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CP ALL PUBLIC COMPANY LIMITED

**56-1 ONE REPORT
ANNUAL REPORT 2022**



GIVING AND SHARING OPPORTUNITIES

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Corporate Philosophy

Through happy employees,
we desire to see smiles
from customers.



Vision

We serve convenience
to all communities.



Mission

Create customer engagement
with innovative products
and services and become
a high performance organization
with sustainability.

Summary of Financial information

For Fiscal Years Ending December 31

CP ALL Public Company Limited and its Subsidiaries	2020	2021	2022
Consolidated Financial Information (Million Baht)			
Net Sales and Services Income	525,884	565,060	829,099
Total Revenues	546,590	587,530	852,605
Net Profit	16,102	12,985	13,272
Net Cash Provided by Operating Activities	39,148	46,319	69,873
Total Assets	523,354	931,893	924,061
Total Liabilities	411,759	639,085	633,760
Total Equity	111,595	292,807	290,301
Share Information (Baht)			
Book Value per Share	12.42	32.60	32.32
Earnings per Share	1.68	1.33	1.39
Dividend per Share	0.90	0.60	0.75**
Financial Ratios (Percentage)			
Gross Margin (Sales and Services)	21.9	21.3	21.5
EBIT Margin	5.1	3.2	4.2
Net Profit Margin	2.9	2.2	1.6
Net Debt to Equity (Times)	2.3	1.3	1.3
Net Debt to Equity as Determined in the Bond Covenants (Times)*	1.62	0.90	0.92
Net Debt to EBITDA (Times)	4.2	6.4	3.9
Return on Total Assets	3.6	1.8	1.4

Remark

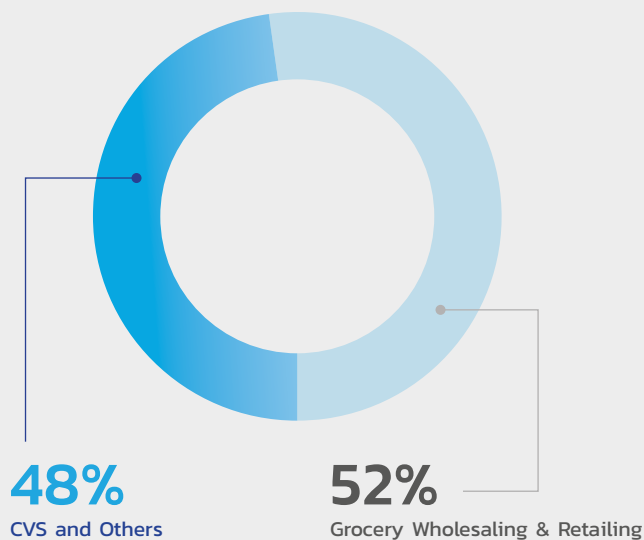
* The Company is obligated to comply with debenture covenants, by monitoring Net Debt to Equity Ratio. The ratio bases on the information in the consolidated financial statements for the accounting period ending on December 31 of each accounting period that the auditor has audited.

** Dividend payment for 2022 shall be further proposed to the shareholder's meeting on April 21, 2023 for approval.

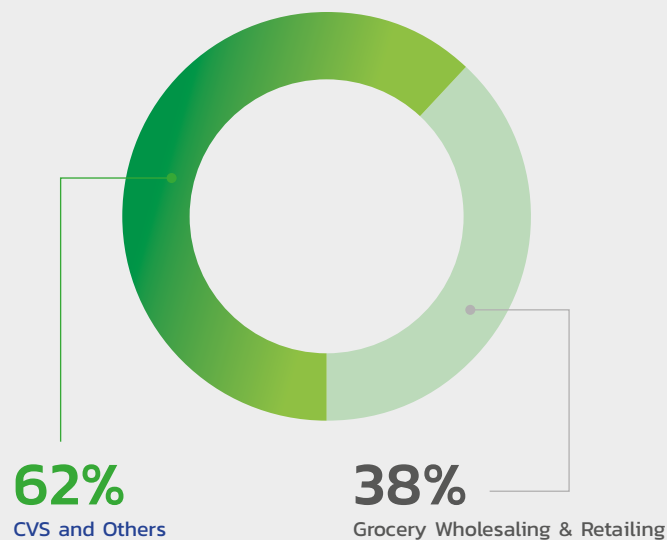
Revenue and Earnings

Based on Business Segments

Revenue Contribution*



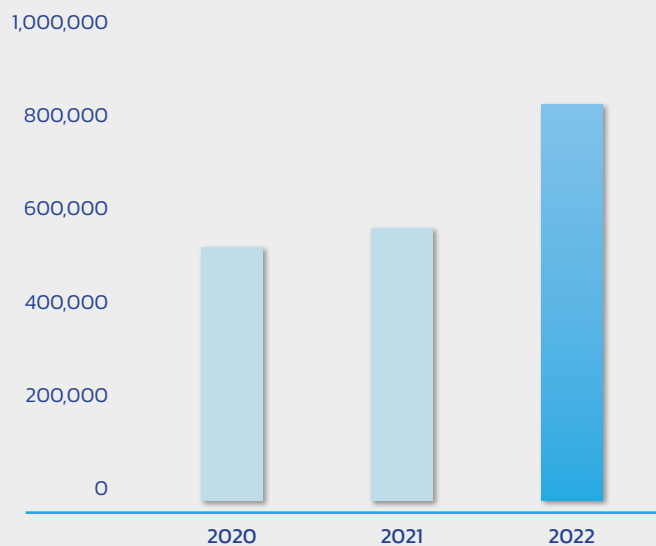
Earnings Before Tax Contribution*



Total Revenue

Million Baht

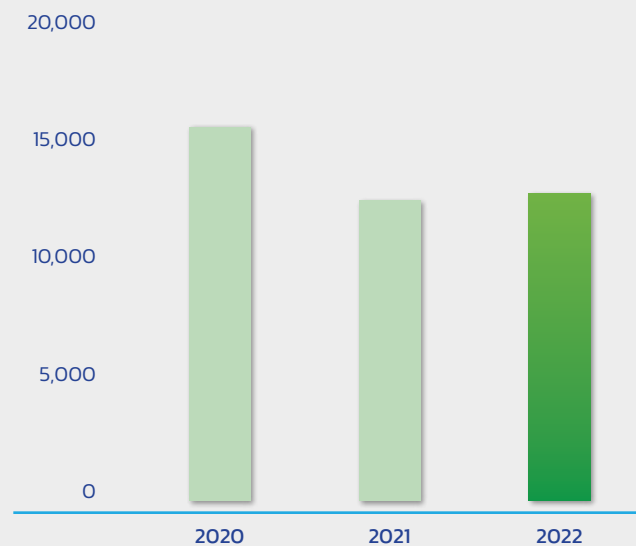
2022
852,605



Net Profit

Million Baht

2022
13,272



* Revenue and earnings before tax before elimination



INNOVATING SERVICE for a better convenience

CP ALL is determined to seek innovated solutions to satisfy new lifestyles in the digital era, allowing convenient payment at all times through ALL Online by 7-Eleven, a trusted platform for all, creating seamless engagements throughout every physical 7-Eleven store that continues to expand. CP ALL is committed to deliver smiles and stands firm with the community as we have always been for 35 years.



INNOVATING

experiences which fulfill appetite and convenience



Order products online
through application



7Delivery delivers products
using EV cars and motorcycles



Vending machines made food
and beverages ordering easier



Safe and cashless payment
via e-Wallet



INNOVATING PACKAGING that is environmentally friendly to enhance quality of life and sustainability

Not only CP ALL has been a leader in reducing and terminating plastic bags usage but also goes beyond to designing and selecting packages that are environmentally friendly under the concept of Reduce, Replace, Reuse, and Biodegradable, taking into consideration every process of the product cycle. We stand ready to join forces with our suppliers to make the world a better place by exploiting innovation to reduce plastic waste in everyday life.



INNOVATING an environmentally friendly consumption culture



Reduce the use of straws by replacing coffee cups with drinking lids



Redesign packaging to use less plastic yet still serves the purpose



Employees' outfits are made from recycled plastic bottles



Replace with Bio-Plastic



Reuse plastic bags to reduce plastic wastes



INNOVATING SOCIETY to give more options to lives

CP ALL connects the entire supply chain, sharing know-how, supporting technology, driving innovation to jointly and continuously develop new products to the market, ensuring that consumers can access to the products, which allow them to eat well, live well with good health. We also ensure that the upstream to downstream farmers and SMEs in our network grow sustainably to be a concrete foundation for our country.



INNOVATING opportunities for business partners in the digital era



Use Big Data to analyze the market to better improve and develop products



Increase opportunities for farmers to sell products at higher value



SME develop innovative products to respond to the market needs



Connect business operators to online platforms

Message from the Chairman and the Chairman of the Executive Committee



Mr. Soopakij Chearavanont
Chairman
CP ALL Public Company Limited

The Winning Business Strategy... Growing from strengths and seizing the future of the digital society

The overall economic drivers began to recover in 2022. Business activities across all sectors, both domestically and globally, started to resume as the country reopened. Despite the recovery trajectory, Thailand's economy has yet to face challenges such as inflation rate or the 14-year high spike energy prices, which directly impacted the business operation. In spite of any circumstances, the joint forces of all parties, who have acted on their best endeavors and proactively prepare and handle for any situations, turned crisis into opportunities. In addition, by exploiting the existing strengths through the use of technology advancement, the Company can respond to the needs, benefits, and conveniences of the consumers' new lifestyles or "New Normal" that the Company regards as our top priority. As a result, the Company is able to maintain its leadership position with outstanding growth. With the vision that firmly believes in the economic and consumption growth, the Company continues to invest to expand its stores both domestically and internationally. This includes increasing channels for products accessibility by expanding its online platform to solidly maintain its strategic strengths.

"Giving and Sharing Opportunities for All"...Teamed up for a stronger and sustainable SMEs

Apart from the Company's economic dimension, the Company has extended its growth to society and community by developing skills and promoting careers to generate income for network of small and medium enterprises (SMEs) within Thailand and countries where the Company has presence in. This creates sales opportunities across all channels, stores and online, and drives sales growth to achieve the target. The continuous increase in SMEs partners, as a result of collaborations, is considered one of the Company's proudly presented accomplishment. Through the years, we have worked and collaborated well with one another. In addition, the Company also promotes and create opportunities, strives toward creative innovations, for both within and outside of the organization, with an aim to create an "innovative culture", which would lead to an innovation that responds to customers' needs and lead the Company towards a truly innovative organization.

2022 Performance Indicated a Great Comeback... A solidly stable financial status

For the Company's 2022 performance in review, each business unit has seen its turnaround in terms of growth,



Mr. Korsak Chairasmisak
Chairman of Executive Committee
CP ALL Public Company Limited



revenue, and profit, following the recovery of Thailand's and regional economy. The Company recorded total revenue of Baht 852,605 million, increased by 45 percent from the previous year, and net profit of Baht 13,272 million. This led to the Company's financial position has continued to prove its stability with strong liquidity and appropriate financial structure. The Net Debt to Equity Ratio has returned to a level below 1 time, which is in accordance with the terms and conditions specified in the debentures.

Vision on Sustainability... An organization that facilitate community and society to have a better standard of living and live happily

2022 is another outstanding year for the Company, where the Company was recognized by many organizations, both nationally and internationally. The Company's determination to drive the organization towards excellence and built a strong leadership foundation with sustainable growth. In addition, the commitment and continuity the Company puts to accommodate the community and society to live a good happy life. For the year 2022, not only has the Company been selected as a member of the Dow Jones Sustainability Indices (DJSI) World Index for the fifth consecutive year in the Food

& Staples Retailing industry, but the Company has also been honored to be selected as the only organization globally to be assessed in the Gold Class level in the Food & Staples Retailing industry in the Sustainability Yearbook 2022 by S&P Global. Apart from the above, with the Company's strong will to develop environmental, social, and governance risks management (ESG risks), the Company received a revised rating to A level from MSCI ESG Ratings 2022.

On behalf of the Board of Directors, Executive Committee, and Management, we would like to express our sincere appreciation to our employees, shareholders, and all stakeholders, for the continuous support and confidence, which helped us regained our strengths and continue to grow. The Company is committed to continuously and sustainably develop through a seamless combination of sustainability and business operations based on good corporate governance. The Company is dedicated to operating our business under the motto "Create and share opportunities for all" based on 3 values: "Nation, People, and Organization", in order to become a truly sustainable organization, along with creating a good society and environment for our world.

Board of Directors



Adjunct Professor Prasobsook Boondech

Chairman of Sustainability and Corporate Governance Committee
Independent Director



Police General Phatcharavat Wongsuwan

Chairman of Remuneration and Nomination Committee
Member of Sustainability and Corporate Governance Committee
Independent Director



Mr. Padoong Techasarintr

Chairman of Audit Committee
Member of Sustainability and Corporate Governance Committee
Member of Remuneration and Nomination Committee
Independent Director



Mr. Pridi Boonyoung

Member of Audit Committee
Independent Director



Mrs. Nampung Wongsmith

Member of Audit Committee
Independent Director



Professor Dr. Kittipong Kittayarak

Independent Director



Mr. Soopakij Chearavanont
Chairman

Mr. Korsak Chairasmisak
Vice Chairman
Chairman of Executive Committee

Mr. Suphachai Chearavanont
Vice Chairman
Member of Remuneration
and Nomination Committee



Mr. Tanin Buranamanit
Vice Chairman
Vice Chairman of Executive
Committee

Mr. Adirek Sripratak
Director

Mr. Umroong Sanphasitvong
Director
Member of Sustainability
and Corporate Governance Committee
Member of Executive Committee

Mr. Narong Chearavanont
Director



Mr. Prasert Jarupanich
Director

Mr. Pittaya Jearavisitkul
Director
Vice Chairman of Executive Committee

Mr. Piyawat Titasattavorakul
Director
Vice Chairman of Executive Committee

Executive Committee



Mr. Korsak Chairasmisak
Chairman of Executive Committee



Mr. Pittaya Jearavisitkul
Vice Chairman of Executive Committee



Mr. Piyawat Titasattavorakul
Vice Chairman of Executive Committee



Mr. Tanin Buranamanit
Vice Chairman of Executive Committee



Mr. Umroong Sanphasitvong
Member of Executive Committee



Mr. Yuthasak Poomsurakul
Member of Executive Committee



Mr. Wisade Wisidwinyoo
Member of Executive Committee



Mr. Taweesak Kaewrathtanapattama
Member of Executive Committee



Ms. Lawan Tienghongsakul
Member of Executive Committee



Mr. Vichien Chuengviroj
Member of Executive Committee

Executive Officers



Mr. Yuthasak Poomsurakul
Chief Executive Officer



Mr. Vichai Janjariyakun
Managing Director (Co)



Mr. Vichien Chuengviroj
Managing Director (Co)



**Mr. Taweesak
Kaewrathtanapattama**
Senior Vice President -
Accounting and Finance



Ms. Lawan Tienghongsakul
Senior Vice President -
Human Resource



**Mr. Kriengchai
Boonpoapichart**
Chief Financial Officer



**Mrs. Nipaporn
Ackarapolpanich**
Senior Vice President -
Marketing



Mr. Thupthep Jiraadisawong
Senior Vice President -
Operation



Mr. Wiwat Pongritsakda
Vice President -
Information Technology



**Mrs. Phaphatsorn
Thanasorn**
Vice President -
Purchasing



**Mr. Ronnakitt
Pojamarnpornchai**
Vice President -
Accounting and Finance,
and Deputy Chief Financial Officer

Part 1

Business and Operating Performance

Structure and Operation of the Company



1. Structure and Operation of the Company

1.1 Policy and Business Overview

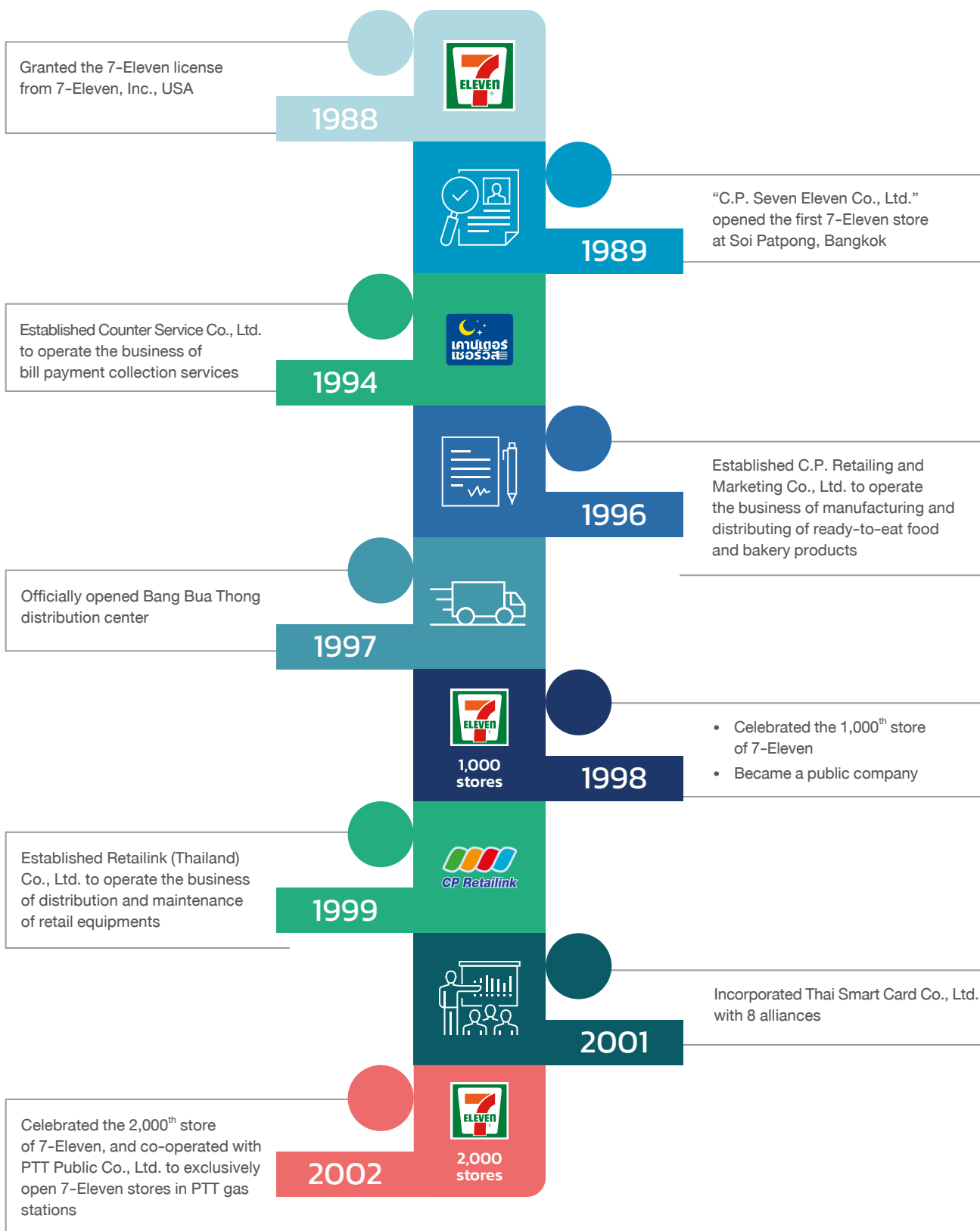
CP ALL Plc. (“the Company”, “CPALL”) was established in 1988 to operate a convenience store as a main business under the “7-Eleven” trademark in Thailand. Later, the Company expanded its business by operating various businesses to support the convenience store business which is the main business, as well as investing in wholesale and retail businesses to promote the Company to have a variety of retail formats and to extend its sustainable long-term growth.

