policy and report on the good corporate governance, the social responsibility and the anti-corruption.
- (14) Consider commenting the exercise of rights or denial the rights regarding the investment opportunities in the domestic and international retail businesses similar to the Company's business and may be competing against the Company's business, including the partial investment in such business opportunities with Flagship Company Letter of Undertakings between the Company and Harng Central Department Store Limited, the Company's major shareholder. The suitability of the investment should be subject to consideration of related factors, such as risks, return on investment and rationale of the transactions, before proposing for approval to the Board of Directors.
- (15) Request additional information from various units of the Company and its subsidiaries for considerations.
- (16) Review and suggest the Board of Directors to consider revising the Audit Committee Charter to the

current situations or at least once (1) a year.

- (17) Assess and review the performance in the previous year in the performance report and submit the Board of Directors at least once
 (1) a year.
- (18) Conduct other duties assigned by the Board of Directors, with the agreement of Audit Committee.

6. Meeting

- (1) The Audit Committee shall meet at least four (4) times per year according to the financial reports. The Chairman of the Audit Committee may call special meetings, if requested by the Audit Committee members, the internal auditor, external auditor or the Chairman of the Board of Directors, to consider other urgent matters as deems appropriate.
- (2) The Audit Committee shall meet with the Company's auditor, without the presence of management, at least once a year, either during the special or normal meeting.
- (3) In order to call the Audit Committee's meetings, the Chairman of the Audit

Committee or designated person shall send the meeting notice along with agenda items and relevant documents to all members of the Audit Committee via an electronic channel no less than seven (7) days prior to the meeting date so that the Audit Committee members have sufficient time to consider the meeting documents. Except in case of necessity and urgency to preserve the right and benefit of the Company, the meetings may be called by other methods or designated on earlier date.

Enclosure

7. Quorum and Voting

- The quorum of the Audit Committee' meetings must consist of no less than half of the Audit Committee members. In case the Chairman of the Audit Committee is not present at the meeting or unable to perform her duty, the Audit Committee members present at the meeting are required to select one member to become the Chairman of the meeting.
- (2) The resolution of the meeting shall be passed by majority votes of the members present at the meeting.

- (3) Each member has one (1) vote. Any member, who has a conflict of interest in any matter for consideration, has no right to vote on such matter.
 In the event that there are equal votes, the Chairman of the meeting has a casting vote.
- (4) The Chairman of the Audit Committee or the person designated by the Chairman of the Audit Committee reports the meeting results to the next Board of Directors' meeting.

This charter of the Audit Committee is effective from 21 January 2021 onwards.

Prasarn Trairatvorakul (Dr. Prasarn Trairatvorakul) Chairman of the Board of Directors Central Retail Corporation Public Company Limited

Charter of the Risk Policy Committee

1. Purpose

The Risk Policy Committee is established to support the Board of Directors in governance to ensure the adequate and proper risk management system is in place in order for the Company to achieve its objectives efficiently and effectively, and to comply with the related laws and standards to limit the overall risks to the acceptable level.

2. Composition

The Risk Policy Committee consists of at least three (3) directors, including independent director(s) and executive director(s), which must be appointed by the resolution in the Board of Directors' Meeting.

The Chairperson of the Risk Policy Committee must be the independent director and appointed by the resolution of the Board of Directors' meeting.

The Risk Policy Committee may appoint the secretary to the Risk Policy Committee to assist in performing duties of the Risk Policy Committee regarding meeting appointments, meeting agenda preparation, meeting supporting document submission and meeting minute taking.

3. Qualification of the Risk Policy Committee

The Risk Policy Committee members must possess the following qualifications:

- Be knowledgeable, capable, honest, ethical and have sufficient time to dedicate their knowledge and capabilities and perform their duties for the Company.
- (2) Be fully qualified and not be under any of the prohibitions prescribed in the related laws.

4. Terms of Office

The Risk Policy Committee members shall have an office term of three (3) years and be in line with the office term of the Company's directors. The Risk Policy Committee members who have completed their office term may be reappointed.