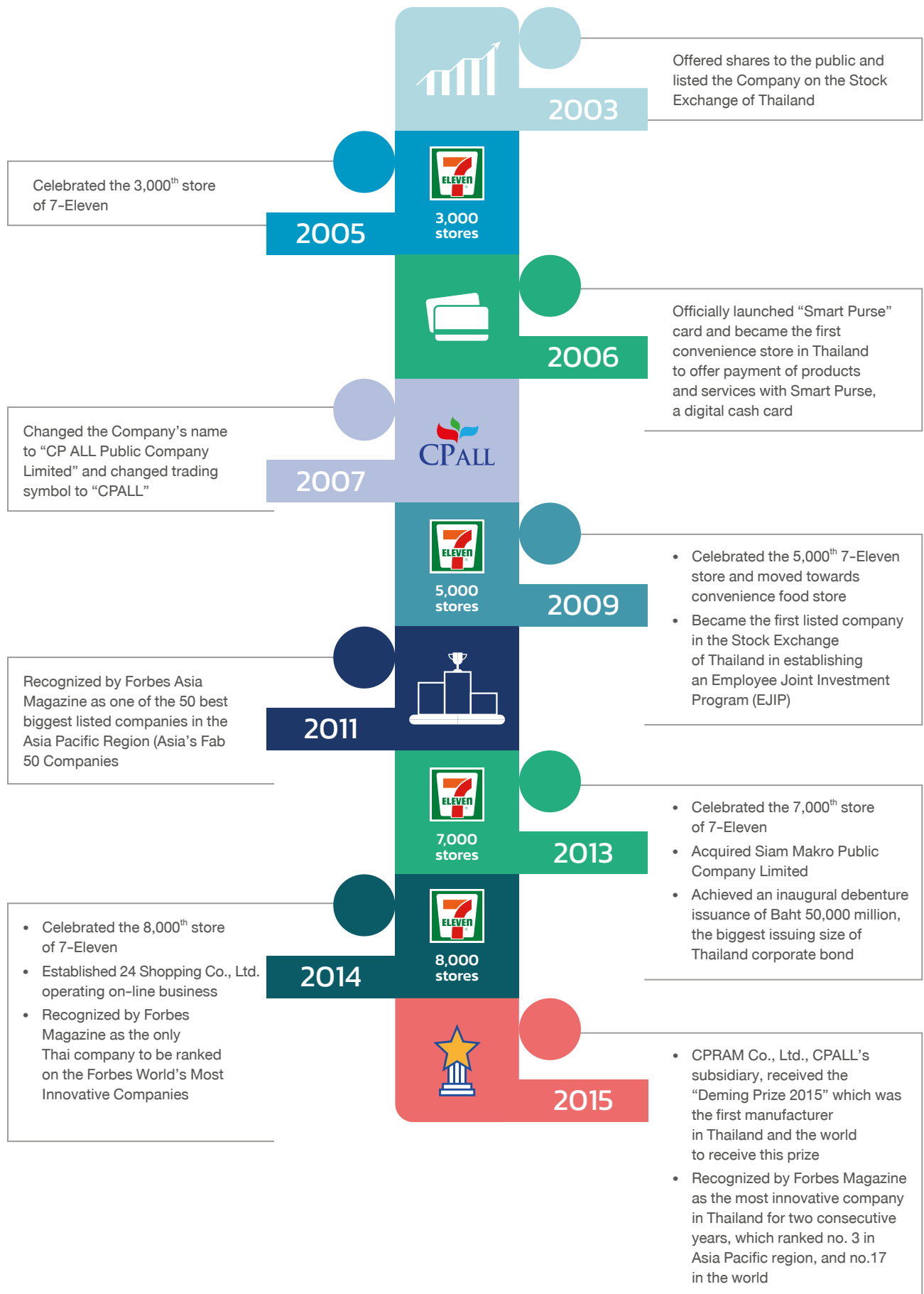
1.1.1 Vision, Goal and Business Strategies

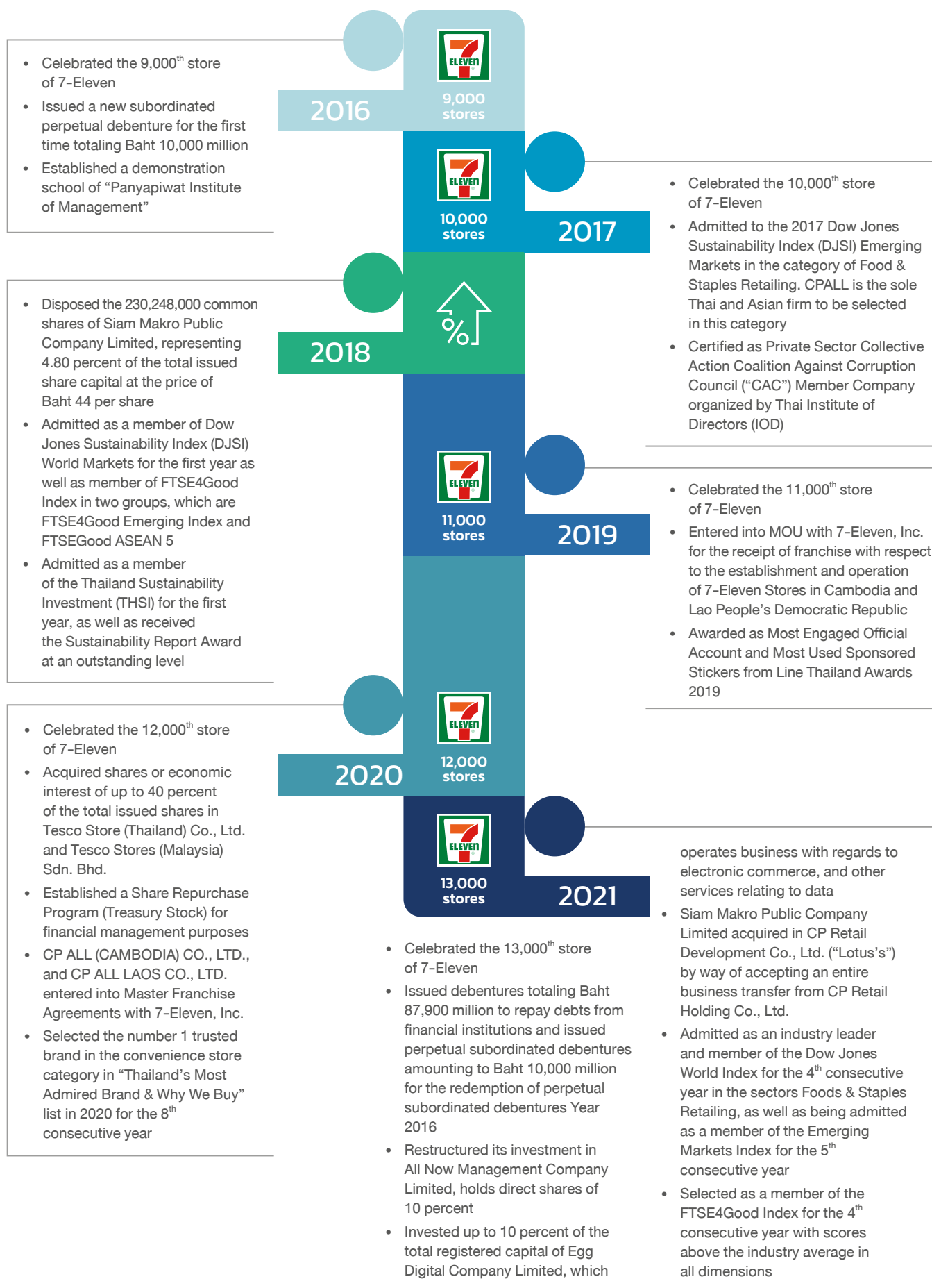
The Company has strategies to build sustainable growth and profits, to create value-added products and services for customers and society through quality and effective work processes, and to support a learning culture and development of employees through the corporate philosophy, vision and mission as follows:

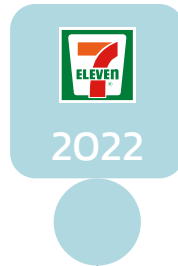


1.1.2 History and Key Milestones









- Issued debentures 5 times in a total of Baht 25,000 million to repay for the upcoming debenture maturing, and using the rest as working capital. However, the issuing of debentures 2/2022 totaling Baht 10,000 million to repay for subordinated perpetual debenture 1/2017
- Selected for the 5th consecutive year as a member of the Dow Jones Sustainability Index in the category of World Index as well as for the 6th consecutive year of the Emerging Markets Index
- Awarded in S&P Global Sustainability Awards as the Gold Class -highest ranking, for the "Sustainability Yearbook 2022"
- Admitted by a review of ESG Ratings in group "A" for the category Retail Food & Staples from MSCI
- Selected as a member of the FTSE4Good Index with the highest score in the emerging market group. Selected as a member of FTSE4Good ASEAN 5 in the Food Retailers & Wholesalers section for the 5th consecutive year
- Received SET Awards 2022 in the Sustainability Excellence category within the Highly Commended in Sustainability Awards category. It was also a member of the Thailand Sustainability Investment Stock Index in the Services category for the 5th consecutive year
- Received a 5-star rating, which means "excellent" in a survey on the corporate governance of Thai listed companies by the Thai Institute of Directors Association (IOD) for the 3rd consecutive year.
- Awarded the Best CFO in the sector Consumer/Staples in Rest of Asia (ex- China and Japan). Also ranked 2nd in IR and ESG, which the group consists of: Best IR Program, Best IR Professional, and ESG in the Consumer/Staples sector in Rest of Asia (ex- China and Japan)
- Admitted in the Asia Money Award "Asia Outstanding Companies" list in the Consumer Staples sector for Thailand
- Awarded 5 international award from the 12th Asian Excellence Awards 2022, the awards include: "Asia's Best CEO", "Asia's Best CFO", "Best Investor Relations Professional", "Best Investor Relations Company", and "Best CSR Company"

1.1.3 The Use of the Proceeds from the Fundraising Comply with the Purposes as Disclosed; those are Use of Proceeds from an Issuance of Equity or Debt Securities Issued During 2022

(1.1) CPALL Public Company Limited Debentures No. 1/2022

Use of Proceeds	Estimated Amount	Estimated Term Duration	Description / Progress in Use of Proceeds
To repay debenture: CPALL226A that maturing, and using as working capital for the Company	Baht 8,000 million	Term due within 2 nd Quarter 2022	Using the proceed to repay for the borrowing of the debenture: CPALL226A that is due on 30 June 2022. The rest of the capital will be used as working capital for the purpose of issuing debentures

(1.2) CPALL Public Company Limited Debentures No. 2/2022

Use of Proceeds	Estimated Amount	Estimated Term Duration	Description / Progress in Use of Proceeds
To repay subordinated debenture: CPALL17PA	Baht 10,000 million	Term due within August 2022	Using the proceed to repay borrowing of subordinated debenture CPALL17PA on 22 August 2022 according to the objective of issuance

(1.3) CPALL Public Company Limited Debentures No. 3/2022

Use of Proceeds	Estimated Amount	Estimated Term Duration	Description / Progress in Use of Proceeds
To repay the debenture CPALL22NA maturing in November 2022	Baht 5,000 million	Term due within November 2022	Using the proceed to repay borrowing of debenture CPALL22NA on 30 November 2022 according to the objective of issuance

(1.4) CPALL Public Company Limited Debentures No. 4/2022

Use of Proceeds	Estimated Amount	Estimated Term Duration	Description / Progress in Use of Proceeds
To be used as working capital	Baht 1,000 million	6 December 2022	Using the proceed from the issuance of debentures for the purpose of working capital after the repayment of debenture on 30 November 2022 according to the objective of issuance

(1.5) CPALL Public Company Limited Debentures No. 5/2022

Use of Proceeds	Estimated Amount	Estimated Term Duration	Description / Progress in Use of Proceeds
To be used as working capital	Baht 1,000 million	9 December 2022	Using the proceed from the issuance of debentures for the purpose of working capital after the repayment of debenture on 30 November 2022 according to the objective of issuance

1.1.4 Obligations that the Company Pledges in the Securities Offering Registration Statement and /or the SEC's Conditions and / or SET's Listing Conditions

None

1.1.5 Company Head Office

CP ALL Public Company Limited (“the Company”) operates convenience stores under the “7-Eleven” trademark. The symbol of the Company’s stock trading in the Stock Exchange of Thailand is “CPALL”. The Company has registered as a Public Limited Company since March 12, 1999 and its registration number is 0107542000011.

As at December 31, 2022, the Company has registered capital at Baht 8,986,296,048 of which 8,986,296,048 ordinary shares with a par value of Baht 1 per share. The paid-up capital is to Baht 8,983,101,348.

Head Office – 313 C.P. Tower, Floor 24, Silom Road, Bangrak District, Bangkok, Thailand 10500

Telephone 02-071-9000, Fax 02-238-1767, www.cpall.co.th

1.2 Overview of Business Operation**1.2.1 Revenue Structure**

The majority of the Company’s revenue is derived from net sales and services, which can be categorized (before eliminating inter transactions) into three groups as follows:

Business Unit	2020		2021		2022	
	Million Baht	percent	Million Baht	percent	Million Baht	percent
Convenience store (7-Eleven)	328,530	55	320,479	50	383,186	42
Grocery Wholesale and Retail businesses* (Makro & Lotus’s)	218,762	37	273,082	42	468,947	52
Others**	46,350	8	51,660	8	56,993	6
Total Revenue	593,642	100	645,221	100	909,126	100

* As at October 25, 2021, Siam Marko Plc. completely acquired C.P. Retail Development Co., Ltd. and its subsidiaries (Lotus’s), consequently, Siam Makro has covered in three main businesses i.e. wholesale business, retail business, and leasing space.

** The category comprises CPRAM’s business in production and distribution of ready-to-eat food and bakery, Counter Service’s business in bill payment services, CP Retailink’s business in distribution and maintenance services for retailing equipment, as well as revenue from other subsidiaries.

1.2.2 Product Information

Convenience Store Business

Nature of Products and Services

The Company is the sole operator of 7-Eleven convenience stores in Thailand, being granted exclusive rights from 7-Eleven, Inc. to conduct business under the Area License Agreement, including the right to operate 7-Eleven stores in Cambodia and the Lao People's Democratic Republic under the Master franchise agreement.

For the retail business operation in Thailand, particularly 7-Eleven convenience store, the Company has managed its convenience stores through its network scattered in different areas, namely, residential areas, offices, academic zones and gas stations, covering every province across the country. In 2022, the Company has a total of 13,838 stores. In addition, in 2022, the Company has continued to open 7-Eleven stores in Cambodia.

7-Eleven stores can be categorized into three types based on ownership as follows:

(Unit : Stores)	2020	2021	2022	No. of New Store Openings in 2022
Corporate Stores	5,685	6,280	6,839	559
Store Business Partner Stores	5,919	6,020	6,144	124
Sub-Area License Stores	828	834	855	21
Total	12,432	13,134	13,838	704

- 1) Corporate Stores: The stores are wholly-owned and managed by the Company. The Company invests in retailing equipment, store decoration and inventory as well as manages the stores.
- 2) Store Business Partner (SBP) Stores: The Company offers an opportunity for any person including employees to operate their own 7-Eleven stores under a modern system. The Company will provide close support in operating the business, knowledge and understanding of management, principles of product assortment, as well as a financial system. Other supports are regular nationwide sales promotion and advertising plans. In addition, the Company regularly sends a team to advise new management techniques. SBP can either choose a new location or an existing store. In case a SBP has his own location, the Company will help with the feasibility study without any charges. The term of the SBP agreement and the benefits depend on the type of SBP.
- 3) Sub-Area License Stores: The Company engages in sub-area license agreements with local entrepreneurs to operate 7-Eleven stores in the territory as specified. Currently, 4 sub-area license agreements operate their business in Phuket, Yala, Chiang Mai and Ubon Ratchathani province. The Company will provide assistance and support under the agreed conditions.

Market and Competition

In 2022, COVID-19 had been declared as an endemic disease, led to great turnarounds in many sectors which are keys to economic recovery. Private consumptions and tourism started to pick up after reopening the gate and the lifting of travel restrictions. However, 2022 also faced with other challenges such as the escalated tension between Russia and Ukraine, which affected energy prices and raw material shortage. China's zero COVID-19 policy also put negative impact on the entire manufacturing sector. The increase in costs, wages, and interest rates as well as the depreciation of Thai Baht, which had been passed on to both household and business sectors, resulted in inflation surges to 6.08 percent, highest in 24 years. Meanwhile, household debt topped in 16 years.

Signs of economic recovery started to surface in the second half of 2022, partly from the lifting of restrictions and government-imposed incentives measures to stimulate domestic spending such as state welfare card, ‘Co-Pay campaign’, and ‘We Travel Together campaign’, as well as other schemes which helped alleviate the burden of daily expenses and reduce costs of living as a result of higher energy prices. These measures were the backbone in regaining consumers’ confidences and returning to normal activities. Tourists, on the other hand, started to come back, resulted in higher spending.

In 2022, Thai retail sector saw robust recovery with supporting factors from the adoption of innovation and digital disruption that boomed during the pandemic and became the ‘New Normal’ which required conveniences, access to information, and payment methods that are easily accessible. As in-store shopping recommenced, growth was highly encouraged. It is expected that the overall Thai retail sector in 2022 will grow at approximately 8 percent to 9 percent with a total value of approximately Baht 3.8 trillion. While retail e-commerce is expected to grow at approximately 12 percent, with an estimate of 19 percent market share. (Kasikorn Research Center and Euromonitor).

At present, while brick-and-mortar remains a mainstream of shopping experiences, online consumption is boosting its importance, having branches covering every community may not be enough to meet customers’ needs. Retailers have to balance between offline and online stores. In 2022, the Company’s retail stores under the category of convenience stores, including chain stores, totaled at 21,548 stores, increased 1,225 stores, most of which are the expansion of 7-Eleven stores. These expansions were focused on secondary provinces as well as on renovating and modernizing existing stores to be in line with the change in consumer behavior by exploiting the use of technology to develop better channels to access goods and services, and a faster, more convenient, and efficient payment and delivery methods by integrating and creating a seamless offline and online shopping experience.

In 2022, CPALL continued to retain approximately 64 percent market share for convenience stores, followed by Lotus’s Go Fresh, and Mini BigC at 9 percent and 6 percent, respectively.

(Unit : Store)	2020	2021	2022
Stand-alone Convenience Stores	16,082	16,958	18,047
7-Eleven Stores	10,608	11,210	11,838
Others	5,474	5,748	6,209
Convenience Stores in Gas Stations	3,271	3,365	3,501
7-Eleven Stores	1,824	1,924	2,000
Others	1,447	1,441	1,501
Total Convenience Stores	19,353	20,323	21,548

Remark: Major convenience stores in the form of chain-stores under the same company (Chain Store).

Source: Compilation by CP ALL Plc.

The Thai economy is expected to recover in 2023 in accordance with the continuous expansion of domestic demand in terms of consumption, investments, and agricultural production. Tourism will also play an important role in the recovery. International tourists, in particular, are expected to resume to 60 percent of the pre-COVID-19 level, translated as 22-25 million people, an increase from 11.8 million people in 2022, as a result of high demand in tourism and China has begun lifting its zero COVID-19 policy. Inflation rate, on the other hand, is

anticipated to slow down from 2022 due to the stabilization of product prices and a decrease in some products' prices, after a gradual increase last year. Given the global economic slowdown and continued volatility in the financial markets, The National Economic and Social Development Council forecasted that the economy is likely to expand at the same pace as 2022, roughly 3 percent to 4 percent. These factors are likely to continue to put pressure on exports and investments sectors, as well as the high rise of household and corporate debts amid the hike of interest rates. Meanwhile, political factors and upcoming election result are things to keep an eye on.

Consumers have become more cautious when it comes to spending despite the fact that they have returned to their normal lives. Although the pandemic subsided, consumers may still be opted for online purchases and food delivery services, though at decreasing rate as there is an increasing trend for home-cooked food. For retailers, customer acquisition and growth are the next challenge. These challenges may affect the different segments of retail industry differently. It will be important for retailers to differentiate and initiate new marketing tactics to respond to the needs of customers, customized by group, region, and individual. It is expected that the market capitalization of the retail market in 2023 will expand by 3 percent to 4 percent, with department stores and convenience stores as key contributors, Kasikorn Research anticipates.

Business Strategy for Continuous Growth, in Conformity with New Lifestyles and Technological Advancement

In 2022, the key business strategies implemented to address the challenges and seek new growth opportunities from existing strengths and current opportunities can be summarized as follows:

1. New Business Opportunities

Investments in the Expansion of 7-Eleven in Cambodia

Southeast Asian countries continue to show positive growth signals with high population growth and an influx foreign investment. This led to an exponential growth in the demand for consumer goods, which posed as an attractive market. The Company, therefore, strategized to expand the convenience stores and related businesses to neighboring countries. In this regard, CPALL obtained franchise rights from 7-Eleven, Inc. to open and manage 7-Eleven stores in Cambodia and Laos. CPALL operated the first store in Phnom Penh, Cambodia in August 2021 and by the end of 2022, CPALL marked a new milestone with 42 stores in Phnom Penh and nearby provinces. All stores in Cambodia are managed and operated by highly experienced senior management team from Thailand. In addition, we also hired a large number of local employees to join the operation team and store personnel, creating opportunities and developing retail career for the



Cambodians according to the principal of ‘Giving and Sharing Opportunities for All’ that the Company has always adhered to. The business received high marks from the Cambodians despite the lingering effects of COVID-19. The Company’s reputation together with the high-quality Thai products, 90 percent of the products on the shelves come from Thailand which the Cambodian consumers are familiar with, the Company is recording strong performance and an increasingly loyal crowd. The Company aims to further expand in Cambodia and to launch its first store in Laos within the first half of 2023 as well as strive to improve the quality of life for the people and communities with a variety of selected products to support and create opportunities for local business and small-medium size enterprises (SMEs) to continue to grow together for sustainable business.

Developing Services Business for Better Conveniences

With the dramatic change in social context, the needs for various services grew rapidly. The Company, therefore, expedited to develop services that responds the needs of every lifestyle through exploiting the strengths of nationwide stores network and O2O platform, which can be summarized as follows:

- Financial Services under the operation of ‘Counter Service’, expanded its collaboration to cover almost all leading private and public banks in order to become a Banking Agency at 7-Eleven stores nationwide. The aim is to assist customers with cash transaction needs after normal business hours to be able to access to “banking services” throughout 24 hours.
- 7-Eleven stores in cooperation with All Speed-D Company Limited, “SPEED-D” provide reliable parcel pick-up and delivery services for customers with a tracking system and “SPEED-D” staff who stands ready to serve customers 24 hours a day. Customers also have the option to select delivery destinations, at home or at over 13,800 7-Eleven stores. In addition, CPALL also partnered with third party logistics providers e.g., Flash Express as Service Station, for parcel delivery throughout 24 hours to support the needs of online sellers. The first phase piloted over 5,000 stores with Phase 2 targets for nationwide coverage within year 2023.
- The Company joined forces with a leading laundry service company, “Cleanmate”, providing all kinds of clothes washing, laundry services, bag spa, dry cleaning, shoes, carpets, curtains, and sofas. Customers can deliver clothes for cleaning services at all Bangkok 7-Eleven stores throughout 24 hours. In addition, the space outside of the store which is a rental area, the Company also joined hands with a 24-hour Self-Service Laundry as options for customers.





2. Beyond Customer Experience

2.1 Shopping Experience

Expanding New Stores and Creating Unique Experiences through Product Selection to be Respond to Customers in Each Area

Omni-channel fulfillment method will continue to appreciate with a proportion of 19 percent of the total retail sales. Nevertheless, the Company puts high priority on the expansion of new stores on high-potential locations, ensuring nationwide coverage as well as internationally. For the year ended 2022, there are 13,838 stores in Thailand, an increase of 704 stores versus last year. The Company was able to proceed the construction as planned amid the COVID-19 situation. Our stores expansion strategy was not only to offer conveniences and accessibility to customers but also to utilize the stores as a fulfillment center for 7Delivery service, which has gained an increased number of active users each year. Currently this portion represents approximately 10 percent of total sales with high tendency of continuous growth. Given such, approximately 80 percent of new stores will be large stand-alone format equipped with parking spaces to support inventory stock-up as well as accommodating a wide variety of merchandise mix especially in-home consumption products such as large-package products which saw increased popularity since the pandemic and resulted in higher sales. In selecting locations, the Company focused on expanding to high potential secondary provinces which show rapid growth over the past years. This strategy was to support the development of urban communities and consumers' needs as well as increase 7Delivery's coverage.

During the outbreak of COVID-19, CPALL adjusted its 7-Eleven stores to serve households under the concept of "Small Supermarket Near Your Home" with an aim to serve customers with daily-use products and reduce the need to stop by hypermarket or supermarkets miles away. 7-Eleven large stores format in potential locations, especially in residential areas, not only holds a broader selection of merchandises but also have an allocated corner for ready-to-cook (RTC) products with availability of fresh and frozen products, fruits, herb, and other RTCs.

7-Eleven stores also provide souvenirs for international tourists. Prior to the pandemic, there were approximately 1,000 7-Eleven stores that offered souvenirs and gifts such as seaweed snacks, dried fruits, candies, Thai herbs, inhalers, and rubber pillows. However, once there was an outbreak of COVID-19, these stores were transformed to respond to the needs of particular area. In 2022, after the reopening of the borders, the 7-Eleven stores in popular tourist areas expanded the souvenir corners to hold more products for tourists. CPALL had conducted a study to ensure that the product mix meets the needs of key tourists, in particular, tourists from India, Vietnam, and Malaysia. As a result, the stores in popular tourists' area had shown significant growth beyond the average of other locations.

In addition, the stores also have allocated space for freshly cooked or prepared food and beverages—a coffee corner and a bakery stand sold under the brands 'All Café' and 'Kudsan.' Over the past year there were many newly developed menus that were well-received by customers, such as freshly baked pizza and non-coffee drinks such as fruit tea, smoothies, and freshly squeezed juices. Stores with larger space and higher footfall, such as stores in residential areas and office buildings will also be equipped with 'Food Place' corner, a corner where customers can enjoy simple fresh food. Some of the signature menus include creamy omelet with different toppings on rice, tender pork with garlic and pepper on rice, and instant noodles salad. At present, Food Place has expanded to cover over 1,500 stores, including stores with integrated services.



Omni Channel, a seamless Offline-to-Online channel through 7Delivery

Since the epidemic situation of COVID-19, CPALL has realized that the physical convenience of having stores located in nearly all communities may not be sufficient to meet the customers' needs in the digital age. Technology has become an essential tool for accessing products and services. Cashless payment and on-demand delivery have become a requirement. Therefore, the Company moved forward to redefine its value proposition to be 'All Convenience,' where CPALL seamlessly integrated our existing strengths of nationwide stores network and developed '7APP' application under the slogan 'One-stop Convenience' and 'All-Convenience Shopping—Whatever You Need, 7-Eleven Delivery.' This strategic move was meant to support consumers' digital lifestyles and create new and a more convenient shopping experiences for All member over 16.7 million members and to satisfy customers from both offline and online channels around 12 million customers per day.

Under the '7APP' platform, customers can choose to order products from a 7-Eleven store near their home through the 7Delivery service and receive the product within 30 – 45 minutes. Customers can also pre-order products at the 'All Online department stores Near Home' and choose to pick up their purchases at their nearest 7-Eleven store which available 24 hours a day or choose an option to deliver to their homes. The omni-channel business model creates new shopping experience and differentiate the Company from other retail competitors by utilizing our existing core strengths of network coverage and signature service of our store staff, who acts as dispatcher and rider to create relationship and take feedback from customers. For customers who have limited or no access to the digital system, such as elders, those without smart phones or internet, the Company also provides call center at 1371, Chat & Shop, and Line OA to facilitate the ordering of products.

More Convenient Way to Access 7-Eleven with Vending Machines

Another sales channel that 7-Eleven has focused on and continuously invested in is the vending machines that sells food, beverages, and daily life products. The Company focused on installing the machines in communities, factories, condominiums, or educational institutes. In 2022, the Company has expanded to install over 4,200 vending machines nationwide. The key strength is to install vending machines in high-footfall locations. These vending machines are equipped with a notification system, alerting employees from nearby branches to be able to refill products up to three times a day, always keeping the products fresh and diverse. In addition, customers can pay via a variety of channels; these options fit with the requirements of modern lifestyle and has obtained very positive feedback from customers. Those living in communities, factories, condominiums, or educational institutes find these useful especially during rush hours and times when it is difficult to find food to eat, such as at night. Furthermore, with the pandemic, many customers prefer not to travel very far from home and face difficulties when nearby shops are closed. Vending machines, which are near them, are always open for their convenience, and besides, highly hygienic.





2.2 Product Experience

Food & Drink Destination

One of the key product strategies is to create 7-Eleven as the No. 1 destination in customers' minds when it comes to food and beverages (Food & Beverage Destination) while still sticking to the slogan. 'When you're hungry, stop by at 7-Eleven stores'. The Company is determined to source, develop, and differentiate its food and beverages so that its offerings, single-dish meals, side dishes, desserts, and Ready-to-Eat (RTE) dishes, to satisfy customers' needs. Apart from the offering the best taste, another factor that contributed to the growth of Ready-to-Eat (RTE) in 2022 was the products are good value for money. In recent years, given high inflation and higher costs, consumers paid more attention to prices even with Street Food price. Therefore, in 2022, the Company offers a variety of selection of RTE, which can be highlighted as follows:

- **Brand/Chef Collaboration:** The Company has collaborated with partnered food manufacturers to release new menus. Example of these partnerships include Rotsaniyom, Iron Chef, Chef Care, featuring famous chefs such as Jae Fai to create menus for them. These new menu products have received excellent feedback from customers.
- **Taste of Korea/Japan:** The increasing trend of music, movies, and series led to the rapid growth of Korean and Japanese food in Thailand. The Company, therefore, hastened to develop and provide a wide variety of Korean and Japanese dishes, including Korean and Japanese styles drinks and desserts. A strategy that was very well-received by customers. In addition, as traveling was still restricted and inconvenient as a result of COVID-19 control measures in many countries, Thai consumers desired for these menus. This group of customers, in particular students, who prefer new flavors and variety of menus at reasonable prices, has become our loyal crowd. To respond to this trend, the Company has developed a new brand under the name 'Rakki', specifically for creating new Korean and Japanese menus, such as cold noodles or Saba rice bowl, and etc.

- **Local Taste:** Street food has always been popular among the Thais and international tourists. The Company also developed these selections into chilled box which made available for purchase 24 hours a day to capture this segment. In addition, the Company also encouraged SMEs partners to develop seasonal sweets and Thai desserts, a move that was not only to provide wide selections for customers but also help SMEs and farmers to have a sustainable distribution channel and income. In addition, this strategy also helped promote Thai food culture to be widely known and for foreigners to try them.
- **Healthy Meal:** CPALL is determined to provide a wide variety of product selections for customers to choose up to 7 meals a day. In addition to the flavorful variety that the Company consistently offers, the food and beverages that we select are unique by added nutritional value. With an aim to promote the health and wellbeing of Thais, 7-Eleven stores offer foods with lower calories, lower sodium and less sugar as well as fresh cut fruits and vegetables with the hope to respond to health-conscious consumers who are entering the aging society.

In addition to Ready-to-Eat (RTE) food, the Company has also upgraded food and beverage offerings in the store. There is freshly prepared food— ‘Freshly Brewed, Freshly Baked, and Freshly Cooked.’ The ‘Food Place’ corner allows for simple fresh food preparation where a variety of simple menus can be assembled conveniently, cleanly, quickly, and with quality ingredients. As for coffee and fresh bakery section, the Company has expanded the fresh coffee brand ‘All Café’ and the fresh bakery brand ‘Kudsan’ to all 7-Eleven stores nationwide. The Company is going beyond the slogan ‘When you’re hungry, stop by’ at 7-Eleven stores to ‘When you’re hungry, order now.’ We are moving forward to the fiercely competed food & drink delivery segment through on-demand 7Delivery application by exploiting our existing strengths of nationwide stores network together with food and drinks selections.

Ready-to-Cook: RTC

In recognition of the rise of health-conscious customers since the outbreak of COVID-19, the Company has added ready-to-cook (RTC) corner, an area in over 400 stores which offer a range of fresh meat, seafood, fruits, vegetables, herbs, and other RTC products. The Company puts high priority on food safety by developing a system to increase the efficiency and traceability of the entire supply chain from manufacturing to delivering to ensure the quality and freshness of the products for every meal.

Health, Beauty & Wellness

Furthermore, the Company has also added generic home medicine and other health products in its “eXta” section in every 7-Eleven store. The Company’s intention is for eXta to be a place for easy access to health products to the community. eXta offers a range of medicines, dietary supplements, cosmetic medicines, medical equipment, and other health products. With eXta’s slogan “Good Health, Anywhere, Anytime,” everyone can more easily access healthy products for better health. Additionally, the Company is also accelerating the expansion of “eXta Plus”, its stand-alone stores with pharmacists available for health-related consultations. The Company



is determined to recruit good store business partners by emphasizing the development and training of in-store pharmacists and other store personnel to respond to the needs of digital age society and customers with health issues.

To meet the needs of health-conscious customers who live in remote areas and do not want to travel to the store, the Company developed “ALL Pharma See”, an application that provides free consultations to pharmacists on health and drug use. On All Pharma See, the Company offers health and medication counseling from pharmacists free of charge via video call and chat channels. Useful health information is also disseminated through these changes, such as health updates, trends, and special promotions. Customers can search for eXta Plus drug stores nearby and order health products, food supplements, and medical equipment easily through online channels.

For beauty products, which have been growing in demand, the Company collaborated with Dairy Farm International Holdings Company Limited to launch a range of premium products under the brand name “ALL Guardian”, Singapore’s number one health and beauty store in 2020. For All Guardian, the Company has selected products that have been tested by dermatologists from five popular brands in Asia, namely Guardian, Kusabana, Derma 365, Botaneco Garden, and Happy Mask to satisfy customer needs through its 7-Eleven stores, eXta Plus, and ALL Online channels.

2.3 Digital Marketing Experience

Building Sustainable Relationship with Customers via ALL Member

Developing and maintaining customer relationships is yet another strategy that the Company gives utmost importance to. The objective is to create a lifetime customer, where a person continues to use the Company’s services throughout their lifetime, from child to teenager to working age to family person to old age. Given that the needs of today’s customers are diverse, the Company’s strategy focuses on both mass customization and personalization for marketing communications, where promotion strategies can be designed to be more specific to each consumer. Shopping experience, apart from the product and price, has become one of the important factors that greatly influence customers’ buying behavior. With these reasons, the Company also strives to strengthen its membership program, “ALL Member” through the program’s mobile application for the past two

years. At present, ALL Member has approximately 16.7 million members. In addition to being used to communicate with customers, the Company uses ALL Member to provide members with valuable benefits and privileges, for example pay bills for various services including concert ticket booking, flight ticket booking from counter service, online shopping on the Twenty Four shopping channel, including the use of quality drugstore services, Extra. As an ALL Member, customers can earn points for shopping, using them in place of cash, buy products at special prices, or exchange points for various premium products. ALL Members are also eligible for the special privilege of participating in sweepstakes, other activities, and cashing in on exclusive promotional discounts.

The Company's sales records show that ALL Members have a significantly higher purchase volume and frequency of visits at 7-Eleven than general customers. Therefore, the Company aims to continuously expand its member base to reach 20 million members in 2023 and develop benefits that are customized for each individual by analyzing historical data and purchasing behavior so that all customers can truly benefit from the membership system of "ALL Member" and meet their needs as much as possible. Including linking the membership system and exchanging reward points with other businesses within the ecosystem of the Charoen Pokphand Group for the maximum benefit of ALL Member.

Broaden Customer Reach on Online and Social Media Platforms

In addition to mobile applications, the Company has also developed other communication channels to fit with consumers' behavior. Current communication channels include popular social media channels such as Tiktok, Instagram, Twitter, LINE, YouTube, and Facebook. The Company also does Livestreams. Currently the Company has over 60 million followers across all channels. The Company recognizes the importance of communicating with its customers via various channels, especially via the Internet and social media channels. With its continuous development of communication channels, especially on the Internet and various social media channels, the Company has had ample opportunity to listen to customer voices and feedback. These valuable opportunities, used in parallel with other research methods, such as surveys and customer observations, coupled with data analytics, has given the Company an edge in developing an in-depth understanding of consumer behavior. With this data, the Company is able to offer customized offerings to customers as well as design and adjust its work processes to provide even more efficient services. Up to speed with today's digital society, the Company has a strong database to use to find more business opportunities to satisfy customer needs in the future.

3. Strategies to Improve Efficiency and Work Process

Digital Transformation Strategy

With the current advancements in technology and innovations, the Company is committed to search and select new retail technologies, artificial intelligence (AI), and robotic process automation (RPA) software to help increase its management efficiency and ultimately, enhance the competitiveness of its retail business. The integration of technology into stores will increase efficiency in management, facilities, and other equipment. With modern equipment, stores can not only attract more customers and recommend products that are suitable with their individual needs, but also enable a convenient shopping experience that aligns with the lifestyles of new generation customer proficient with the digital world.

Logistics & Supply Chain Strategy

Regarding logistics and warehouse management, the Company has invested to enhance its capabilities and readiness for the expansion of the 7-Eleven business in terms of product quantity, product variety, and services distribution for both offline and online through the integration of 11 existing distribution centers. These distribution centers include chilled distribution center, bakery distribution center and ALL Complex, a fulfillment center initiated to support the flexibility and complexity of customers' order from the O2O business. Technology should also be used to manage the value chain, from upstream to downstream, especially with regards to logistics and distribution center management systems. This will increase the efficiency, speed, and accuracy in delivering products to consumers. It also reduces costs incurred from goods that need to be written off. In 2022, some key milestones that the Company achieved are as follows:

- Using GPS Tracking system under the Command Center program increased safety and reduced transportation accidents by 35 percent in 2022.
- Join forces with business partners by helping them deliver and distribute products to increase efficiency and minimize delivery delays and shortages. This is essential especially in areas where delivery is difficult, such as the 3 southern border provinces or stores on islands, etc.
- Piloted DC to deliver products to customers' homes as a way to create new opportunities to sales and profits through 7Delivery.
- Green Transport, a system that utilize Territory Planner (TP) to plan transportation routes and change the vehicles from 4-wheel trucks to 4-wheel jumbo trucks. With this system, the transportation routes can be reduced by 5percent to 20 percent, which relieved the amount of cars on the road resulting in less carbon dioxide emission and environmental pollution. In addition, this system also allows for gasoline cost management by utilizing proper use of vehicle and increase cargo volume per trip.

In addition, the Company has studied and prepared an investment plan to develop an intelligent product demand forecasting by using technology (Demand Forecasting by Machine Learning). This is to increase the accuracy of product orders, develop an automated warehouse system (DC Automation) to increase product delivery efficiency and support the increasing volume and complexity of product handling. Moreover, CPALL started to utilize an electric truck (EV Truck) to support sustainable transportation.



To support overseas retail business, CPALL has invested and established a distribution center in Phnom Penh, Cambodia as a hub for storing and distributing all types of products to support the stores expansions. In 2022, there were a total of 42 stores in Cambodia. In order to facilitate the growth of chilled products, the Company has a plan to expand the delivery of Chilled, Chocolate and Frozen products through all temperature-controlled vehicles to maintain product quality and safety at an appropriate cost.

Product and Services Sourcing

The Company is devoted to delivering value to consumers through quality control, giving high awareness to every process from the raw materials selection, partners' production supervision to product distribution. Not only that the Company has also been recognized for its customers relationship but also on business partners relationship management.

In 2022, the Company's Group has a network of more than 1,500 partners, including large, medium, and small enterprises. The Company has also supported local products from small-scale entrepreneurs and farmers to general income for small and medium-sized enterprises (SMEs). The result is a wide variety of products, which reduces the dependence risk and supplier domination. Moreover, the Company is committed to conduct its business on the basis of society and communities' awareness by creating opportunities for the local entrepreneurs, farmers, as well as socially vulnerable groups. The three strategies involved are providing sales channels, knowledge and development, and networks through cooperation with both the public and private sectors. Some of these projects include Business Accelerator Project, Big Brother Season 6, and Synergy and Business matching.

In terms of generating revenue with small and medium enterprises (SMEs), the Company helps create sales opportunities through potential online and offline channel, 7Delivery, through over 1,000 business partners such as product arrangement and dedicating a shelf for SMEs products (SMEs Shelf) in large 7-Eleven stores nationwide.

In the midst of rapid changes in business environment, the Company foresees that innovation is the core to differentiate and sustainably expand the business. The Company, therefore, strives to promote "Innovation Culture" throughout within and outside the organization to enhance knowledge, creativity, and product development. The key aim is to increase business efficiency and effectiveness in work processes, product development and business creation to best respond to customers' needs. In addition, such culture would promote knowledge sharing between businesses to become a true business sustainability leader.

CPALL does not only promotes invention and supports innovation in products, services, processes, and new business models of our employees through the President Award contest, which is held annually, but also provides opportunities for business partners and Thai SMEs entrepreneurs with channels to showcase innovative and quality products through the 7 Innovation Awards contest at the "Thailand Synergy", an event held for 9 consecutive years. These events are part of transferring existing knowledge for value creation or added value for economic benefits, society, and the nation. The presented showcase can be sold through the Company's channels which would result in value creation and create opportunities for sales revenue growth more than 10 percent.

As for products distribution, the Company has invested to enhance the capability and readiness for the expansion of the 7-Eleven business in terms of product and service distribution options for both online and offline. The investment was intended to integrate into 11 existing distribution centers, including dry distribution centers, chilled distribution centers, bakery distribution centers and ALL Complex distribution center, which are distribution centers that have been developed to support O2O business with modern and efficient management

systems, to ensure that the product quality can be maintained until it reaches the customers. In addition, such integration will also safeguard that the branches will receive products without delays to mitigate losing sales opportunities risk. The Company is highly regarded as a retailer with the largest distribution center space in the country.