In case that any Risk Policy Committee members have completed their terms or are unable to complete their terms, resulting in having less than three (3) members of the Risk Policy Committee; the Board of Directors shall appoint other directors to complete the Committee immediately or no later than three (3) months from the date of incompletion to ensure continuity in performing their duties.

5. Authorities, Duties and Responsibilities

- Consider the Enterprise Risk Management Policy, which is the framework of risk management processes for all levels of employees, to ensure alignment with objectives, main goals, strategies and risk appetite.
- Oversee to ensure that the Company has identified risks by considering both external and 5. internal factors that may impede the Company from achieving its specified objective. These may

include strategic risk, operational risk, financial risk and compliance risk.

- . Oversee to ensure that the Company has assessed the impact and likelihood of the identified risks for prioritization and has proper risk management measures in place to cope with such risks, either risk acceptance, risk mitigation, risk avoidance, or risk transfer.
- 4. Oversee to ensure that there are persons responsible for executing the Risk Management Policy as well as establish the structure and approve appointing of the Risk Management Committee to define the risk management strategy and guidelines which are in line with the Risk Management Policy and encourage the collaboration in risk management at every level.
- 5. Regularly monitor and evaluate the Risk Management Policy as well as review the appropriateness and adequacy of the Risk Management

ance Corporate Governance

Policy, strategy and guidelines to assure that such policy, strategy and guidelines align with the business strategy and direction and can control the risk level within the risk appetite.

- Give advice and support to the Board of Directors on the Enterprise Risk Management Policy as well as encourage the continuous and regular improvement and development of the risk management system.
- Communicate with the Audit Committee on significant risks in order to consider the adequacy of the Company's and its subsidiaries' internal control systems.
- 8. Review and propose the revision of the charter of the Risk Policy Committee, in order to be in line with circumstances or at least once a year, to the Board of Directors for approval.
- Evaluate the performance of the Risk Policy Committee and propose to the Board of Directors for consideration at least once a year.

- Seek for independent opinions from professional consultants, where necessary, at the expense of the Company.
- Perform any other act as assigned by the Board of Directors or as specified in any policies approved by the Board of Directors.

6. Meeting

- The Risk Policy Committee shall meet as the Chairperson of the Risk Policy Committee deems as appropriate, at least two (2) times per year.
- (2) In order to call the Risk Policy Committee's meetings, the Chairperson of the Risk Policy Committee or designated person shall send the meeting notice along with agenda items and relevant documents to all members of the Risk Policy Committee, via any channels including an electronic channel, no less than seven (7) days prior to the meeting date so that the Risk Policy Committee members have sufficient time to consider the meeting documents. Except in

case of necessity and urgency to preserve the right and benefit of the Company, the meetings may be called by other methods or at shorter notice.

Enclosure

(3) The Chairperson of the Risk Policy Committee or a person designated by the Chairperson of the Risk Policy Committee shall report the meeting resolutions to the Board of Directors' meeting.

7. Quorum and Voting

- (1) The quorum of the Risk Policy Committee' meetings must consist of no less than half of the Risk Policy Committee members. In case the Chairperson of the Risk Policy Committee is not present at the meeting or unable to perform his/her duty, the Risk Policy Committee members present at the meeting are required to select one member to become the Chairperson of the meeting.
- (2) The resolution of the meeting shall be passed by majority votes of the members present at the meeting.

(3) Each member has one (1) vote. Any member who has a conflict of interest in any matter for consideration has no right to vote on such matter. In the event that there are equal votes, the Chairperson of the meeting has a casting vote.

This charter of the Risk Policy Committee is effective from 12 November 2020 onwards.

Prasarn Trairatvorakul (Dr. Prasarn Trairatvorakul) Chairman of the Board of Directors Central Retail Corporation Public Company Limited

Charter of the Nomination and Remuneration Committee

1. Purpose

The Nomination and Remuneration Committee ("NRC") is established to nominate qualified persons to take up the positions of directors, members of the sub-committees, Chief Executive Officer and top management (as per the definition of "executives" in the announcement of the Securities and Exchange Commission at KorChor. 17/2551 regarding the determination of Definitions in Notifications relating to Issuance and Offer for Sale of Securities), consider and submit the remuneration methods and principles of director, members of the sub-committees. Chief Executive Officer and top management; together with suggestions to the Board of Directors and/or propose for approval in the Shareholders' Meeting.