Grocery Wholesaling and Retailing Business

Siam Makro Public Company Limited (“Siam Makro”)’s vision is to bring change to people’s lives through the betterment of life, health, love, happiness, and quality of life. In addition, on October 25, 2021, Siam Makro acquired CP Retail Development Co., Ltd. and its subsidiary Lotus’s (“Lotus’s”). Lotus’s is a leading operator in retailing consumer goods and manages rental spaces in shopping centers in Thailand and Malaysia. This acquisition aims to combine the advantageous strength of Siam Makro’s wholesale business with Lotus’s strength in retail and the management of rental spaces in Thailand and Malaysia. This combination will expand the business, making it a leader in the retail and wholesale of fresh food and grocery products in Southeast Asia. Business operations will become more competitive in both offline and online channels. After the acquisition of Lotus’s, Siam Makro’s business will cover three main segments: wholesale, retail, and the management of rental spaces in shopping centers.

Wholesale Business

The wholesale business consists of two sub-segments:

- Cash and carry business under the brand “Makro” which operates both in Thailand (Makro Thailand) and other countries (Makro International). Makro focuses on selling consumer products, including fresh food, dry food, and consumer products under both third-party brands and the Company’s private label. Target customers include three main groups: food retailers, HoReCa (hotels, restaurants, and catering), and service operators.
- Imports, exports, and distribution of frozen and chilled food with delivery services. This segment is focused on imports, the distribution of premium food products, and storage and delivery services in Thailand and abroad. Main customer groups are: 4 to 5-star hotels, high-end restaurants, hospitals, and airline businesses.

Retail Business

Siam Makro’s retailing business is managed by Lotus’s, one of the leading consumer goods retailers in Thailand and Malaysia. In Thailand, Lotus’s is a leading retailer with multiple distribution channels. Likewise, in Malaysia, Lotus’s is the leading retailer in the Peninsular Malaysia as well. Lotus’s retail business advantage lies in its strong domestic supply chain, distribution system, logistics network, and brand equity.

Lotus’s main products include fresh food, consumer and general goods, liquor and tobacco, and clothing. It sells these products under various domestic and international brands, including brands from small and medium enterprises (SMEs) and under Lotus’s own private label. Lotus’s retail customers vary in age, income, and household sizes. Its main strengths that attract its customers include:

- Customers view Lotus’s products as value for money.
- Customers have trust in the Lotus’s brand.
- Customers have a positive perception towards Lotus’s customer service activities and contributions to local communities.

Management of Rental Spaces in Shopping Centers

Lotus's manages rental spaces in shopping centers for Siam Makro. This includes the management of Lotus's buildings and retail spaces in shopping malls. Lotus's also acts as the property manager of shopping centers at the Lotus Retail Growth Freehold and Leasehold Property Fund ("LPF"). Lotus's indirectly holds 25 percent of this investment fund.

(Please see more details in form 56-1 One Report from Siam Makro Public Company Limited, item 2, "Nature of Business").

Assets Used in Operations

Detail is shown in Attachment 4 Assets Used in Operations.

High Value Project which Taking Time to Completed That Has Not Been Yet Done

None

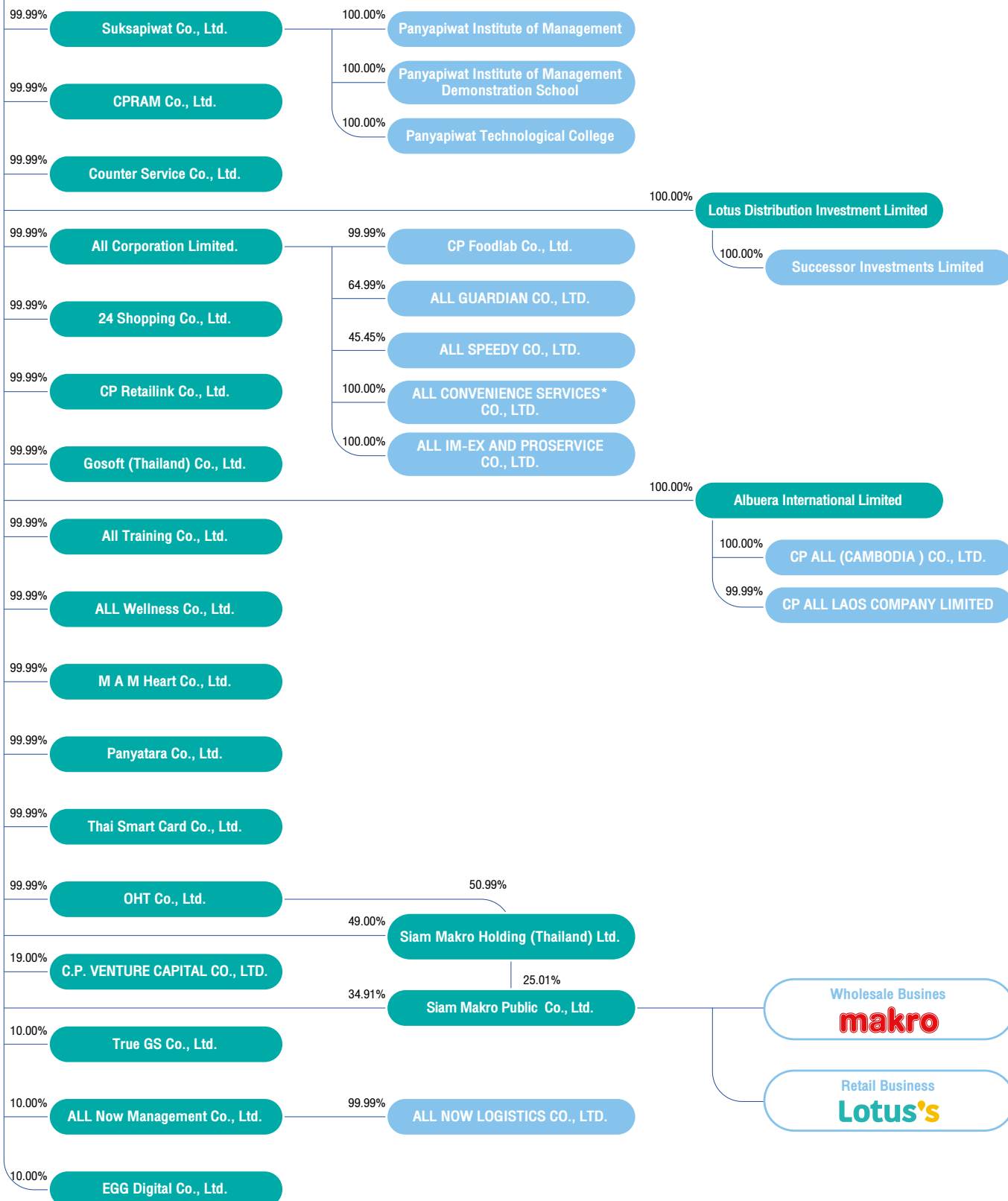
1.3 Shareholding Structure of the Group**1.3.1 Shareholding Structure of the Group**

CP ALL Public Company Limited was established in 1988 by the Charoen Pokphan Group to operate the convenience store business in Thailand under "7-Eleven" trademark. The Company was granted a license to use the trademark from 7-Eleven, Inc., USA. In 1989, the first 7-Eleven outlet in Thailand was opened on Patpong Road. Furthermore, the Company operates other related businesses such as bill payment collection service ("Counter Service Co., Ltd."), manufacturing and sale of convenience food and bakery products ("CPRAM Co., Ltd."), sale and maintenance of retail equipment ("CP Retailink Co., Ltd."), information technology services ("Gosoft (Thailand) Co., Ltd."), logistics services ("Dynamic Management Co., Ltd."), marketing services ("MAM Heart Co., Ltd."), educational institution ("Suksapiwat Co., Ltd."), and training and business seminar services ("Panyatara Co., Ltd." and "All Training Co., Ltd."), including catalog sales and ecommerce business ("Twenty Four Shopping Co., Ltd."), and etc.

In addition, during 2013 CPALL acquired Siam Makro Public Company Limited ("Makro") operating membership based Cash and Carry trade centers in Thailand. Later, in October 25, 2021 Makro invested in Lotus's Asia business (C.P. Retail Development Co., Ltd. and its subsidiaries). The Lotus's group is the retail business of groceries and consumer products with multi-store formats comprising hypermarket which also operates the business of leasing space in shopping mall and other services in Thailand and Malaysia. This investment supports Makro to become one of the leading regional retail and wholesale of fresh food and consumer goods in Southeast Asia, as well as expanding the scope of business operations to be able to compete in both offline and online channels.

AS AT DECEMBER 31, 2022

CP ALL PUBLIC COMPANY LIMITED



Information of Subsidiaries that held by the Company more than 10 percent of total issued shares

Convenience Store Business (CPALL) – Thailand Operation

Company	Type of business	Head office	Shareholding (Percent)	Paid up capital
Thai Smart Card Co., Ltd.	Providing EDC equipment service, payment of products and services through smart card	119 Tara Sathorn Tower 4 th Floor, Soi Sathorn 5, South Sathorn Road, Thungmahamek, Sathorn, Bangkok www.thaismartcard.co.th	99.99	Baht 1,600 million
Suksapiwat Co., Ltd.	Educational institution	20/29 Moo 2, Ngarmwongwan Road, Bangkok, Meung Nonthaburi, Nonthaburi	99.99	Baht 810 million
All Corporation Co., Ltd.	Investment business	119 Tara Sathorn Tower South Sathorn Road, Thungmahamek, Sathorn, Bangkok	99.99	Baht 700 million
CPRAM Co., Ltd.	Manufacturing and sale of ready to eat foods and bakery	177 Moo 4 Pathum Thane Lat-Lumkaew Road, Raheang, Lat-Lumkaew, Pathum Thane www.cpram.co.th	99.99	Baht 600 million
Panyapiwat Institute of Management	Educational institution	85/1 Moo 2, Changwattana Road, Bang Talad, Prakret, Nonthaburi www.pim.ac.th	99.99	Baht 500 million
Panyapiwat Technological College	Educational institution	20/29 Moo 2, Ngarmwongwan Road, Bangkok, Meung Nonthaburi, Nonthaburi www.panyapiwat.ac.th	99.99	Baht 273 million
ALL Wellness Co., Ltd.	Providing health and wellness services with innovations and digital technology, as well as giving healthcare consults by medical professionals	119 Tara Sathorn Tower, 11 th Floor, South Sathorn Road, Thungmahamek, Sathorn, Bangkok	99.99	Baht 176 million
Panyapiwat Institute of Management Demonstration School	Educational institution	45/23 Moo 2, Bang Talat, Prakret, Nonthaburi https://satit.pim.ac.th/	99.99	Baht 100 million
Counter Service Co., Ltd.	Bill payment collection and life insurance and non-life insurance broker	119 Tara Sathorn Tower 4 – 6 th Floor, Soi Sathorn 5, South Sathorn Road, Thungmahamek, Sathorn, Bangkok www.counterservice.co.th	99.99	Baht 100 million
24 Shopping Co., Ltd.	Catalog and e-Commerce Business	58/28 Moo 2, The Tara Building, 12 – 12A Floor, Bang Talat, Prakret, Nonthaburi www.24shopping.co.th	99.99	Baht 30 million

Company	Type of business	Head office	Shareholding (Percent)	Paid up capital
CP Retailink Co., Ltd.	Sale and maintenance of retail equipment	159/30 Moo 3, Vibhavadee-Rangsit Road (Srirubsuk), Tarad- Bang Khen, Laksi, Bangkok www.cpretailink.co.th	99.99	Baht 20 million
Gosoft (Thailand) Co., Ltd.	Information technology services	313 C.P. Tower 24 th Floor, Silom Road, Silom, Bangruak, Bangkok www.gosoft.co.th	99.99	Baht 20 million
CP Foodlab Co., Ltd.	Research and development	141 Moo 9, 6 th floor Innovation Cluster 2, Tower D, Thailand Science Park, Phahon Yothin Road, Klong 1, Khlong Luang, Pathum Thani www.cpram.co.th	99.99	Baht 10 million
MAM Heart Co., Ltd.	Marketing and advertising services	313 C.P. Tower, 26 th Floor, Silom Road, Silom, Bangruak, Bangkok	99.99	Baht 1 million
Panyatara Co., Ltd.	Training services	54/1-10 Moo 2, Bang Talad, Prakret, Nonthaburi www.panyatara.co.th	99.99	Baht 1 million
All Training Co., Ltd.	In-house training & seminar services	54/1-10 Moo 2, Bang Talad, Prakret, Nonthaburi	99.99	Baht 1 million
ALL GUARDIAN CO., LTD.	Distribution of health and beauty	313 C.P. Tower 24 th Floor, Silom Road, Silom, Bangruak, Bangkok	64.99	Baht 300 million
ALL SPEEDY CO., LTD.	Logistic services and distribution of general merchandises	119 Tara Sathorn Tower, Sathorn Road, Thungmahamek, Sathorn, Bangkok	45.45*	Baht 2.2 million

* The Company owns voting right of All Speedy Co., Ltd. 99.88 percent.

CPALL – International Operation

Company	Type of business	Head office	Shareholding (Percent)	Paid up capital
Lotus Distribution Investment Limited	Investment business	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG 1110, British Virgin Islands	100.00	USD 310.2 million
Successor (China) Investments Limited	Investment business	Movie & TV City, Shiqiu Town, Lishui County, Nanjing City, The People's Republic of China	100.00	USD 298 million
Nanjing Tianqu Investment Management Co., Ltd.	Investment business	Movie & TV City, Shiqiu Town, Lishui County, Nanjing City, The People's Republic of China	100.00	RMB 1,862 million

Company	Type of business	Head office	Shareholding (Percent)	Paid up capital
Nanjing Tech University Pujiang Institute	Private educational institution	No. 9 Lixue Road, Shiqiu Town, Lishui District, Nanjing City, The People's Republic of China http://en.njpji.cn	100.00	RMB 400 million
Albuera International Limited	Investment business	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG 1110, British Virgin Islands	100.00	USD 20 million
Nanjing Zheng Yi Xin Trading Co., Ltd.	Commercial trading	44 ShuiZuo Gang, Gulou District, Nanjing City, The People's Republic of China	100.00	USD 10 million
Nanjing Tech University Pujiang Institute Educational Development Fund	Private educational institution	Room 711 No. 199, Guangzhou Road, Nanjing City, The People's Republic of China	100.00	RMB 50 million
Successor Investments Limited	Investment business	21/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong	100.00	HKD 1
CP ALL CAMBODIA CO., LTD.	Convenience store	41 and 43, National Road No 6A, Prek Leab Village, Sangkat Prek Leab, Khan Chroy Changva, Phnom Penh, Cambodia	100.00	USD 6 million
ALL IM-EX AND PROSERVICE CO., LTD.	Manufacturing of ready to eat foods, as well as import, sale and rendering maintenance services of convenience store equipment	41 and 43, National Road No 6A, Prek Leab Village, Sangkat Prek Leab, Khan Chroy Changva, Phnom Penh, Cambodia	99.99	USD 4 million
CP ALL LAOS COMPANY LIMITED	Convenience store	602 Khum Pheng Muang Road, Ban Phothanneua Unit 34, Vientiane, Lao PDR	99.99	LAK 20,000 million
ALL CONVENIENCE SERVICES CO., LTD.	Distribution of merchandise services with networks covering all locations	5734, Street 1003, Bayab Village, Sangkat Phnom Penh Khan Sen Sok, Phnom Penh, Cambodia	99.99	USD 0.005 million

Wholesale Business (MAKRO) – Thailand Operation

Company	Type of business	Head office	Shareholding (Percent)	Paid up capital
Siam Makro Holding (Thailand) Ltd	Investment business	119 Tara Sathorn Tower South Sathorn Road, Thungmahamek, Sathorn, Bangkok	99.99	Baht 1,066 million
OHT Co., Ltd.	Investment business	119 Tara Sathorn Tower Sathorn Road, Thungmahamek, Sathorn, Bangkok	99.99	Baht 12.5 million

Company	Type of business	Head office	Shareholding (Percent)	Paid up capital
Siam Makro Public Company Limited	Operating a cash and carry wholesale business in order to sell food and non-food products for all customers nationwide. Key Makro customers are small to medium sized professional operators i.e. small retailers, HoReCa, institutes, and services operators	1468 Phatthanakan Road, Suan Luang, Suan Luang, Bangkok www.siammakro.co.th	59.92	Baht 5,290 million
Makro ROH Co., Ltd.	Investment business in other countries as well as providing management and technical consultancy to support services to MAKRO's subsidiaries	1468 Phatthanakan Road, Suan Luang, Suan Luang, Bangkok 10250	59.91	Baht 5,947 million
Siam Food Services Limited	Import and distribution of temperature controlled, frozen, high quality food products from Thailand and overseas with delivery service i.e. meat, seafood, poultry, potato, pastry and cooking	2439 Old Paknam Railway Road, Prakhonong, Klongtoey, Bangkok www.siamfoodservices.com	59.91	Baht 3,393 million
Pro Mart Co., Ltd.	Sale of consumer products	1468 Phatthanakan Road, Suan Luang, Suan Luang, Bangkok 10250	59.91	Baht 2.5 million

Wholesale Business – International Operation

Company	Type of business	Head office	Shareholding (Percent)	Paid up capital
Indoguna Vina Food Service Company Limited	Import and distribution of temperature controlled, frozen, high quality food products from Thailand and overseas with delivery service i.e. meat, seafood, poultry, potato, dairy, pastry and ethnic food products, to meet the demand of food service professionals in Vietnam i.e. hotels, restaurants (both full service and quick service), caterers	44B Phan Xich Long Street, Ward 3, Phu Nhuan District, Ho Chi Minh City, Vietnam www.indoguna.vn	59.92	USD 6.3 million
ARO Commercial Company Limited	Retail and wholesale operator and related businesses	No. 322 Upper Pazundaung Road, Sat San Ward, Mingalar Taung Nyunt Township, Yangon, Myanmar	59.91	USD 31.3 million

Company	Type of business	Head office	Shareholding (Percent)	Paid up capital
Indoguna (Cambodia) Company Limited	Import and distribution food product businesses	No. 5734, Street 1003, Bayab Village, SangKat Phnom Penh Thmey, Khan Sen Sok, Phnom Penh, Cambodia www.indoguna-cambodia.com	59.91	USD 3.5 million
ARO Company Limited	Marketing and consulting services	Corner of Bogyoke Aung San Road and 27 th Street, Unit #15-06 to #15-10, Level 15, Junction City Tower, Pabedan Township, Yangon, Myanmar	59.91	USD 0.183 million
Makro (Guangzhou) Food Company Limited	Wholesale and retail operator and related businesses in the People's Republic of China	11F, B Building, Dongshan Square, No. 65, Xian Lie Zhong Road, Yue xiu District, Guangzhou, The People's Republic of China	59.90	RMB 178 million
CP Wholesale India Private Limited	Wholesale and retail operator and related businesses in India	7 th & 8 th floor, WeWork BlueOne Square, 246 Phase IV, Udyog Vihar, Gurugram -122016, India corporate.lotswholesale.com	59.90	INR 944.3 million
Guangzhou Huadu Makro Food Supermarket Company Limited	Wholesale, retail and related businesses	No. 163 Yingbin Avenue, Gaosheng Square, 1 st & 2 nd floor, Huadu District, Guangzhou, The People's Republic of China	59.90	RMB 15 million
MAXZI THE GOOD FOOD RESTAURANT & CAFE L.L.C.	Restaurant and Minimart	Al Shafar Investment Building, Shop No. 20, P.O. Box 126113 Al Quoz 1, Dubai, United Arab Emirates www.maxzi.ae	47.93	AED 7 million
Indoguna (Singapore) Pte Ltd	Produce and distribution including import export food product	36 Senoko Drive, Senoko Industrial Estate, Singapore 758221 www.indoguna.sg	47.93	SGD 1.6 million
Indoguna Dubai L.L.C.	Import and distribution food product	Building No. 24, Road No. 25, Makani No. 21477 78511, Al Quoz Industrial Area 4, P.O. Box 123125, Dubai, United Arab Emirates www.indogunadubai.com	47.93	AED 1.8 million
Just Meat Company Limited	Import and distribution food product	Unit 5A & Unit 7B, Sing Mei Industrial Building, 29-37 Kwai Wing Road, Kwai Chung, Hong Kong www.justmeat.com.hk	47.93	HKD 1 million

Company	Type of business	Head office	Shareholding (Percent)	Paid up capital
Indoguna Lordly Company Limited	Produce and distribution including import export food product	Unit 5A & Unit 7B, Sing Mei Industrial Building, 29-37 Kwai Wing Road, Kwai Chung, Hong Kong www.indogunalordly.hk	47.93	HKD 0.01 million
Makro (Cambodia) Company Limited	Wholesale and retail operator and related businesses	No. 5734, Street 1003, Bayab Village, Sangkat Phnom Penh Thmey, Khan Sen Sok, Phnom Penh, Cambodia www.makrocambodia.com	41.94	USD 55.2 million

Grocery Retail business (Lotus's)

Company	Type of business	Head office	Shareholding (Percent)	Paid up capital
C.P. Retail Development Co., Ltd.	Investment business	629/1 Nawamin Road, Nuan Chan, Bueng Kum District, Bangkok	59.91	Baht 225,915 million
Lotuss Stores (Malaysia) Sdn. Bhd	Sale of consumer products	Head office, Level 3 No. 3, Jalan 7A/62A, Bandar Menjalara, 52200 Kuala Lumpur, Malaysia	59.91	MYR 856 million
Ek-Chai Distribution System Company Limited	Sale of consumer products	629/1 Nawamin Road, Nuanchan, Buengkum District, Bangkok	59.90	Baht 5,137 million
Lotus's Stores (Thailand) Co., Ltd.	Investment business	629/1 Nawamin Road, Nuanchan, Buengkum District, Bangkok	59.90	Baht 12.3 million
Lotus's Moblie (Thailand) Co., Ltd.	Telecommunications	629/1 Nawamin Road, Nuanchan, Buengkum District, Bangkok	59.89	Baht 5 million
Lotus's Money Services Limited	Credit card and financial services	550 Krungsri Ploenchit Tower, Lumpini, Pathumwan, Bangkok	29.95	Baht 2,080 million
Synergistic Property Development Co., Ltd.	Property development	999/9, 31st Floor, Rama 1 Road, Pathumwan, Pathumwan, Bangkok	29.94	Baht 465 million
Retail Properties Co., Ltd.	Leasing space in office building and related services	313 C.P. Tower 1 st Floor, Silom Road, Silom, Bangruk, Bangkok	29.95	Baht 210 million
Lotus's Retail Growth Freehold and Leasehold Property Fund	Property fund	1 Empire Tower, 32 nd Floor, South Sathorn Road, Yannawa, Sathorn, Bangkok	14.98	Baht 23,828 million

Other

Company	Type of business	Head office	Shareholding (Percent)	Paid up capital
C.P. Venture Capital Co., Ltd.	Investment business	313 C.P. Tower, 14 th Floor, Silom Road, Silom, Bangruak, Bangkok	19.00	Baht 3,600 million
All Now Management Co., Ltd.	Warehouse and logistic services, including distribution of general merchandises	127 Panjaphum Building, 15 th Floor, Sathorn Road, Thungmahamek, Sathorn, Bangkok www.allnowgroup.com	10.00	Baht 2,100 million
True GS Co., Ltd.	Online channel business	18 True Tower Ratchadapisek Road, Huay Kwang, Bangkok https://www.true-shopping.com/	10.00	Baht 340 million
Egg Digital Co.,Ltd	Consulting service, providing knowledge of information both technical and computer-related program development	101, 10 th True Digital Park, Sukhumvit Road, Bangchak, Prakanong, Bangkok, 10260 https://www.eggdigital.com/	10.00	Baht 97.5 million

1.3.2 Persons with conflicts of interest, holding more than 10 percent of the Company's voting shares in subsidiaries or associated companies

The Company may involve persons with conflicts of interest, defined as those who hold more than 10 percent of the Company's voting shares in subsidiaries, which is Charoen Pokphand Holding Company Limited ("CPH"). CPH holds 16.2 percent of Siam Makro Public Company Limited ("Makro"), an entity that is a direct and indirect subsidiary of the Company.

Although the Company's shareholding in Makro may involve person with conflicts of interest with regards to CP ALL (namely CPH) holding more than 10% of Makro shares, the structure arrangement is appropriate. Taking into consideration various factors, including the capital structure of the Company and Makro, which are a listed company on the Stock Exchange of Thailand, the Board of Directors believes that the abovementioned shareholding structure for Makro is appropriate and consistent with the Company's policy and long-term strategy. Such a structure would help to support Makro to retain its position as the leader in the grocery wholesaling and retailing industry in the region. The structure will also help increase Makro's ability to compete with other international companies, as it responds to rapidly changing consumer behavior.

The company adheres to conducting business with honesty, transparency, and fairness to all shareholders and for the best interest of the Company. The Company is committed to comply with policies and procedures for entering into transactions persons who may have conflicts of interest with the Company. All connected transactions that must be approved by the Board of Directors are reviewed by the Audit Committee that they complied with applicable laws and regulations of the Stock Exchange of Thailand and to ensure the justifiability and suitability of such transactions and that the terms and conditions do not deviate from transactions with third parties.

1.3.3 Relationship with major shareholders' businesses

The Company's major shareholder is Charoen Pokphand Group, which operates businesses in various industries, such as agriculture, food, retail, communications and telecommunications, e-commerce and digital, real estate, automobile, medicine and medical treatments, and finance and banking.

Retail business operators that sell consumer products have regular transactions with companies in the Charoen Pokphand Group, such as trading commodities. Furthermore, the Company has procedures for approving the use of commercial support services and other transactions (depending on business necessity) in accordance with the law and standards set by the Capital Market Supervisory Board and the Stock Exchange of Thailand. In this regard, the Company strictly complies with rules and regulations regarding transactions, including transactions with prices and business conditions that are not beneficial.

1.3.4 Shareholder

Name list of Top10 Shareholders

Major Shareholders	As at 31 December, 2022	
	No. of shares	Percent
1. CP Group*		
1.1 C.P. Merchandising Co., Ltd.	2,860,431,200	31.84
1.2 Bangkok Produce Merchandising Plc.	60,000,000	0.67
1.3 Charoen Pokphand Group Co., Ltd.	4,000,000	0.04
1.4 C.P. Foods Holding	143,497,656	1.60
1.5 Orient Success International	60,470,000	0.67
1.6 Worth Access Trading Limited	17,874,000	0.20
1.7 Creative Light Investments Limited	13,860,000	0.15
1.8 Orient Glory Group Limited	8,000,000	0.09
2. Thai NVDR Co., Ltd.	904,268,149	10.07
3. South East Asia UK (Type C) Nominees Limited	543,816,802	6.05
4. State Street Europe Limited	333,813,636	3.72
5. Citibank Nominees Singapore Pte Ltd-A/C GIC C	326,345,900	3.63
6. Social Security Office	165,985,500	1.85
7. The Bank of New York Mellon	145,555,007	1.62
8. UNS Agro Chemical Co., Ltd.	135,100,000	1.50
9. Mr. Niti Osathanugrah	131,114,600	1.46
10. South East Asia UK (Type A) Nominees Limited	112,007,471	1.25
11. Others	3,016,961,427	33.59
	8,983,101,348	100.00

* Charoen Pokphand Group (CPG) holding a combined shareholding of 35.26 percent of the total paid-up capital.

1.4 The Company Registered Capital and Paid Up Capital

As at December 31, 2022, the Company registered capital with Ministry of Commerce was Baht 8,986,296,048, of which Baht 8,983,101,348 had been paid up. The paid up capital comprises of 8,983,101,348 ordinary shares with a par value of Baht 1 per share, entitling of 1 share with 1 vote.

1.5 Other Securities

The Extraordinary General Shareholders' Meeting No.2/2013 on September 19, 2013 and Annual General Meeting of Shareholders No.1/2014 dated April 24, 2014 and Annual General Meeting of Shareholders No.1/2016 dated April 21, 2016 and Annual General Meeting of Shareholders No.1/2021 dated April 23, 2021 approved the offering and issuance of the debentures up to Baht 295,000 million in order to repay loans and/or to be used as working capital.

As at December 31, 2022, the Company offered and issued debentures of 19 times in the total of 43 tranches, which total up to amount of Baht 234,064.80 million as details below:

1 Debentures No. 1/2013 Unsubordinated and secured debentures in registered name form with debentureholder representative

Offering	Public Offering, High net worth, and Institutional investors
Outstanding debenture value	Baht 15,122 million
Issue Date	October 31, 2013
Interest Payment Date	Twice a year on each April 30 and October 31 that the debentures are outstanding; the first interest payment date on April 30, 2014
Issue Rating	"A+ (tha)" by TRIS Ratings Limited

Series	Debenture Value (Baht)	Interest Rate (Percent)	Maturity Date
10 years	15,122,000,000	5.35	31 October 2023

2 Debentures No. 1/2014 Unsubordinated and secured debentures in registered name form with debentureholder representative

Offering	Public Offering, High net worth, and Institutional investors
Outstanding debenture value	Baht 15,313.70 million
Issue Date	March 27, 2014
Interest Payment Date	Twice a year on each September 27 and March 27 that the debentures are outstanding; the first interest payment date on September 27, 2014
Issue Rating	"A+ (tha)" by TRIS Ratings Limited

Series	Debenture Value (Baht)	Interest Rate (Percent)	Maturity Date
10 years	15,313,700,000	5.14	27 March 2024

3 Debentures No. 2/2014 Unsubordinated and secured debentures in registered name form with debentureholder representative

Offering	High net worth and/or Institutional investors
Outstanding debenture value	Baht 10,439 million
Issue Date	August 22, 2014
Interest Payment Date	Twice a year on each February 22 and August 22 that the debentures are outstanding; the first interest payment date on February 22, 2015
Issue Rating	"A+ (tha)" by TRIS Ratings Limited

Series	Debenture Value (Baht)	Interest Rate (Percent)	Maturity Date
10 years	10,439,000,000	5.05	22 August 2024

4 Debentures No. 1/2016 Subordinated and unsecured debentures in registered name form

Offering	High net worth and/or Institutional investors
Outstanding debenture value	Baht 5,618 million
Issue Date	March 18, 2016
Interest Payment Date	Twice a year on each September 18 and March 18 that the debentures are outstanding; the first interest payment date on September 18, 2016
Issue Rating	“A+ (tha)” by TRIS Ratings Limited

Series	Debenture Value (Baht)	Interest Rate (Percent)	Maturity Date
7 years	937,000,000	3.40	18 March 2023
10 years	2,074,000,000	4.00	18 March 2026*
12 years	2,607,000,000	4.15	18 March 2028**

*The issuer's right to early redemption from March 18, 2021

**The issuer's right to early redemption from March 18, 2023

5 Debentures No. 2/2016 Subordinated and unsecured debentures in registered name form

Offering	High net worth and/or Institutional investors
Outstanding debenture value	Baht 6,099 million
Issue Date	August 26, 2016
Interest Payment Date	Twice a year on each February 26 and August 26 that the debentures are outstanding; the first interest payment date on February 26, 2017.
Issue Rating	“A+ (tha)” by TRIS Ratings Limited

Series	Debenture Value (Baht)	Interest Rate (Percent)	Maturity Date
7 years	500,000,000	3.25	26 August 2023
10 years	748,000,000	3.68	26 August 2026
12 years	4,851,000,000	4.00	26 August 2028

6 Debentures No. 1/2017 Subordinated and unsecured debentures in registered name form

Offering	Institutional investors; not over 10 investors
Outstanding debenture value	Baht 4,500 million
Issue Date	March 27, 2017
Interest Payment Date	Twice a year on each September 27 and March 27 that the debentures are outstanding; the first interest payment date on September 27, 2017.
Issue Rating	“A+ (tha)” by TRIS Ratings Limited

Series	Debenture Value (Baht)	Interest Rate (Percent)	Maturity Date
12 years	4,500,000,000	4.70	27 March 2029

7 Debentures No. 2/2017 Subordinated and unsecured debentures in registered name form

Offering	High net worth and/or Institutional investors
Outstanding debenture value	Baht 3,000 million
Issue Date	August 18, 2017
Interest Payment Date	Twice a year on each February 18 and August 18 that the debentures are outstanding; the first interest payment date on February 18, 2018.
Issue Rating	“A+ (tha)” by TRIS Ratings Limited

Series	Debenture Value (Baht)	Interest Rate (Percent)	Maturity Date
10 years	3,000,000,000	3.96	18 August 2027

8 Debentures No. 3/2017 Unsubordinated and unsecured debentures in registered name form, and without debentureholder representative

Offering	Institutional investors and/or High net worth
Outstanding debenture value	Baht 9,000 million
Issue Date	November 15, 2017
Interest Payment Date	Twice a year on each May 15 and November 15 that the debentures are outstanding; the first interest payment date on May 15, 2018
Issue Rating	“A+” by TRIS Ratings Limited

Series	Debenture Value (Baht)	Interest Rate (Percent)	Maturity Date
10 years	9,000,000,000	3.50	15 November 2027

9 Debentures No. 1/2019 Subordinated and unsecured debentures in registered name form with debentureholder representative

Offering	High net worth and/or institutional investors
Outstanding debenture value	Baht 10,000 million
Issue Date	January 18, 2019
Interest Payment Date	Twice a year on each July 18 and January 18 that the debentures are outstanding; the first interest payment date on July 18, 2019.
Issue Rating	“A+” by TRIS Ratings Limited

Series	Debenture Value (Baht)	Interest Rate (Percent)	Maturity Date
8 years	2,466,000,000	3.95	18 January 2027
10 years	1,920,000,000	4.12	18 January 2029
12 years	5,614,000,000	4.40	18 January 2031

10 Debentures No. 1/2020 Subordinated and unsecured debentures in registered name form with debentureholder representative

Offering	Institutional investors and/or high net worth
Outstanding debenture value	Baht 7,500 million
Issue Date	May 13, 2020
Interest Payment Date	Twice a year on each November 13 and May 13 that the debentures are outstanding; the first interest payment date on November 13, 2020.
Issue Rating	“A+” by TRIS Ratings Limited

Series	Debenture Value (Baht)	Interest Rate (Percent)	Maturity Date
7 years	1,699,000,000	2.90	13 May 2027
10 years	2,169,000,000	3.29	13 May 2030
12 years	3,632,000,000	3.59	13 May 2032

11 Debentures No. 2/2020 Subordinated and unsecured debentures in registered name form with debentureholder representative

Offering	Public offering, institutional investors and/or high net worth
Outstanding debenture value	Baht 25,000 million
Issue Date	September 29, 2020
Interest Payment Date	Twice a year on each March 29 and September 29 that the debentures are outstanding; the first interest payment date on March 29, 2021.
Issue Rating	“A+” by TRIS Ratings Limited

11.1 Public offering

Series	Debenture Value (Baht)	Interest Rate (Percent)	Maturity Date
4 years 9months and 1 day	13,200,000,000	3.00	30 June 2025

11.2 Institutional investors and/or high net worth

Series	Debenture Value (Baht)	Interest Rate (Percent)	Maturity Date
2years 5months and 17 days	6,000,000,000	1.90	18 March 2023
9 years 7months and 14 days	2,350,000,000	3.40	13 May 2030
15 years	3,450,000,000	3.90	29 September 2035

12 Debentures No. 1/2021 Subordinated and unsecured debentures in registered name form with debentureholder representative

Offering	Institutional investors and/or high net worth
Outstanding debenture value	Baht 21,900 million
Issue Date	March 16, 2021
Interest Payment Date	Twice a year on each September 16 and March 16 that the debentures are outstanding; the first interest payment date on September 16, 2021.
Issue Rating	“A+” by TRIS Ratings Limited

Series	Debenture Value (Baht)	Interest Rate (Percent)	Maturity Date
5 years	10,000,000,000	2.86	16 March 2026
7 years	6,800,000,000	3.42	16 March 2028
10 years	3,600,000,000	3.95	16 March 2031
15 years	1,500,000,000	4.64	16 March 2036

13 Debentures No. 2/2021 Subordinated and unsecured debentures in registered name form with debentureholder representative

Offering	Public offering, institutional investors and/or high net worth
Outstanding debenture value	Baht 66,000 million
Issue Date	June 16, 2021
Interest Payment Date	Twice a year on each December 16 and June 16 that the debentures are outstanding; the first interest payment date on December 16, 2021.
Issue Rating	“A+” by TRIS Ratings Limited

13.1 Public offering

Series	Debenture Value (Baht)	Interest Rate (Percent)	Maturity Date
5 years	17,773,000,000	3.00	16 June 2026
7 years	7,376,000,000	3.40	16 June 2028
10 years	8,851,000,000	3.90	16 June 2031

13.2 Institutional investors and/or high net worth

Series	Debenture Value (Baht)	Interest Rate (Percent)	Maturity Date
2 years	3,000,000,000	1.53	16 June 2023
3 years	3,000,000,000	1.76	16 June 2024
4 years	6,500,000,000	2.14	16 June 2025
10 years	12,500,000,000	3.90	16 June 2031
12 years	7,000,000,000	4.20	16 June 2033

14 Subordinated perpetual debentures No. 1/2021 payable upon dissolution with the issuer's right to early redemption and unconditional interest deferral.

Offering	Public offering and/or Institutional investors	
Outstanding debenture value	Baht 10,000 million	
Issue Date	November 30, 2021	
Interest Rate	Year 1-5:	Interest rate at 4.60 percent
	Year 6-25:	Interest rate equal to the sum of (a) five-year government bond yields* (b) Initial Credit Spread 3.54 percent per year, (c) the rate of 0.5 percent per year.
	Year 26-50:	Interest rate equal to the sum of (a) five-year government bond yields* (b) Initial Credit Spread 3.54 percent per year, (c) the rate of 1.0 percent per year.
	Year 51 onwards:	Interest rate equal to the sum of (a) five-year government bond yields* (b) Initial Credit Spread 3.54 percent per year, (c) the rate of 2.0 percent per year.

* Interest rate will be adjusted every five years based on the government's five-year bond yields at the end of day two days prior to the interest-rate adjustment date.

Interest Payment Date Twice a year on each May 30 and November 30 that the debentures are outstanding; the first interest payment date on May 30, 2022.

Redemption right Issuer has the right to redeem the debentures in the following cases:

1. The Issuer's right to redeem the debentures on 5-year maturity date starting from the issue date, which is on November 30, 2026 (the first day to exercise redemption right) or on each interest payment date the first day to exercise redemption right.
2. The issuer's right to redeem in case the Revenue Department or related departments changes the rule so that the issuer cannot treat interest paid to debentureholders as tax deductible expense for tax purposes.
3. The issuer's right to redeem in case the credit rating changes the rating of the debenture so that the issuance of the debenture can be treated as part of Equity Credit less.
4. The issuer's right to redeem in case of a change of accounting principle and methods the issuance of the debenture can be treated as part of Equity Credit less.

Issue Rating "A-" by TRIS Ratings Limited

15 Digital Debentures No. 1/2022 Subordinated and unsecured debentures in registered name form with debentureholder representative

Offering	Public offering
Outstanding debenture value	Baht 8,000 million
Issue Date	May 27, 2022
Interest Payment Date	Twice a year on each November 27 and May 27 that the debentures are outstanding; the first interest payment date on November 27, 2022.
Issue Rating	“A+” by TRIS Ratings Limited

Series	Debenture Value (Baht)	Interest Rate (Percent)	Maturity Date
5 years	8,000,000,000	3.25	27 November 2027

16 Debentures No. 2/2022 Subordinated and unsecured debentures in registered name form with debentureholder representative

Offering	Public offering
Outstanding debenture value	Baht 9,738.60 million
Issue Date	August 22, 2022
Interest Payment Date	Twice a year on each February 22 and August 22 that the debentures are outstanding; the first interest payment date on February 22, 2023.
Issue Rating	“A+” by TRIS Ratings Limited

Series	Debenture Value (Baht)	Interest Rate (Percent)	Maturity Date
7 years	9,738,600,000	3.80	22 August 2029

17 Debentures No. 3/2022 Subordinated and unsecured debentures in registered name form with debentureholder representative

Offering	High net worth and/or Institutional investors
Outstanding debenture value	Baht 4,834.50 million
Issue Date	August 22, 2022
Interest Payment Date	Twice a year on each February 22 and August 22 that the debentures are outstanding; the first interest payment date on February 22, 2023.
Issue Rating	“A+” by TRIS Ratings Limited

Series	Debenture Value (Baht)	Interest Rate (Percent)	Maturity Date
5 years	2,548,200,000	3.40	22 August 2027
10 years	899,800,000	3.92	22 August 2032
15 years	1,386,500,000	4.64	22 August 2037

18 Debentures No. 4/2022 Subordinated and unsecured debentures in registered name form with debentureholder representative

Offering	Institutional investors
Outstanding debenture value	Baht 1,000 million
Issue Date	December 6, 2022
Interest Payment Date	No interest payment date throughout the period of the debenture, all returns per unit will be equivalent to the difference between the face value per unit and the offering value per unit (yield to maturity will be equivalent to the discount rate of 3.10% per year).
Issue Rating	“A+” by TRIS Ratings Limited

Series	Debenture Value (Baht)	Interest Rate (Percent)	Maturity Date
3 years and 5 days	1,000,000,000	Equivalent to the discount rate: 3.10 percent per year	11 December 2025

19 Debentures No. 5/2022 Subordinated and unsecured debentures in registered name form with debentureholder representative

Offering	Institutional investors
Outstanding debenture value	Baht 1,000 million
Issue Date	December 9, 2022
Interest Payment Date	No interest payment date throughout the period of the debenture, all returns per unit will be equivalent to the difference between the face value per unit and the offering value per unit (yield to maturity will be equivalent to the discount rate of 2.67% per year).
Issue Rating	“A+” by TRIS Ratings Limited

Series	Debenture Value (Baht)	Interest Rate (Percent)	Maturity Date
2 years 1 month and 12 days	1,000,000,000	Equivalent to the discount rate: 2.67 percent per year	21 January 2025

1.6 Dividend Policy

The Company's Dividend Policy

In the consideration of dividend payment, the Company will consider operating performance and shareholder returns in the long-run. Payment of dividends will be according to the Company's regulations No. 36 and No. 37. The dividend payment will be distributed according to the number of shares, each share equally. The dividend payment must be approved by the Shareholders' Meeting. The Board may pay interim dividends to shareholders occasionally, if they find that the Company has sufficient profits to do so, and reports to the subsequent Shareholders' Meeting.