2. Composition

The NRC consists of at least three (3) members.

The NRC may consider the appointment of the Nomination and Remuneration Committee Secretary to assist the operation of the Nomination and Remuneration Committee regarding meeting appointments, meeting agenda preparation, meeting supporting document submission and minute taking.

3. Qualification

The NRC members must possess the following qualifications:

- (1) Be the Company's director.
- (2) Be knowledgeable, honest, experienced in the fields useful to the duties, ethical and capable of performing duties by dedicating sufficient time to the Company.
- (3) Be fully qualified and not be under any of the prohibitions prescribed in the related laws.

4. Term of Office and Selection of the Nomination and Remuneration Committee

The Board of Directors appoints the NRC members, with three (3) year term of office, subject to that of the directors. Also, the NRC members who are expired from their terms may be reappointed.

In case that any NRC members are expired from their terms or unable to hold the positions until the end of their terms, resulting in the Company having less than three (3) members of the NRC; the Board of Directors should propose a resolution to appoint a new NRC member in order to complete the Committee immediately or no later than three (3) months from the date of incompletion to ensure continuity in operation.

5. Authorities, Duties and Responsibilities

- Consider the appropriate structure, composition of the Board of Directors and sub-committees to suit the business size, type and complexity.
- (2) Define the qualifications and criteria forrecruiting the Company's directors, sub-committee members, Chief Executive Officer and senior executives (as defined as "Executives" in the Announcement of the Securities and Exchange Commission at KorChor. 17/2551 regarding the determination of definitions in notifications relating to issuance and offer for sale of securities) and select qualified candidates with proper knowledge, experience and expertise in order to propose to the

Board of Directors and/or shareholders' meeting (case by case) for appointment.

- (3) Consider the independency of each independent director to ensure the person is qualified.
- (4) Consider the development methods and procedures for directors, members of the sub-committees, Chief Executive Officer and top management consistent with the Company's business and the current situations.
- (5) Prepare and review the development plans for Chief Executive Officer and top management to prepare them for the succession plan, in case that the Chief Executive Officer and top management in the specific positions are retired or unable to perform the duties, in order for the Company's management to continue without interruption.
- (6) Consider the structure, method and standard of (monetary and nonmonetary) remuneration and other benefits for directors, members of the

G

Corporate Governance

Financial Statements Enclosure

sub-committees. Chief Executive Officer and top management, including fixed compensation (such as regular salaries and meeting allowances) and compensation based on the Company performance (such as bonuses, premiums and rewards) so that they are equitable and appropriately corresponds to the related laws, as well as determine the wage rates, compensation, premiums and rewards, bonuses, and salary increment for directors, members of the sub-committees. Chief Executive Officer and top management to be proposed in the Board of Directors meeting and/or Shareholders' Meetings for approval (as the case may be).

(7) Consider the remuneration for directors, corresponding to the Company's strategies and longterm goals, experiences, duties, accountabilities and responsibilities, as well as advantages expected from each director. However, the director's compensations should be comparable to those of other companies within the similar industry as the Company, and also take into consideration the remuneration guideline for the Chief Executive Officer and top management to match the Company's main objectives and goals, as well as its interests in the long term.

- (8) Consider the evaluation principles for the Chief Executive Officer and top management and submit for the Board of Directors approval.
- (9) Review and suggest the Board to consider revising the Nomination and Remuneration Committee Charter to the current situations or at least once (1) a year.
- (10) Assess and report the performance results of the Nomination and Remuneration Committee to the Board of Directors and prepare the Nomination and Remuneration Committee's report.
- (11) Request professional opinions from any independent experts if necessary and as appropriate at the Company's expenses.
- (12) Request additional information from various units of the Company and its subsidiaries for considerations.
- (13) Conduct other duties assigned by the Board or according to policy set by the Board of Directors.

6. Meeting

- The NRC shall meet as the Chairman of the Nomination and Remuneration Committee deems as appropriate but at least once a year.
- (2) In order to call the NRC meetings, the Chairman of the NRC or designated person shall send the meeting notice along with agenda items and relevant documents to all members of the NRC via an electronic channel no less than seven (7) days prior to the meeting date so that the NRC members have sufficient time to consider the meeting documents. Except in case of necessity and urgency to preserve the right and benefit of the Company, the meetings may be called by other methods or designated on earlier date.

7. Quorum and Voting

 The quorum of the NRC meetings must consist of no less than half of the NRC members. In case the Chairman of the NRC is not present at the meeting or unable to perform his duty, the NRC members present at the meeting are required to select one member to become the Chairman of the meeting.

- (2) The resolution of the meeting shall be passed by majority votes of the members present at the meeting.
- (3) Each member has one (1) vote. Any member, who has a conflict of interest in any matter for consideration, has no right to vote on such matter. In the event that there are equal votes, the Chairman of the meeting has a casting vote.
- (4) The Chairman of the NRC or the person designated by the Chairman of the NRC shall report the meeting resolutions to the next Board of Directors' meeting.

This charter of the Nomination and Remuneration Committee is effective from 20 July 2019 onwards.

Prasarn Trairatvorakul (Dr. Prasarn Trairatvorakul) Chairman of the Board of Directors Central Retail Corporation Public Company Limited

462

Charter of the Corporate Governance and Sustainability Committee

1. Objective

The Company is committed to complying with the international standards of good corporate governance principles to achieve the sustainability. The Board of Directors has therefore resolved to appoint the Corporate Governance and Sustainability Committee ("The Committee") to engage in corporate governance and sustainability activities of the Company while ensuring that the Company's business operation is in line with the directions, policies, and strategies to achieve corporate governance and sustainability.

2. Composition

The Committee consists of at least three (3) members. The Committee shall appoint one or more secretaries to assist the Committee with meeting appointments, preparation of meeting agenda, delivery of meeting documents, preparation of the minutes, and tracking of the implementation of meeting resolutions.

3. Qualifications of Committee Member

A Committee member shall possess the following qualifications:

- (1) Be a director of the Company.
- (2) Be a knowledgeable, capable, and experienced person with honesty and business ethics for the performance of duties as well as dedicate sufficient time, knowledge and capabilities for the performance of duties.
- (3) Be fully qualified without any prohibited attribute specified by relevant laws.

4. Appointment and Tenure

The Board of Directors shall appoint the Committee members. The tenure of a Committee member is equivalent to his/her director tenure, except where otherwise provided in the Board resolution. Any Committee member retiring by rotation may be re-appointed.

5. Authority, Duties and Responsibilities

Corporate Governance

- To consider and review the good corporate governance policy, the code of business ethics, guidelines for business conduct, the conflict of interest policy, the insider trading policy, or other relevant documents as in compliance with the good corporate governance principles and submit them to the Board of Directors for consideration and approval.
- (2) To review and give advice on compliance with the good corporate governance principles of relevant agencies, e.g., the Securities and Exchange Commission, the Stock Exchange of Thailand, the Thai Institute of Directors, and the ASEAN Scorecard.
- (3) To monitor corporate governance performance as in line with the policy and specified goals.

(4) To regularly report performance progress to the Board of Directors for acknowledgement.

Suatainability

- (1) To set a sustainability policy, operating procedures, and plans as in line with the Company's business operations in terms of social and environmental aspects and propose them to the Board of Directors for consideration and approval.
- (2) To consider and approve the sustainability strategy as well as promote and support activities to achieve the Company's sustainability goal.
- (3) To approve the sustainability budget to be included in the annual budget and propose it to the Board of Directors for approval.
- (4) To define a scope of work, monitor and evaluate sustainability performance within the requirements set by the Stock Exchange of Thailand and/or other relevant agencies.

- (5) To monitor sustainability performance as in line with the policy and specified goals.
- (6) To regularly report performance progress to the Board of Directors for acknowledgement.