The Company's Board of Directors has a policy to propose a dividend payment to shareholders at approximately 50 percent of net profit generated from operations after income tax deduction and statutory reserves from the separate financial statement by contemplating consolidated financial statement.

However, the policy will be subject to change should the Board of Directors consider the financial standing, economics situation, operating performance, ability to pay financing charges and principal repayment and comply with debt covenants and future projects and find that it is appropriate to propose the shareholders otherwise.

In addition, the Company is obliged to comply with terms and conditions of various types of debentures. In case the Company is in default of interest payments or any payment related to debentures or postponement of interest payments on debenture (as the case may be), the Company will not pay dividends to shareholders.

Dividend Distribution

Dividend Payment	2018	2019	2020	2021	2022**
1. Earnings per share* – Company only (Baht/share)	2.11	2.14	1.48	0.89	1.18
2. Annual Dividend (Baht/share)	1.20	1.25	0.90	0.60	0.75
3. Dividend payout (percent) – Company only	54	56	57	60	59

* The calculation of earnings per share less cumulative interest on perpetual subordinated debentures.

**Dividend payment for 2022 shall be further proposed to the shareholders' meeting on April 21, 2023, for approval.

Subsidiaries' Dividend Policy

The Board of Directors of subsidiaries has policies to distribute dividends in accordance with the operating performance of the relevant companies without determining a certain rate of dividend payment. The distribution of dividends will be based on financial position, and future investment plans of each subsidiary.

Risks Management



2. Risks Management

2.1 Policy and Risk Management Framework

CPALL has established a comprehensive risk management policy and management framework, under the supervision of the Risk Management Committee. The Company holds the board of directors, executives, and all employees responsible for evaluating and analyzing opportunities, events, and potential factors that may affect the Company's business operations. All of the abovementioned persons are also responsible for finding measures to prevent, mitigate and prepare risk control plans in accordance with the Company's objectives, goals, and strategic plans. The Company assesses the effectiveness of its risk management measures by monitoring situations and changeable risk factors and reports to the board of directors, who review the policy and risk management twice a year.

The Company has reviewed the risk management framework and supervise all departments' efficient compliance. In 2022, the risk management representative was appointed as part of the corporate strategy committee, which consists of representatives from strategy, budget, human resources, sustainability, and risk business units to contemplate corporate strategic and risk management plans, including various operations for the budget year 2023.

In addition, the Company conducted a risk score assessment, which evaluated the risk management capabilities of different departments. The assessment is conducted every quarter or four times a year to help provide insight into areas for improvement in more than 70 different departments in the organization as well as providing online advice services to share knowledge and good examples on how to raise the risk score of each department through the Risk Score Clinic on a weekly basis. Not to mention disseminating valuable insights that risk managers can use for further development.

The Company also organized a seminar for functional risk management or Risk Champion once every quarter, which in 2022 was conducted for 5 times. The seminar's goal is to enhance its participants' risk management capabilities. With more than 700 participants, the seminar considered issues that need to be considered in situations of risk, such as strategy, finance, law, sustainability, and good governance.

In addition, the Company has organized a campaign to encourage employees to participate in identifying the Black Swan threats through the network of over 240 functional risk managers or Risk Champions employee. This resulted in the Company receiving risk reports from employees and sending to relevant departments for review in the following assessment cycle.

Additionally, the Company also arranges a Cyber Crisis Management Exercise in case of critical cyber-attack, hosted by the Crisis Management Committee. Crisis Management Committee, which consists of the Executive Committee, the Risk Assessment Committee, Chief Risk Officer, Chief Information Officer, Data Protection Officer, Chief Security Office and Breach Incident Response Team, prepares for cyber crises and data breaches, including raising cyber awareness among executives.

In the event of urgent, significant changes in market situations, the Risk Management Unit and the Corporate Legal & Compliance Unit will organize risk review together with the Risk Management Committee to determine important control measures and, on special occasions, immediately reports to the Executive Committee.

2.2 Risk Factors in Relation to the Business Operations

2.2.1 The Company's Operational Risks

The Company has established a Risk Assessment Committee, which comprised of experts in various fields such as communication and image, store operations, law, human resources, buildings, store locations, cyber security, data privacy, governmental coordination, and occupational safety and environment. The Risk Assessment Committee was set

up to monitor the internal and external factors changes on a daily basis to assess and manage significant risks and other impacts that may disrupt business plans. Important risk management measures are as follows:

	Key Risk	ESG Risk	Emerging Risk
Risk from 7-Eleven Trademark Termination	△		
Risk of Error or Failure of Distribution Center and Logistic	△		
Risk of Error or Failure of Information Technology System to Support O2O	△		
Cyber Threats		△	
Risk of Laws and Government Policies	△		
Human Right Risk		△	
Risks from Governmental Regulations Promoting Packaging Waste Reduction		△	△
Risks of Increasing Sea Level and Erosion of Brackish Water due to Climate Change		△	△
Risks in Maintaining Capacities of Fresh Produce Suppliers in the Company's Supply Chain Post-Regional Transportation System		△	△

Risk from 7-Eleven Trademark Termination

The Company operates its convenience store business under the Area License Agreement entered with 7-Eleven, Inc., USA since November 7, 1988. Under the terms, the Company is granted a license to operate convenience stores in Thailand under the “7-Eleven” trademark including related trademarks and to obtain training and technical assistance in convenience store business from 7-Eleven, Inc. On August 20, 2003 7-Eleven, Inc. entered into the Consent Agreement which is an agreement among the Company, the Charoen Pokphand Group (“CPG”) and 7-Eleven, Inc. under which 7-Eleven, Inc. has agreed to give consent to the public offering of shares and the listing of shares for trading on the Stock Exchange of Thailand. The Area License Agreement does not specify the term of the Agreement. However, both parties have the right to terminate the Agreement if any event stipulated in the conditions does occur or if there is any event which constitutes a cause for termination under the Consent Agreement and also results in termination of the Area License Agreement.

CP ALL (CAMBODIA) CO., LTD., has newly established under Cambodian law on May 5, 2020 (with 100 percent of shares held by Albuera International Limited, a wholly owned subsidiary of the Company), and CP ALL LAOS CO., LTD., also newly established under the Law of the Lao People's Democratic Republic on

28 August 2020 to operate 7-Eleven stores (with 99.99 percent of shares held by Albueria International Limited, a wholly owned subsidiary of the Company). Both companies entered into a master agreement with 7-Eleven, Inc. to operate 7-Eleven stores in Cambodia and Lao People's Democratic Republic. Under this agreement, CP ALL (CAMBODIA) CO., LTD. and CP ALL LAOS CO., LTD. were granted franchise rights to establish and operate 7-Eleven stores in Cambodia and Lao People's Democratic Republic for a period of 30 years, whereby the relevant parties may agree to renew the agreement for a maximum of 2 times, 20 years each time.

In case the Area License Agreement is terminated, the Company will lose its right to use the trademark, which will significantly affect the Company's business. In such case, the Company might also be required to pay damages to 7-Eleven, Inc. In addition, if the relationship between the Company or CPG and 7-Eleven, Inc. turns sour, the Company may not obtain appropriate assistance from 7-Eleven, Inc.

The Company's Risk Management

For over the past 35 years of good business relationship, the Company has never had any critical conflict with 7-Eleven, Inc. Furthermore, the Company has followed the regulations as per the agreement since signed date i.e. by the end of 2022 the Company operated 13,838 7-Eleven stores nationwide, which is higher than the minimum number of stores to be maintained under the agreement, royalty fee is regularly paid for the period of time as stipulated in agreement, or the Company continuously maintained a reputation of the trademark. The Company believes that the relationship of itself and CPG with 7-Eleven, Inc. remains good and that its business operation under the "7-Eleven" trademark is of mutual interest. So far, the business relationship and assistance have been satisfactory.

The Company has been entrusted with the master franchise for local stores expansion, in addition, the Company has also already met the current stores expansion target for Cambodia and Lao People's Democratic Republic. Therefore, the chance that such relationship will turn sour is unlikely. At present, there is no reason to believe that there would be any event that may negatively affect the relationship of the Company and CPG with 7-Eleven, Inc.

Risk of Error or Failure of Distribution Center and Logistic

The Company recognizes the importance of its distribution center management system and technological tools to support its new services and distribution channels such as online shopping, online to offline (O2O) services, and parcel delivery services. Most of the products sold in 7-Eleven stores nationwide are delivered from the Company's many distribution centers, located in Bangkok and other provinces across the country. This network of distribution centers helps small and large manufacturers to safely deliver their products to operating 7-Eleven stores 24 hours a day, 7 days a week. Therefore, the distribution centers play a vital role in 7-Eleven's business in distributing products to stores across the country in a correct, complete and timely manner. Errors or problems at the distribution center and disruption of transport route due to floods, fire, communication system and information technology failure, pandemic, severe accidents, or any force majeure from the supply chain system from the manufacturer to distribution centers and then delivery at the stores, will have an adverse impact on the sales of all 7-Eleven stores and business opportunity, and may negatively affect the Company's operating performance.

The Company's Risk Management

The Company regularly reviews and optimizes distribution channels and distribution centers for different product types for optimal performance and to have sufficient space to support sales growth from its stores and new online businesses both domestic and abroad. The Company has also issued internationally recognized policies and practices for its trade partners, communicated through training and risk assessments. Results from risk assessments and audits are used for future developments and to find new opportunities for growing sustainably together with trade partners.

In addition, the Company also regularly monitors the preparedness of its equipment, personnel, and transportation routes to deal with disruptions in distribution. In the case that a new distribution center needs to be set up, the Company will select locations that are both safe and efficient for delivering products to its stores. This includes locations within stores' perimeters, spread throughout various provinces nationwide. With this strategy, the Company is confident that it can reduce risk factors related to distribution centers as it supports the growth of new stores and businesses in the future.

The Company has prepared and practiced the Incident Action Plan and conducted drill regularly planned to be ready to deal with various crises through 7days/ 24 hours such as flooding, riots, fire, and blackouts. There is also a Crisis Assessment Team (CAT) which is responsible for providing warnings about the crisis to various departments in the risk areas so that they can prepare to deal with the crisis in a timely and appropriate manner. Business Continuity Management (BCM) includes using nearby distribution centers to deliver products, transporting products using large trucks, using alternative routes, finding alternative products, and establishing temporary distribution centers.

The Company has also collaborated with key suppliers who are strategic partner developing Business Continuity Plan (BCP) to ensure that products can be delivered during crisis to minimize the negative impact on the sales revenue. In addition, the Company has appropriately bought insurance to compensate for loss and to alleviate the cost burden that may occur in the future, covering distribution centers, stores and subsidiary companies.

From the aforementioned, the Company believes that all distribution centers still have potential and have sufficient number and size to support the expansion plans both domestic and abroad which including new businesses in the future that able to integrate as a backup distribution network system in the most efficient way.

Risk of Error or Failure of Information Technology System to Support O2O

The Company's information technology systems supporting O2O is the brain of the new era of convenience store business to conveniently service customers both in the store and out of the store under the slogan "One stop shop all" and "Convenient in buying, paying, receiving, whatever you need, 7-Eleven delivers to you". The technology systems are for ordering and communicating effectively to all units in the supply chain, ranging from manufacturer, logistic system and distribution center through store level. This helps the Company make sales revenue, and deliver good products and services to more than 12 million customers per day which are the key matters to create persistent customers' satisfaction and impression. Therefore, any error or problem occurring to any key information technology systems such as sales and service system, store operation system, product ordering and logistic system, and etc, would affect the business operations and ability to serve customers at 7-Eleven stores and may negatively affect the Company's operating performance.

The Company's Risk Management

Information Technology Supervision and Information Security Committee has also reviewed consistently to improve the stability of the management of information technology, monitoring, development and maintenance a standard system to effectively prevent, detect and respond to cyber-attacks in accordance with the Cyber Threat Action Framework referenced by the National Institute of Standards and Technology (NIST) which consisting of 5 sections i.e. identification, protection, detection, retaliation, and recovery.

The Company focuses on developing processes and assets in relation to technology with reference to international standards such as ITIL, CMMI and ISO / IEC 27001: 2013, which aimed at developing technology to improve processes and assets in the long term. Business development unit can collaborate with global partners to update technology system to accommodate the changing trend of the market.

In regard to managing of the hardware, the Company establishes two IT centers in different areas to diversify risk – Chaengwattana IT Center in Nonthaburi and True IDC Bangna in Samut Prakan, which is the first IT center to obtain a high information security standard and ISO from Uptime Institute. These two IT centers support each other in case of any interruption happening to one of the IT centers and ensure that the IT system will resume its normal operation.

The Company has a full range of security system for its two IT centers, beginning with the design of their safety in every section under the proper environment. A backup generator systems, UPS, smoke and fire detection systems, intrusion detection systems and inhibit mobility, backup air conditioning, and power feed system pairs each, including system maintenance have been also installed. In addition, the Company set up an expert team to stabilize and secure IT system throughout 7days/ 24 hours to be ready for its operation continually. In addition, the Company regularly provides training and drills to related BCM team, which the training will be given scenarios that could cause crisis to IT center on a variety of different situations to ensure that the delegated team is comprehend and able to follow all the business continuity management (BCM) efficiently and timely. Furthermore, apart from regular check up by the internal audit team, an external audit company tests on the IT system annually for the highest assurance of the Company's information technology system.

Cyber Threats

Operational changes from offline to online have introduced the Company to additional cybersecurity risks almost all the time. Therefore, the Company has set up to manage cybersecurity risks in order to continue with its operational plans. BCM: Business Continuity Management. This change may result in the risk of cyber threats. In Thailand, such cyber threats are regulated by various laws and regulations, including the Computer Crime Act, the Cyber Security Act and the Personal Data Protection Act. The Company recognizes the importance of having pre-emptive measures to handle cyber threats. Cyberattacks, such as theft of trade secrets or leakage of customers' or employees' personal information, can result in adverse financial impact, damage the Company's reputation and credibility, or implicate the Company for failing to comply with the law.

The Company's Risk Management

The Company has been regularly reviewing its corporate strategy and plans with internationally recognized data security experts. Additionally, the abovementioned data security experts collaborate with the Company's information technology supervision committee to review persistently. The guidelines are in line with the National Institute of Standards and Technology (NIST)'s cybersecurity framework, which comprises of five areas of how to deal with cyberattacks, including identification, prevention, detection, retaliation, and recovery.

The Company has also appointed a Chief Cyber Security Officer, responsible for all of CP ALL Public Company Limited's information technology security. Furthermore, Gosoft (Thailand) Company Limited, a subsidiary of the Company, has been appointed to support the Company's cybersecurity measures. It operates in accordance with international standards, and revises its policies to match with international standards, information security management system (ISO 27001), and privacy information security management system (ISO 27701). Both of which are international standards that deal with information technology security and management and Internet security strategies, the subsidiary works to ensure the Company's business continuity and manage risks to fall within an acceptable range. Gosoft (Thailand) Company Limited is required to review the Company's cybersecurity strategy annually. Additionally, the subsidiary works to promote cyber security awareness amongst employees through various internal communication channels and assessments, including cyber crisis simulation programs such as the Cyber Security War Game, phishing campaigns, or Cyber Security Drill Test. The various channels offered, serve as a means to improve employee's understanding of cybersecurity in order for them to safely and correctly work with such technology, and to be able to correctly deal with any cybersecurity threats that may occur in every quarter.

Risks from Laws and Government Policies

The Company would be affected on the business from the issuance of new regulations, such as changes in the laws of government agencies various law enforcement including terms that may arise in the future, for example, new regulatory on climate change, new normal lifestyle post COVID-19 pandemic, and the fluctuating economic, which these regulations often have smaller chapters or area specific requirements corresponding to local characteristics. However, if the Company failure to follow up, forecast and prepare to keep up with such changes may affect business operations and competitiveness as well as the sustainable growth of the business group.

The Company's Risk Management

The Company has always been committed to conducting business with transparency, fully complying with local and international laws and regulations. Mitigating risks being an issue of top priority, the Company has always promptly responded to government policies and is consistently improving its compliance capacities.

Furthermore, the Company has a dedicated Corporate Legal Compliance Unit and Law office to closely monitor and report any changes in government policies, laws, and regulations in the countries in which they operate. This unit also supports the Company's compliance measures by building networks with relevant local and international public and private agencies. In order to thoroughly understand and comply with all government measures, the Company expresses its views on new legislations through various agencies, which in turn forwards the message on to licensing agencies.

In addition, the Company has assigned every unit to review its legal risks every quarter led by the risk manager of the Risk Champion of each unit to ensure that the Company can operate with full transparency and with good governance towards all of its stakeholders

Additionally, the Company's Sustainability and Corporate Governance Committee consistently oversees corporate governance and sustainability policies according to international standards as well as business practices, ethics, and operations. Notably, the committee organizes training and assessments on for employees of all levels annually. On top of that, the Company also set up a contact center for employees to submit any suggestions, complaints, and inquiries.

Human Rights Risks

Human rights are the fundamental rights that belong to each individual are equally entitled to. This is considered one of the key principles that affect business operations in respect of the production, logistics, and service process. In this regard, equal treatment according to human rights principles for employees, partners, customers, and related persons are important. If the issue of human rights is not managed in a systematic manner, satisfying the expectations of the international community, the Company may be faced with negative consequences, such as damage to the Company's image and business operations, suspension of trade, community opposition to expansion, and undermined employee confidence.

The Company's Risk Management

The Company is committed to respecting human rights and upholding its human rights policy throughout its operations including business partners and business alliances. The Company's human rights policy is in line with the UN Guiding Principles on Business and Human Rights (UNGP) and Fundamental Rights at Work of the International Labor Organization including the labor laws of each country in which the Company operates. It covers important human rights issues such as child labor, forced labor, discrimination, and sexual harassment. The Company conducts a comprehensive human rights assessment in all operational areas and all business activities as well as assessing human rights impacts in risky units. In addition, the Company reviews human rights risks that may negatively impact the business operations and the image of the organization continuously.

The Company has elevated the complaints and remedy mechanisms to ensure that employees' freedom to express opinions and concerns are protected and respected through various schemes such as the Voice of Employee system and Welfare Committee Under the Labor Protection Act B.E. 2541 (Kor Sor Sor.). These systems are channels for employees to freely express their opinions and discuss matters related to employees' welfare scheme. At present, all of CPALL's employees are members of the Kor Sor Sor. According to the human rights management in the past year, there have been no cases of human rights violations arising from the Company's operations, resulted in no remedies have been claimed. However, the Company is well aware of the possibility and risks that may arise. Consequently, the Company has prepared measures to remedy the victims to relieve and mitigate the impact of human rights violations.