General Matters

 (\cap)

- To review and propose amendments to the Charter to the Board of Directors as in alignment with the situation at least once (1) a year.
- (2) To evaluate the Committee's performance as well as prepare the Committee's annual report and submit it to the Board of Directors for acknowledgement.
- (3) To be able to seek independent opinions from any other professional experts as deemed necessary at the Company's reasonable expenses.

- (4) To be able to request information from different units of the Company and subsidiaries for additional consideration of different matters.
- (5) To perform any other tasks delegated by the Board of Directors or specified in the Board of Directors' policy.

Meeting

6.

- There shall be at least two (2) meetings per year as deemed appropriate by the Chairman of the Committee.
- (2) To call a meeting, the Chairman of the Committee or any designated person shall send out a notice of meeting together with agenda and supporting documents by electronic means to all Committee members at least seven (7) days prior to the meeting day to allow them to have

sufficient time to study the information. Except for the case of emergency to safeguard the rights or interests of the Company, the meeting can be notified by other means or can be called earlier than the scheduled meeting date.

7. Quorum and Voting

- (1) At a meeting, there must be directors present of not less than half of the total number of directors in order to form a quorum. In the event that the Chairman of the Committee is absent or unable to discharge his duties, the directors attending the meeting shall elect one of the directors to preside over the meeting.
- (2) The decisions made by the Committee shall be based on a majority vote.

- (3) Each director shall be entitled to one (1) vote. However, a director having a personal interest in any matter shall have no right to vote on that particular matter. In the case of tie votes, the presiding Chairman is entitled to the casting vote.
- (4) The Chairman of the Committee or any designated person shall report the meeting results to the Board of Directors for acknowledgement.

This Charter shall take effect from 21 January 2021 onwards.

Prasarn Trairatvorakul (Dr. Prasarn Trairatvorakul) Chairman of the Board of Directors Central Retail Corporation Public Company Limited

Business Overview and Performance

Corporate Governance Financi

Financial Statements Enclosure

Charter of the Executive Committee

1. Purpose

The Company's Executive Committee is established to support the Board of Directors in governance according to any policy, operation plan, requirements, instructions, and goals set within the scope assigned by the Board of Directors.

2. Composition

The Executive Committee consists of at least three (3) members, who is not required to be the Company's directors.

The Executive Committee may consider the appointment of the secretary to the Executive Committee to assist the operation of the Executive Committee regarding meeting appointments, meeting agenda preparation, meeting supporting document submission and minute taking.

3. Qualification

The Executive Committee members must possess the following qualifications:

 Be knowledgeable, honest, ethical, and capable of performing duties by dedicating sufficient time to the Company. (2) Be fully qualified and not be under any of the prohibitions prescribed in the related laws.

4. Term of Office and Selection of the Executive Committee

The Board of Directors appoints qualified persons to take up the positions of members of the Executive Committee, with three (3) year term of office, subject to that of the directors (in case the Executive Committee members are also directors). Also, the Executive Committee members whose terms are expired may be reappointed.

In case that any Executive Committee members are expired from their terms or unable to hold the positions until the end of their terms, resulting in the Company having less than three (3) members of the Executive Committee; the Board of Directors should propose a resolution to appoint a new Executive Committee member in order to complete the Committee immediately or no later than three (3) months from the date of incompletion to ensure continuity in operation.

5. Authorities, Duties and Responsibilities

- Define the Company's and its subsidiaries' vision, strategy, business direction, policy, target, business plan, budget, management structure and delegation of authority, as proposed by the management, and propose to the Board of Directors for approval. Conduct the Business as approved by the Board of Directors, review and monitor the operation to ensure the efficiency and effectiveness.
- (2) Manage and oversee the Company's normal business operation and general management.
- (3) Approve the entering into any agreement and/or transaction relevant to the Company's normal business operation (e.g., trading, investment, or joint venture with others for the Company's normal transaction which enables the Company to achieve its objective) within the budget as specified in the delegation of authority or as approved by the Board of Directors.

- (4) Approve any request for loan from financial institutions, lending, pledge, mortgage or credit guarantee of the Company and its subsidiaries within the budget as specified in the delegation of authority or as approved by the Board of Directors.
- (5) Approve the appointment of advisors in various fields as deems necessary for the Company's business under the annual budget framework approved by the Board of Directors.
- (6) Invite the management, executives, or any persons of the Company to join the meeting to give information as deems necessary.
- (7) Request additional information from various units of the Company and its subsidiaries for making decision.
- (8) Regularly report the significant performance of the Executive Committee to the Board of Directors for acknowledgement.

Financial Statements Enclosure

- (9) Conduct the overall performance assessment and self-assessment of the Executive Committee and annually present to the Board of Directors.
- (10) Review and propose to the Board of Directors the revision of the Executive Committee Charter to be in line with current situation.
- Perform any other act as assigned by the Board of Directors or as specified in any policies approved by the Board of Directors.
- (12) Authorize any person or a group of persons to perform in any matter on behalf of the Executive Committee. The delegation of authority, duty and responsibility of the Executive Committee shall not have any characteristics that enable the authorized person to approve the connected transaction of himself/ herself or related person (as defined in the notifications of the Securities and Exchange Commission and/or the Capital Market Supervisory

Board and/or the Stock Exchange of Thailand and/ or relevant agencies) or the transaction which may have a conflict of interest with the Company or its subsidiaries, except the transactions that are in line with the policy or guideline approved by the Board of Directors.

6. Meeting

- The Executive Committee shall meet as the Chairman of the Executive Committee deems as appropriate but at least four (4) times per year.
- (2) To call the Executive Committee's meetings, the Chairman of the Executive Committee or designated person shall send the meeting notice along with agenda items and relevant documents to all members of the Executive Committee via an electronic channel no less than seven (7) days prior to the meeting date so that the Executive Committee members have sufficient time to consider the meeting documents.

Except in case of necessity and urgency to preserve the right and benefit of the Company, the meetings may be called by other methods or designated on earlier date.

7. Quorum and Voting

- (1) The quorum of the Executive Committee' meetings must consist of no less than half of the Executive Committee members. In case the Chairman of the Executive Committee is not present at the meeting or unable to perform his duty, the Executive Committee members present at the meeting are required to select one member to become the Chairman of the meeting.
- (2) The resolution of the meeting shall be passed by majority votes of the members present at the meeting.
- (3) Each member has one (1) vote. Any member, who has a conflict of interest in any matter for consideration, has no right to vote

on such matter. In the event that there are equal votes, the Chairman of the meeting has a casting vote.

(4) The Chairman of the Executive Committee or the person designated by the Chairman of the Executive Committee reports the meeting resolutions to the next Board of Directors' meeting for acknowledgement.

This charter of the Executive Committee is effective from 26 March 2019 onwards.

Prasarn Trairatvorakul (Dr. Prasarn Trairatvorakul) Chairman of the Board of Directors Central Retail Corporation Public Company Limited Financial Statements Enclosure

Enclosure 6

Audit Committee's Report

Dear Shareholders,

The Audit Committee of Central Retail Corporation Public Company Limited ("the Company") consists of 3 independent committees who are experts with experiences in management, accounting and finance. Each of them has a 3-year tenure. All members of the Audit Committee meet all the qualifications as stipulated in the Audit Committee Charter which is in accordance with the requirements and best practices for the Audit Committee of both the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

In 2020, the Audit Committee held 13 meetings in total, with details of each member's meeting attendance as follows:

1.	Mrs. Pratana Mongkolkul	Chairman of the Audit Committee	Attended 13/13 times
2.	Mrs. Patareeya Benjapolchai	Member of the Audit Committee	Attended 13/13 times
3.	Mr. Sompong Tantapart	Member of the Audit Committee	Attended 13/13 times

The main duties and responsibilities of the Audit Committee is 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 evaluation on the effectiveness of performance of internal auditor. The Audit Committee reports its performance as well as recommendations to the Board of Directors whenever the Audit Committee has questions or opinions that there should be improvements regards to internal control, financial reports or other matters found. The Audit Committee will promptly report any queries or recommendations in various matters to the Board of Directors. The Audit Committee's performance of duties can be concluded as follows:

1. Review the Accuracy of Financial Reports and the Adequacy of the Disclosure of the Company's Information

The Audit Committee reviewed the Company's quarterly and annual consolidated financial statements regarding the accuracy and completeness of the financial statements, updating important financial transactions and accounting estimates affecting the financial statements, the adequacy and appropriateness of accounting procedures and audit scope, the disclosure of accurate, complete, and adequate information, and the independence of auditors.