Emerging Risk

In 2022, the emerging risks that affect the Company's operations are as follows:

1. Risks from Governmental Regulations Promoting Packaging Waste Reduction

Business Impacts

In 2022, 7-Eleven stores have an average of 12 million customers per day, with income from sales of goods and services at approximately Baht 354,973 million with an average plastic packaging consumption is 26,256 tons per year. The encouragement for the implementation of the Extended Producer Responsibility (EPR) law affects the Company in adjusting policies, strategies, and product designs processes that have shifted from the original design of various parts to be assembled together easily to Design for Disassembly, which allowed for products to be easily disassembled and separated by material types for recycle or reuse. Recycling packaging waste as well as a change in perspectives on production and consumption ecosystems is a shift from a linear economy, in which products are produced from producers and passed on to consumers before being dumped to the municipality, to a circular economy, in which materials and energy are recycled back to producers

or distributors. Such system requires distribution systems and new innovations which CPALL's operating costs such as system investment cost and other operation expenses (which is estimated at an average of Baht 215 million in the next 3-5 years). Not to mention waste management fees that the Company has to pay to the central organization. A lack of forethought could negatively affect the Company's reputation.

Measures and Management Approach

The Company aims to minimize plastic waste and packaging waste in the landfill. CPALL stands ready to lead in managing packaging from CPALL products more environmentally friendly through the following measures and guidelines:

- Declared a policy and set a target for 100 percent of the packaging within the Company's control must be reusable or biodegradable. This must be achieved by 2025 for companies operating in Thailand and by 2030 for companies operating overseas. In addition, the Company also set a target of zero packaging waste from the Company's operation into the landfill by 2030.
- Established Sustainable Packaging Management working group to closely monitor changes in principles that may become laws along with setting strategies and preparing a joint action plan for CPALL and its subsidiaries. The working group is also responsible for indicating project success rate, driving the project to achieve its goals, and reporting the progress to the Corporate Sustainability subcommittee at least twice a year.
- Allocated necessary resources to work on research and development and established a unit for specialists and experts to effectively develop and choose packaging as well as other sustainable alternatives. In addition, the Company also aims at reducing expenses or costs that may occur in the future when the packaging principles are enforced into law.
- Operated a take-back system of used packaging to be brought into the process of (recycle or reuse) as appropriate, including developed a more efficient packaging waste recycling system.
- Cooperated with government agencies, non-profit organizations (NGOs), academic institutions, communities and other stakeholders to reduce their overall use of plastic, increase the reuse of plastic materials for Single-use Plastic Packaging/ Items as appropriate.
- Communicated and raised awareness to encourage a change in behavior on the use of sustainable packaging for employees, partners, business alliances, consumers, and stakeholders on an ongoing basis to create awareness and promote the corporate image.

2. Risks of Increasing Sea Level and Erosion of Brackish Water due to Climate Change

Business Impacts

Research from various institutes demonstrate possibilities of rising sea level. The data is derived from highly precise calculations from satellite images. Over 96 percent of Bangkok would be flooded if flooding occurs, encompassing over 1,512 square kilometers within the next 3-5 years. This would trigger an economic damage, especially in water intrusion area in 9 provinces i.e. Bangkok, Samut Prakarn, Nonthaburi, Pathumtani, Saraburi, Nakon Prathom, Samut Sakorn, Chachoengsao, and Prachinburi. These areas are high density of 7-Eleven which are over

6,336 stores. Such incidents, if occur, would cause business disruption, additional cost for store repairs and rebuilding, expenses in tool and equipment procurement to maintain water supply quality for businesses. In tandem, such events can impact products' quality, as well as products and services requiring prior preparation, which must halt its sales as it got affected by seawater level and high tide, resulting in saltwater intrusion of frequently sourced freshwater bodies. The consequences that the Company may face if such incidents occur are summarized below:

- Loss of opportunity to sell products that require good water quality, such as All Café's freshly brewed beverages, 7-Select press drinks, and Slurpee.
- In the event that products and services cannot be sold for 7 days, the cost of providing clean water for consumption will increase. Such cost is estimated in the range of Baht 1,000 –1,500 million.
- Damage value after insurance claim is estimated to be over Baht 2,644 million, this amount is assessed from the deductible statistics from insurance claims and insurance premiums.

Measures and Management Approach

Climate change risk is considered a risk factor against the Company's business operations. The Company has established Risk Management Committee to developed comprehensive risk policy and risk management plan as well as requiring a comprehensive review of risk management guidelines twice a year. This ensures risk management is aligned and can be used to formulate effective business operation strategies. Simultaneously, the Company set up Flood Scenario & Preparation plan for 7-Eleven stores, by studying for consistency with natural disaster statistics, coupled with the public sector's risk assessment data, such as spatial climate change-induced risk database to substantiate risk assessment of store branches in each area. In addition, such plan is used to develop business continuity plans, post-incident restoration plans, reports on impacts from rising sea level, which may trigger floods and high tides, subsequently culminating to saltwater instruction, and report directly to Risk Management Committee to stipulate directions and identify crisis mitigation approach such as

- Changes for high-quality water filters that could affectively filter salinity.
- Review and adjust conditions to select branch stores' location, with considerations to the increasing sea-level impacts.
- Set up water-resilient store project, to prepare the stores against floods, from the process of designing, mid-incident, designing for mobility in case of relocation when needed, to establishing restoration plan for branch stores post-floods.

3. Risks in Maintaining Capacities of Fresh Produce Suppliers in the Company's Supply Chain Post-Regional Transportation System

Business Impacts

On 3rd December 2021, the expansion of product logistics and transportation to various regions, also known as Belt and Road Initiative, BRI I, commenced for the China-Laos Railway section. This helped reduced a significant freight time. As a result, fresh food products will be able to distribute into the Thai market, which created both opportunities and risks in business operations. In terms

of challenges, there are two main aspects. Firstly, challenges in controlling fresh food's quality to be at international standard throughout the product logistics and trans-shipment. The impacts of products failing to meet standards can cost the Company's reputation, as well as expense from recalls unaligned with local standards. Secondly, the impact of competitive capacity of domestic suppliers, particularly farmers, SMEs, and regional producers. This is an apparent risk, due to the different production scale, manpower drainage, excess production, which would impact the production budget. Small suppliers unable to adapt or compete at a regional level would be forced out of the market, culminating in reducing strengths and diversity of the supply chain. Assessing impacts to retail business' fresh food product groups at over 234 SKUs, valuing over Baht 850 million per year or impacts throughout supply chain estimating to be Baht 14,285 million.

Measures and Management Approach

The Company has rushed to foster suppliers' strength through various measures, ensuring SMEs suppliers are able to adapt and be ready to grasp sales and competitive opportunities at a regional level. This was achieved through promotional measures, as follows.

- Support producers to enhance products' quality and uniqueness, differentiate, or able to present the products' values in order to gain competitive edge at a regional level.
- Purchase directly from farmers, including development of production by Makro and Lotus's, companies under the CP ALL Group.
- Promote quality assurance to align with international standards, from plantation, trimmings, to packaging, in order to manage production investment and create acceptance regarding products' quality assurance.
- Foster marketing and sales channel, as well as purchasing and deliver product distribution channels to SMEs producers, enabling circularity and ensuring investment for further development.

Financial Risk

The Company 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.

As at 31 December 2022, the Company and its subsidiaries had interest bearing debt amounting to Baht 446,882 million, in which was debenture with fixed interest rate amounting to Baht 247,261 million which was 55 percent of total interest bearing debt. Net debt to equity as determined in the debenture covenant was at 0.9 time, lower than the level stipulated in the covenant for year 2022. The Company also had long-term borrowings from financial institutions denominated in USD equivalent to Baht 42,480 million which mainly a borrowing of Siam Makro Public Company Limited.

The Company's Risk Management

Risk management is integral to the whole business. The Company has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

The Company had fixed interest rate Thai Baht debentures amount of Baht 247,261 million, which the Company plans to continuously reduce leverage ratio by using internal cash flow from operation. In addition, the Company has been committed to complying with the Company debt covenant of CPALL debenture by maintaining the net debt to equity ratio as stipulated in the debt covenant. In addition, the Company also has issued perpetual debenture of Baht 10,000 million in order to cushion net debt to equity ratio.

Long-term borrowings from financial institutions denominated in USD, the Company uses forward exchange contract to hedge its currency risk. In addition, the Company has planned to issue long-term Thai Baht debenture in order to exchange debt denominated in USD to Thai Baht.

Risk from the Record of Goodwill and Intangible Assets

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. The measurement of goodwill at initial recognition is described in note to the financial statements. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses.

Other intangible assets that are acquired by the Group and have finite useful lives i.e. computer program, customer database, and others, at which 2 – 15 years useful lives. Other intangible assets recognize at cost, net of accumulated amortization and accumulated impairment losses. Amortization is calculated using the cost less the residual value associate with its remaining useful lives. On the other hand, other intangible assets that are acquired by the Group and have indefinite useful lives i.e. intellectual property, business license, etc. are appraised at cost less accumulated impairment losses.

The Company's Risk Management

The carrying amounts of the Company'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 recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognized in profit or loss.

2.2.2 Investment Risk to Shareholder

Risks from Major Shareholders Holding Shares of more than 25% of the Total Issued Shares

As of December 31, 2022, the Charoen Pokphand Group, represented the Company shares equal to 35.26 percent of the total issued shares; as a result, the agenda required by laws or regulations to be passed by at least three-fourth of the total votes of shareholders attending the meeting and having the rights to vote, may not be passed by resolutions, in case, the Charoen Pokphand Group abstained their votes or voted against the said agenda.

The Company's Risk Management

The Company and the Board of Directors have adhered to the principles of equal and fair treatment to all shareholders and have taken account of benefits to the Company and all shareholders, as per the good governance policy as promulgated by the Company and as per the prescribed procedures and levels of authorities for approval of the Company operation. In case, any entry of transaction shall be approved by resolution of the shareholders' meeting, such agenda shall be screened by the top management of the Company

before the Company Secretary shall include it in the agenda of the Board of Directors meeting for consideration and giving of opinions thereon for the passing of resolutions of the shareholder meeting.

Provided that, in the invitation to the shareholder meeting, the opinions of the Board of Directors shall be properly and adequately specified so that all shareholders shall be informed of directors' opinions on such transactions and such opinions shall be used as basic data for decision-making; and with such operational guidelines, the Company is confident that the major shareholders shall cast their votes in the same directions with opinions of Board of Directors in each agenda of the meeting; moreover, in case, the Company has entered the related transactions, such related transactions shall be approved by the shareholders meeting; and shareholders who are stakeholders or the related parties under the related announcement of the regulatory authorities shall not be entitled to cast their votes in such agenda.

Nonetheless, there may be other risk factors that the Company has not yet acknowledged or has considered them as insignificant risk factors. Therefore, to invest in the Company securities, investors shall consider other risk factors as well.

2.2.3 Risk of Investing in Foreign Securities

None

Driving Business for Sustainability



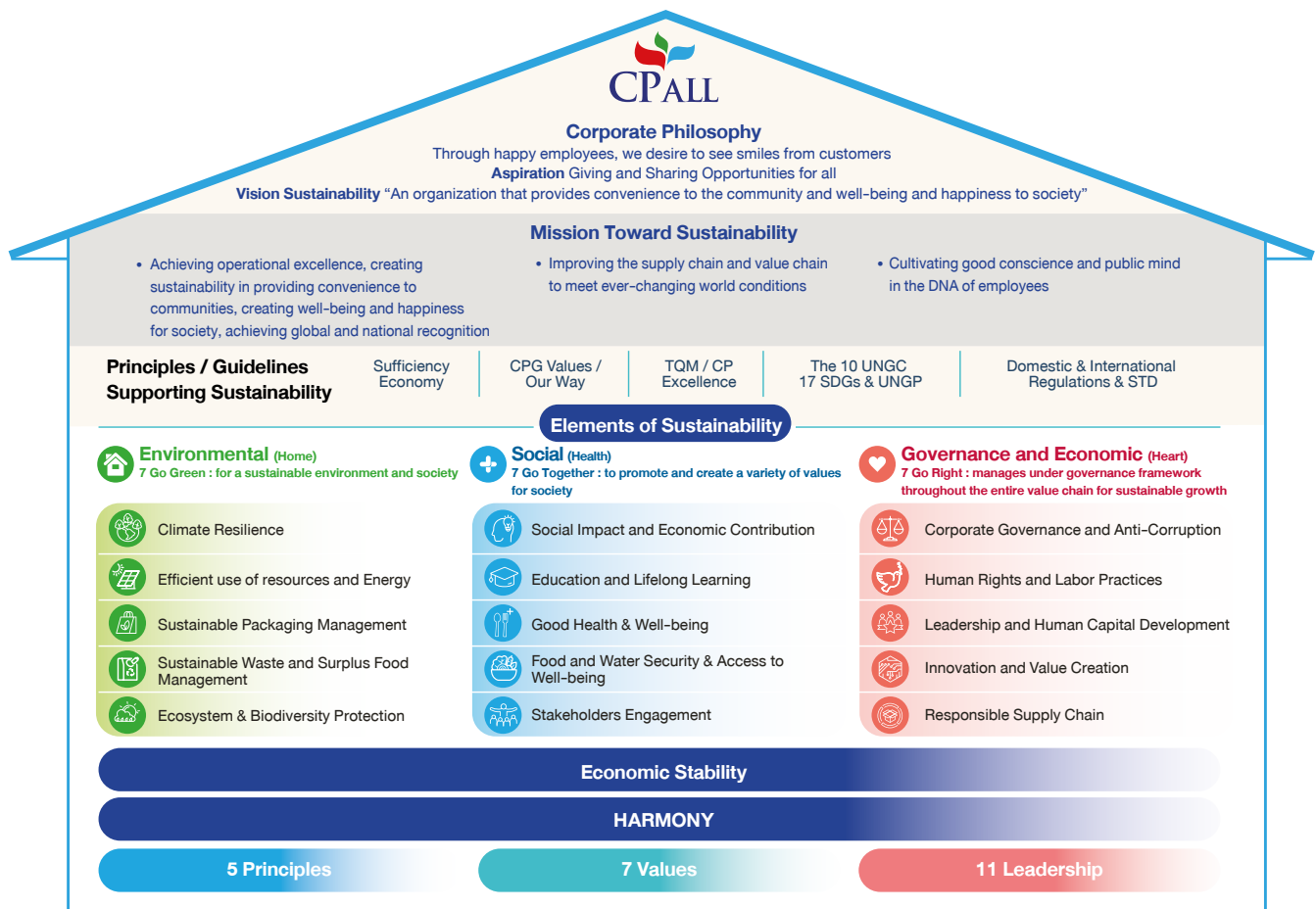
3. Driving Business for Sustainability

3.1 Sustainable Management Policy and Goals

Since 2017, CP ALL Public Company Limited and its subsidiaries (“the Company”) have established and announced its sustainable development policies and goals, which comprised of 15 sustainability-related issues in total covering 3 dimensions include those governance, society, and environment. Nevertheless, the Company has integrated its strategy for sustainability into its overall 2021 to 2030 plan. Spearheaded by the Sustainable Development Sub-Committee, this integration is crucial to the serious and effective implementation of the Company sustainability initiatives which can be summarized as follows.

- Set guidelines to integrate international sustainable practices into business processes at both the organizational level, value chain and the entire supply chain. In addition, the Company has set assessment tool to measure the efficiency and effectiveness of sustainability operations.
- Raise awareness of sustainable business operations to executives and employees at all levels through instilling the concept, knowledge, understanding and participation in sustainability across the organization.

Corporate Sustainability Framework and Strategy



Corporate Sustainability Management Goals and Progress

The Company has established sustainability goals and indicators that takes into account its context as well as supports the United Nations Sustainable Development Goals (SDGs).

The Company has implemented a long-term sustainable development plan from 2021 – 2030, which is based on current events and global trends, as well as the Company business potential. The set goals and performance indicators for sustainable development are as follows.

Environmental (Home) : 7 Go Green

Climate Resilience To achieve Carbon Neutral by 2030	Goal Carbon Neutral	Sustainable Waste and Surplus Food Management Reduce excess food or leftover food volume requiring disposal and reduce waste volume originating from Company's operations which require landfill disposal	Goal 100%
Efficient use of resources and Energy To reduce the final energy consumption by comparing with the business-as-usual case (BAU)	Goal 25%	Ecosystem & Biodiversity Protection All areas of business operations have projects in collaboration with local and national stakeholders or independent third parties	Goal 100%
Sustainable Packaging Management Private Brand utilizing plastic packaging must be reusable, recyclable, or compostable	Goal 100%		

Social (Health) : 7 Go Together

Social Impact and Economic Contribution To develop skills and promote jobs to generate income for Small and Medium Enterprise (SMEs), and small entrepreneurs agriculturists, and vulnerable groups	Goal 250,000 persons	Good Health & Well-being Increase the number of new health & nutrition products and services	Goal 25%
Education and Lifelong Learning To support children, youth, adults, and vulnerable groups to education-having access to technical and professional skills necessary for their profession	Goal 250,000 persons	Food and Water Security & Access to Well-being Support the underserved, impoverished, and vulnerable people in receiving access to safe food and water, as well as adequate well-being	Goal 5,000,000 persons
		Stakeholders Engagement All key stakeholder group engagement level	Goal 80%

Governance and Economic (Heart) : 7 Go Right

Corporate Governance and Anti-Corruption The Company's corporate governance rating is at excellence by an internationally recognized institute	Goal Excellence	Innovation and Value Creation Income from products and services innovation and new businesses including process innovation	Goal 20%
Human Rights and Labor Practices The Company has continuously conducted Human Rights Impact Assessment following United Nations Guidelines, of its operations and suppliers with high sustainability risks	Goal 100%	Responsible Supply Chain Tier1 Supplier with high sustainability risk must receive comprehensive assessment and improved	Goal 100%
Leadership and Human Capital Development All leaders and employees will be involved in the learning process and activities on sustainability	Goal 100%		



"Sustainability Performance", please see additional details in CP ALL Sustainability Report 2022, in chapter of "Progress Towards 2030 Sustainability Goals" and "Building on Ambition, Strategy for Sustainability"

Example of implementation of the main activities of Sustainable Supply Chain Management Activity Overview as follows:



Additionally, the Company promotes activities that support the operation of main activities, such as recruitment, development, and retention processes as well as information technology management, risk management, data protection and security processes (cybersecurity), and building relationships with stakeholders.

3.2.2 Stakeholder Analysis in the Business Value Chain

The Company recognizes the importance of all groups of stakeholders who play an important role in supporting the business operations to achieve its goals and encouraging to develop and grow sustainably. The Company, therefore, aims to build relationship and encourage participation with all 9 groups of stakeholders through opinion surveys and interview. Website, social media, and seminars are also stages to welcome feedbacks and expectations, assess the impact on sustainability from stakeholders, including the extent and degree of positive and negative impacts that occur or are likely to occur both under normal and critical conditions covering economic, social, and environmental dimensions. Given such, the Company has analyzed and ranked the key sustainability issues that have significant impact and prepare actions plan to respond to each group of stakeholders.



“Building relationship and encouraging participation with all stakeholders”, please see additional details in CP ALL Sustainability Report 2022, in chapter of “Stakeholder Engagement”

3.3 Environmental Sustainability Management

3.3.1 Environmental Policy and Practice

7 Go Green Strategy

The Company aims to operate and expand its business on the basis of environmental responsibility by promoting and preserving whilst reducing environmental impact under its “7 Go Green” strategy. This strategy includes guidelines that complies with the laws, rules, and regulations in each of the local areas in which it operates. Furthermore, it also complies with international standards and the United Nations Sustainable Development Goals (UN SDGs). The 7 Go Green strategy covers operations throughout the value chain, which includes collaborating with stakeholders to implement environmentally friendly projects under four key areas:

Environmentally friendly store management (Green Store)	Environmentally friendly logistics and distribution (Green Logistic)	Environmentally friendly packaging management (Green Packaging)	Build environmental consciousness (Green Living)
<ul style="list-style-type: none"> 7-Eleven stores and distribution centers uphold environmentally friendly measures from building design, construction, equipment use to energy management systems. 	<ul style="list-style-type: none"> Transportation and delivery of goods utilizing environmentally friendly alternative energy systems. 	<ul style="list-style-type: none"> Private Brand Products, which are Company controlled, use environmentally friendly packaging and are recycle process compatible in accordance with the circular economy concept. 	<ul style="list-style-type: none"> Instilling environmental awareness and delivering sustainable well-being for communities.

The Company has operating guidelines, goals and performance related to reducing environmental impacts from business operations in various departments as follows:

- Climate Change Adaptation:** This is done by sustainably efficiently reducing greenhouse gas emission through increasing energy efficiency and the use of renewable energy. The “Green Building” approach should be considered in designing buildings and operational areas. In addition, increasing the use of electric vehicles to support logistics and distribution, and environmentally friendly packaging to reduce the single-use plastic and reuse packaging waste will also help contribute to greenhouse gas emissions reduction. Another important initiative is to engage stakeholders to execute environmental projects.