The Audit Committee and the auditors considered and agreed that the aforementioned financial statements of the Company were prepared in accordance with generally accepted accounting standards. Also, they were accurate, complete, and reliable and the selection of accounting policies were appropriate.

Moreover, the Audit Committee discussed with the auditors and the executives in the Accounting and Finance Department on the accounting standards that were effective in 2020.

2. Review Connected Transactions or Transactions that May have Conflict of Interest

The Audit Committee gave an importance on reviewing inter-company transactions or transactions that may cause conflict of interest with the business group to be in accordance with the group policy for entering into connected transactions and a policy for purchase or lease of land for use in conducting business from connected persons by having the related management quarterly report inter-company transactions as announced by SEC and SET. As a result, the said transactions were conducted reasonably for the utmost benefits to the business group, and no beneficial to either party.

3. Review the Internal Control Systems

The Board of Directors recognized the importance of having good internal control systems and realized that it was an important duty that must be undertaken to ensure that the Company has appropriate and sufficient internal control systems to ensure that operations are effectively in line with the target, objectives, laws, and related requirements. In addition, the Audit Committee regularly reviewed the Internal Audit Department's audit reports on a monthly basis, covering the auditing of the Company's key work systems according to the plan approved by the Audit Committee as well as reviewed the adequacy of internal control systems according to the guidelines of the internal control of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) by using the "Internal Control Sufficiency Evaluation Form" as specified by the SEC.

The Audit Committee was of the opinion that the Company's internal control systems were appropriate and effective enough for business operations. There were no significant issues that may affect the Company's operations.

4. Supervise the Internal Audit

The Audit Committee supervised the Internal Audit Department to be independent and directly report to the Audit Committee as specified in the Internal Audit Department Charter. The Audit Committee reviewed the annual audit plan, plan implementation, and internal audit results by giving suggestions and following up the significant issues in order to create good corporate governance and sufficient internal control, including reviewing the Internal Audit Department Charter and the independence and adequacy of various resources for the operations of the Internal Audit Department. As a result, the Audit Committee was of the opinion that the Company's internal audit system was suitable, sufficient, and effective. The performance of the Internal Audit Department was in accordance with the specified goals. Moreover, an effectiveness of internal audit assessment (Quality Assurance Review : QAR) was conducted by independent external experts.

5. Consider the Appointment of Auditors and Communication of Significant Matters between the Audit Committee and the Auditors

The Audit Committee considered the selection of auditors by taking into account their independence, quality of the previous audit, skills, knowledge, and their experience including the appropriation of the audit fees. The Audit Committee adopted the resolution of proposal to the Board of Directors to consider and get approval from the shareholders' meeting to appoint Miss Pornthip Rimdusit, the certified auditor no. 5565, and / or Mr. Watchara Pattarapitak, the certified auditor no. 6669, and / or Mr. Bundit Tangpakorn, the certified auditor no. 8509 from KPMG Phumchai Audit Limited as auditors of the Company for 2021 including the remuneration for the said auditors in 2021.

The Company hired an affiliated company of KPMG Phumchai Audit Limited, the Company's auditor, to provide services for preparing reports according to tax requirements (Transfer Pricing Documentation). The Audit Committee placed importance on the performance of duties of auditors who must be independent in auditing the Company's financial statements and the review of auditors' independence by having the management explain the scope of operations. The Audit Committee considered that it did not affect the independence of auditors in auditing the Company's financial statements. Financial Statements

The Audit Committee held one meeting with the auditors, without the presence of the management, to discuss the independence in the performance of duties as well as the changes in material issues derived from the financial statements review and audit in which the auditors notified that no material accounting issues were found and received good cooperation for the performance of duties.

6. Review Legal Compliance

The Audit Committee reviewed and supervised the Company and subsidiaries to operate the business in compliance with the rules, regulations, and policies of the securities and exchange law, the regulations of SEC and SET, and the other laws related to the Company's businesses. In 2020, the Company established a Compliance Unit to oversee such compliance. As a result, the Audit Committee found no indication of non-compliance and/or operation which is conflict to relevant laws, rules and regulations.

7. Review Good Corporate Governance

The Audit Committee reviewed the Company's corporate governance to ensure that the Company had the appropriate and effective corporate governance process and continuously promoted and followed up the progress of the good corporate governance development process by providing guidelines and recommendations on internal control improvements that were necessary for the Company. To develop the said process, the Audit Committee was of the opinion that the Company should continue developing and improving its good corporate governance.

8. Review and revise the Audit Committee Charter

Enclosure

The Audit Committee annually considered, reviewed, and updated the Audit Committee Charter to ensure that the Audit Committee Charter remained consistent with the notifications and best practices of SEC and SET, as well as evaluated the performance of duties individually and collectively according to the best practices of SEC. The results of the assessment were satisfactory. The Audit Committee completely performed its duties as stipulated in the Audit Committee Charter which was approved by the Board of Directors, by utilizing its knowledge and ability with independence as well as providing their opinions and recommendations to the management and the Board of Directors continuously.

From the performance of the Audit Committee in 2020 as reported above, 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 the internal control systems were sufficient and appropriate.

- Pratana Mongkolkul -

(Mrs. Pratana Mongkolkul) Chairman of the Audit Committee Central Retail Corporation Public Company Limited

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 (CPN) and Central Plaza Hotel Public Company Limited (CENTEL).		
Retail business group	Central Retail's business is organized into 4 operating segments based on business units, including fashion, hardline, food, and property or "segments" as presented in financial statement of the Company		
Central Retail	Central Retail Corporation Public Company Limited and / or subsidiaries and / or associated company, as context requires		
Key retail banners	Key retail banners as presented in the table of Central Retail's key retail banners in "Business Overview"		
The Company	Central Retail Corporation Public Company Limited		
Subsidiaries	The meaning of subsidiaries in accordance with Notification of the Securities and Exchange Commission No. Kor Jor. 17/2551, Determination of Definitions in Notifications relating to Issuance and Offer for Sale of Securities (As amended).		
Associated company	The meaning of associated company in accordance with Notification of the Securities and Exchange Commission No. Kor Jor. 17/2551, Determination of Definitions in Notifications relating to Issuance and Offer for Sale of Securities (As amended)		
SET	The Stock Exchange of Thailand		
Public Limited Companies Act	Public Limited Companies Act, B.E. 2535 (1992) (As amended)		
Securities and Exchange Act	Securities and Exchange Act B.E. 2535 (1992) (As amended)		
SEC	The Securities and Exchange Commission, Thailand		
CENTEL	Central Plaza Hotel Public Company Limited		
COL	COL Public Company Limited		
CPN	Central Pattana Public Company Limited		
HCDS	Harng Central Department Store, major shareholder of the Company		
RIS	RIS Company Limited, providing IT services and computer equipment		
Southeast Asian	Southeast Asia is composed of Cambodia, Thailand, Brunei, Burma (Myanmar), the Philippines, Malaysia, Laos, Vietnam, Singapore and Indonesia		

Enclosure

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.
Thel loyalty program or Thel	The customer loyalty program operated by TheI 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, 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 and average net selling space per location	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. Average net selling space per location is the net selling space as of the date indicated divided by the number of stores as at the date indicated.
Net leasable space	The area at a given location that may be rented out to tenants, after deducting for common areas.
Sales of goods per square meter	Computed based on total sales of goods for the period divided by net selling space for the period, which is the average of the net selling space as of the end of each month comprising the period.
Average rental income per square meter	Average rental income per square meter is calculated based on total rental income for the period divided by the total occupied area for the period.
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 as of the date indicated.
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.



22 Soi Somkid Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330

Science Control Contr