“Performance of 7 Go Green Strategy”, please see additional details in CP ALL Sustainability Report 2022, in chapter of “Climate Resilience”

- Efficient Energy and Resource Management:** This initiative focuses on increasing the use of environmentally friendly renewable energy. For instance, increasing energy efficiency in 7-Eleven stores, installing solar rooftops, using solar heating, and using geothermal energy. Additionally, the Company recognizes the importance of efficient water resource management throughout the supply chain. Water stress is conscientiously assessed in all operating areas and among the Company and Critical Tier 1 Suppliers, as well as increased the proportion of water that is recycled and reused and promote awareness of proper water use within the organization and surrounding communities.



“Performance of energy efficiency management”, please see additional details in CP ALL Sustainability Report 2022, in chapter of “Energy Efficiency”

- Sustainable Packaging Management:** The Company aims to minimize the amount of plastic and packaging waste sent to landfills by promoting a system that promotes a circular economy— “Reduce and Stop.” This is in collaboration with stakeholders, including business partners, customers, NGOs, communities, government agencies, and local and global organizations under three main guidelines: 1.) reduce plastic

use at the source, 2.) reduce and replace plastic use at the consumption stage, and 3.) reduce plastic waste post-consumption. Various initiatives that have been carried out to develop and select environmentally packaging by considering from the design stage and selection of packaging that takes into account every process of the product life cycle, including sourcing materials from renewable resources and such materials must be reusable or recyclable or compostable. Some ongoing initiatives include reduce the use of single-use plastics, biodegradable paper cups for hot-cold beverages, natural renewable materials project such as coffee stirrer, straw wrap, employees' shirt project from recycled plastic bottles, borrowed plastic bags in 7-Eleven stores from distribution centers recycled shrink wraps, and etc.



"Performance of sustainable packaging management", please see additional details in CP ALL Sustainability Report 2022, in chapter of "Sustainable Packaging Management"

- **Sustainable Waste Management:** The objective of this initiative is to achieve zero waste going to landfills. To do this, food surpluses, food losses during the production process, food waste, and other kinds of waste arising from business operations are scrupulously managed according to the circular economy concept. Another key part of this initiative is building relationships with the appropriate stakeholders to execute projects such as reducing waste in production processes, encouraging surplus food donations through foundations, CPALL Food Waste Management project to expand seedlings and projects to raise awareness about food waste.



"Performance of sustainable waste management", please see additional details in CP ALL Sustainability Report 2022, in chapter of "Sustainable Waste Management"

- **Protecting and Restoring Ecosystems and Biodiversity:** The Company is committed to protecting the loss of biodiversity whilst doing business. This is done by using various biodiversity assessment tools to conduct preliminary assessment on risks and impact to avoid operations in any protected areas. The Company also cooperates with partners to carry out rehabilitation projects to conserve natural resources and diverse environments, reduce impacts on terrestrial and aquatic ecosystems, and restore and protect rich ecosystems and biodiversity. Such projects include tree planting activities, seedlings, natural resources and environment conservation project (Next Gen New World), WE GROW for ALL project, and release blue crab to Thai sea project.



"Performance of ecosystems and biodiversity protection", please see additional details in CP ALL Sustainability Report 2022, in chapter of "Ecosystem & Biodiversity Protection"

3.3.2 Environmental Performance

The Company has been well-aware of the severity of climate change. Therefore, it is committed to being a part of the solutions by raising the intensity of its environmental initiatives through its 7 Go Green Strategy. This strategy includes being transparent about its environmental performance, which can be audited through GRI standards, a global reporting framework, and the CDP environmental index. Additionally, the Company conducts climate change risk and opportunities analysis in accordance with global assessment frameworks as recommended by the Task Force on Climate-related Financial Disclosures (TCFD). It also issues measures to mitigate potential environmental impacts and requires that environmental data be used in considering any decisions regarding acquisitions and merging. The 2021 to 2030 situation of greenhouse gas emissions are carefully considered for decision-making, setting goals, and implementing actions plans in the short term (1 year), medium-term (3 to 6 years), and long term (10 years).



“Performance of environmental”, please see additional details in CP ALL Sustainability Report 2022, in chapter of “Building on Ambition, Strategy for Sustainability : 7 Go Green Strategy”

3.4 Sustainability Management in Social Dimensions

3.4.1 Social Policies and Practices:

- Guidelines for Labor Use and Occupational Health and Safety:** The Company recognizes that society plays a significant role in driving towards sustainable development. Therefore, the Company has governed, managed, and operated under human rights policies, labor practices and diversity and acceptance management policy, which has been communicated to employees of all levels. The Company appointed a responsible person for human rights operations and established a comprehensive human rights audit process. This also includes setting policies and principles on compensation and benefits, and salary and welfare for employees and Critical Tier 1 partners to be fair and in accordance with the law. In addition, the Company provides a channel for whistleblowing for those affected by human rights in order to determine appropriate remedial measures. Not to mention policies on safety, occupational health, and working environment to promote workplace security and safety. The Company aims to be an accident-free organization, providing happiness and good life quality to employees.



“Performance of guidelines for labor use and occupational health and safety”, please see additional details in CP ALL Sustainability Report 2022, in chapter of “Guidelines for Labor Use and Occupational Health and Safety”

- 7 Go Together Strategy:** The Company has carried out social operations according to the Company social responsibility policy enacted in 2017. The policy focuses on education and social values aligned with the United Nations Sustainable Development Goals (UN SDGs) by supporting children, youth, adults, and vulnerable groups to have access to both formal and informal education as well as professional skills. In addition, the Company is dedicated to developing professional skills and promoting careers to generate income for farmers, small and medium-sized enterprises (SMEs), small enterprises, as well as vulnerable groups through various projects. These projects include, collaborating with a network of

partners to enable entrepreneurs to adapt to new customer practices, establishing 7 support centers for SMEs, to provide advice and knowledge to increase their potential for product and process development. This also includes providing opportunities to increase distribution channels both in 7-Eleven stores and online, and direct purchase from Thai farmers, and etc. These initiatives have been implemented under 3 creative approaches, namely:

Creating a future for Learning	Creating skills and providing distribution channels	Creating relations for a better quality of life
<ul style="list-style-type: none"> Promote education, youth development, arts and culture. 	<ul style="list-style-type: none"> Support community enterprises and SMEs. Support farmers. Support vulnerable groups. 	<ul style="list-style-type: none"> Support social and community quality of life activities. Provide relief assistance to disaster struck communities.



“Performance of 7 Go Together Strategy”, please see additional details in CP ALL Sustainability Report 2022, in chapter of “Social Impact and Economic Contribution”, “Education and Lifelong Learning”, “Good Health and Well-being”, and “Stakeholders Engagement”

3.4.2 Social Performance

Under the 7 Go Together strategy, the Company has promoted careers and generated income for farmers, small and medium-sized enterprises (SMEs), including vulnerable groups to the extent of supporting education and continuous lifelong learning. In addition, the Company also supports consumers and vulnerable groups to have access to food products and water that are nutritious, safe, and standardized. Further, the Company has conducted surveys for stakeholders’ opinions on various issues to gain perspectives and take stakeholders’ suggestions on the Company operations through several channels as well as build good relationship. This social performance is disclosed with transparency and verifiability through the international reporting framework (GRI Standard). Additionally, the Company also encourages farmers to follow proper agricultural practices according to the guidelines of Good Agricultural Practices (GAP) and purchases produce at fair prices.



“Social Performance”, please see additional details in CP ALL Sustainability Report 2022, in chapter of “Building on Ambition, Strategy for Sustainability : 7 Go Together Strategy”

3.5 Sustainability Management in Economic Dimensions

3.5.1 Good Governance and Economy Policies and Practices

7 Go Right Strategy

The Company puts high priority on economic sustainability, with focus on good governance throughout internal and external value chain (Change agent) using Corporate Governance policy, Sustainability Policy, and Anti-Corruption Policy, Business Ethics and Workplace Practices as Change agent. The Change agent is done through a sustainable sourcing policy and guidelines for business partners to comply with laws and regulations, aiming at business partners’ operations taking into account human rights and labor practices, manage operations

to minimize negative impacts and increase positive impacts on the environment according to corporate governance principles, laws and relevant international guidelines under 2 main approaches, namely:

Intra-organization	Inter-organization (Change Agent)
<ul style="list-style-type: none"> Inspire ethical employee conduct. Respect and comply with international human rights, Labor Practice and occupational health management, and safety principles. Enterprise risk management. 	<ul style="list-style-type: none"> Becoming a Change Agent, providing knowledge, raising awareness, sharing sustainable business approach with suppliers.

- Intra-organization:** The Company is committed on corporate governance, inspires employees to operate with fairness and transparency. The Company has set up a Sustainability and Corporate Governance Committee responsible for formulating and overseeing Corporate Governance policies, Sustainability, Anti-Corruption and setting business ethics and code of conduct along with risk management. This includes reviewing emerging risks that may potentially affect the business operations over the next 3 – 5 years in order to prepare and mitigate these risks in a timely manner.

In addition, the Company is determined to create social value, respect, and comply with the international human rights principles, as well as manage occupational health and safety. In 2022, the Company has a well-rounded Human Rights Due Diligence Process which covers all activities and operations of the Company, business alliances, and important business partners. The Human Rights Risks Assessment and “Human Rights and the Business Sector” training course are carried out for employees to better understand human rights issues as well as raising the level of occupational health and safety in all work areas of employees and contractors. The objective is to ensure that the work area and environment are strictly safe according to the law and receive international safety standards equivalent to ISO 45001 or TIS 18001.



“Good Governance and Economy Policies and Practices Performance: within the organization”, please see additional details in CP ALL Sustainability Report 2022, in chapter of “Corporate Governance and Anti-Corruption”, “Guidelines for Labor Use and Occupational Health and Safety”, “Leadership and Human Capital Development”, and “Innovation and Value Creation”

- Intra-organization (Change Agent):** The Company also focused external governance to initiate changes that cover different levels of business partners. This is to raise awareness on risks and to conduct business under preparedness, enabling business partners to timely shift business practices with sustainability, transparency, and fairness by taking into account human rights and social and environmental responsibility. Change agent also promotes participation and collaboration with Critical Tier-1 suppliers and other suppliers in the supply chain in covering key issues including promoting partners to have a sustainable procurement policy.



“Good Governance and Economy Policies and Practices Performance : Change Agent”, please see additional details in CP ALL Sustainability Report 2022, in chapter of “Responsible Supply Chain”

3.5.2 Governance and Economy Performance

The Company is committed to responsibly manage its supply chain to raise awareness and create understanding of sustainability through trainings organized for employees at all levels and training for business partners on business ethics and guidelines. In addition, the Company also conducted assessment on the supplier's sustainability performance through the Supplier Self-Assessment Questionnaires (SAQ) and inspected the operational sites of the Critical Tier-1 suppliers and other critical suppliers, including Critical Tier-1 suppliers that show high facility sustainability risks. This assessment covers all business partners groups. Moreover, the Company has continually held meetings with business partners to exchange ideas and formulate business plans together. This is an opportunity to build good relationship with business partners and jointly drive sustainable operations for the environment and society.



"Governance and Economy Performance", please see additional details in CP ALL Sustainability Report 2022, in chapter of "Building on Ambition, Strategy for Sustainability : 7 Go Right Strategy"

Management Discussion and Analysis (MD&A)



4. Management Discussion and Analysis (MD&A)

4.1 Analysis of Financial Position and Operating Results

Business operations to become a sustainable organization...“Giving and Sharing Opportunities for all”

The Company has a strategic plan to generate sustainable growth and profits, create products and services that add value to customers and society through work processes that focus on quality and flexibility for the organization as well as supporting a culture of learning and development of employees.

In addition, the Company has assessed the impact on sustainability from stakeholders, including the extent and level of positive and negative impacts or likely to occur both under normal and crisis conditions which covering economic dimensions, social dimensions, and environmental dimensions. Focusing on good corporate governance in the value chain as well as the supply chain, including the operations of suppliers that concern about human rights and labor practices and eventually lead to the concept of sustainability management in 3 dimensions, which are:

- 1) 7 Go Green Strategy – Environmental policies and practices
- 2) 7 Go Together Strategy – Social policies and practices
- 3) 7 Go Right Strategy – Governance and economy policies and practices

Details and performance according to the above strategy can be found in the Sustainability Report 2022 in the chapter “Building on Strategic Aspirations for Sustainability”.

Overview of Operating Performance

The growth of the Thai economy in 2022 was at 2.6 percent, better than the previous year. This was mainly due to the tourism sector that has begun to recover. Including investment from both the public and private sectors has increased more than the previous year, following the increase in domestic demand. The economy began to recover since the beginning of 2022, which was driven by the agricultural sector and service sector, as a result, private consumption increased significantly from the previous year. In addition, number of foreign tourists also increased significantly after the country reopening and increased more than expected. For the inflation rate, it increased from the previous year, according to the price of energy and the price of fresh food that dramatically increased. The overall Thai retail business in 2022 is expected to expand by 8 – 9 percent, with a total value of approximately 3.8 trillion baht, while e-commerce retail is expected to grow by 12 percent with a proportion to the overall retail of about 19 percent (Kasikorn Research Center and Euromonitor).

In 2022, financial position and operating results of the Company reported in the consolidated financial statements were generated from 3 main businesses including 1) Convenience stores business in Thailand 2) Grocery Wholesaling and Retailing businesses and 3) Other businesses such as manufacturing and sale of ready-to-eat food products, bill payment service, and sale and maintenance of retail equipment. The Company’s total revenues were Baht 852,605 million, increased by 45.1 percent YoY and net profit were Baht 13,272 million, increased by 2.2 percent YoY from improved performance in all business units following the economic recovery, together with fully realization of the Lotus’s business in this year.

With regards to 7-Eleven store expansion, the Company planned to further open approximately 700 new stores annually and focus on delivering value to customers under the slogan “All Convenience”, through a combination of online and offline channels. In terms of products, the Company emphasized on fresh, hygiene, and safe ready-to-eat food along with the development of new products with our partners for the purpose to offer a various and differentiated products. At the end of the year 2022, the Company had a total of 13,838 stores nationwide, an increase of 704 stores from last year.

Analysis of Operating Results for the Year Ended December 31, 2022 Compared to the Operating Results for the Year Ended December 31, 2021

Total Revenues

In 2022, CPALL reported total revenue at amount of Baht 852,605 million, increased by 45.1 percent YoY.

Revenue from sale of goods and rendering of services was Baht 829,099 million, increased by 46.7 percent YoY as a consequence of the Company's adjustment in product and service strategies including the O2O strategy of each business unit in order to satisfy customer's need in the current situation and the change of consumer behavior that has changed to a new normal lifestyle, also including the advantage of a low base revenue from the previous year. In addition, total revenue in 2022, particularly convenience stores business started to recover since the beginning of 2022, resulted from the economic recovery as well as purchasing power of consumer which has begun to return to normal. Another supportive factor was the recovery of tourism sector from both Thai tourists and higher number of foreign tourists in 2022. Moreover, the grocery wholesaling and retailing business including MAKRO and Lotus's businesses, were able to deliver the growth of revenue from sales of goods and rendering of services as well.

Others consisted of interest income, dividend income, foreign exchange gain, and other income at total amount of Baht 23,506 million, increased by 4.6 percent YoY. This was mainly due to an increase of other income at amount of Baht 2,607 million from increased advertising and promotion revenues.

Total revenues before elimination contributed from three businesses were, (Group 1) convenience stores business accounted for 42 percent (Group 2) grocery wholesaling and retailing business accounted for 52 percent, and (Group 3) other businesses in Thailand accounted for 6 percent. Revenue contribution from Group 2 significantly increased from previous year as a result of acquisition through business combination of MAKRO and Lotus's.

Gross Profit

In 2022, the Company reported gross profit at Baht 177,999 million, increased by 48 percent YoY mainly due to an increase of sales revenue from convenience stores business and MAKRO business along with gross profit from Lotus's business which was recognized for full year. According to reasons above, the Company reported higher consolidated gross profit margin at 21.5 percent in 2022 from 21.3 percent in 2021.

Distribution Costs and Administrative Expenses

In 2022, the Company reported distribution costs and administrative expenses at total amount of Baht 165,414 million, increased by 33.4 percent YoY which mainly from an increase of expenses related to an increase of sales, electricity price and employee benefits. However, the Company still able to manage distribution costs and administrative expenses to be suitable with current situation. Details of distribution costs and administrative expenses were as follows:

Distribution costs were Baht 136,751 million, increased by 40 percent YoY mainly due to acquisition through business combination. The core expenses consisted of employee benefits, store management fee, utilities and depreciation expenses. However, distribution costs for normal business operation also increased which mainly from employee benefits, store management fee and utilities expenses. The Company still implemented stringent cost control and continually reduce unnecessary expenses together with the strong purpose to expand store in potential areas to achieve long term goals.

Administrative expenses were Baht 28,663 million, increased by 8.8 percent YoY from acquisition through business combination, an increased administrative expenses consisted of employee benefits and depreciation. For company only, core expense that increased was an employee benefits.

Profit Before Tax and Net Profit

In 2022, the Company reported profit before tax at amount of Baht 20,082 million, increased by 59.7 percent YoY and reported Net Profit at amount of Baht 13,272 million, increased by 2.2 percent YoY according to the recovery of all business units, particularly convenience store business and MAKRO business. In addition, CPALL recorded a share of gain of associate and joint ventures which were recorded through MAKRO group under the equity method of Baht 831 million. Nevertheless, the Company reported an increase of finance costs from Lotus's acquisition. Therefore, in the end of 2022, Lotus's issued Thai Baht debenture with fixed interest rates to partially repay loans from financial institutions in order to mitigate foreign currency risk and interest rate risk and reduce some interest burden. For earnings per share according to the consolidated financial statements in 2022, it amounted to 1.39 baht.

Proportion of profit before tax expense before elimination contributed from three major businesses, included (Group 1) convenience stores business accounted for 48 percent (Group 2) grocery wholesaling and retailing business accounted for 38 percent, and (Group 3) other businesses in Thailand accounted for 14 percent. The proportion of Group 2 increased from previous year mainly from profit growth of MAKRO business.

Operating Results by Business Segments

Convenience Stores Business

In 2022, CPALL continued to expand “7-Eleven” stores to serve convenience to all communities in Bangkok and provincial areas. The new stores were in various store types including corporate, store business partner (SBP) and sub-area, where some were stand-alone stores and other were in PTT gas stations. The Company has planned to open 700 new stores per year, which during 2022 CPALL has successfully opened 704 new stores. At the end of 2022, CPALL operated 13,838 stores nationwide, which consisted of 6,839 corporate stores (49 percent of total stores), increased by 559 stores, 6,144 SBP stores (45 percent of total stores), increased by 124 stores, and 855 sub-area stores (6 percent of total stores), and increased by 21 stores.

Regarding products and services, CPALL strived to become “All Convenience” by focusing on adapting to satisfy the needs of customers. The Company has developed food and beverage products and continually adding new product menus, together with promoting products from Thai farmers, including vegetables, fresh fruits or processed agricultural products to sell both at 7-Eleven stores and online channels according to sustainability strategy which received great feedback from customers who looking for convenience, fast, value of product as well as good nutrition in their daily life. In 2022, food and beverage products accounted for 73.9 percent of sales mix, while non-food items (excluding phone cards) accounted for 26.1 percent. The sales mix of food and beverage products increased from the previous year due to the change of consumer behavior, together with the launch of new products with the promotion of the food and beverage categories which able to attract more customers and it reflected being “All Convenience” store for all customer groups.

In 2022, the convenience store business had total sales revenue and service income of Baht 354,973 million, increased by Baht 64,745 million or 22.3 percent YoY. In 2022, SSSG was at 15.9 percent with average sales per store per day at amount of Baht 76,582, along with average spending per ticket at Baht 84 and there were 916 customers per store per day. The economic situation in the country began to recover, in addition, the number of both Thai and foreign tourists began to increase steadily, resulted in an increase in economic activities. From the aforementioned situation, the convenience store business has adjusted its strategic plan to be in line with the changing situation with regards to the preservation of the existing customer base and expanding to new customer base by launching new products and offering attractive promotions as well as adding distribution channels. 7-Eleven products can now be accessed through different channels and platforms under the concept of a convenient. Customer can access through physical stores, vending machine, as well as online platform i.e. 7-delivery which is an on-demand delivery and ALL Online,

small supermarket near your place, also ShopAt 24, all of online channels were offered customers with alternative option to order and deliver products to the destination according to the customer's choice. This strategy has been well received from existing and new customers.

Convenience stores business reported gross profit at amount of Baht 97,158 million, increased by Baht 17,707 million or 22.3 percent YoY. Gross profit margin was at 27.4, same level from previous year. In the first half of the year, the manufacturing sector was pressured by significantly higher raw material costs. While product price adjustment was delayed to alleviate the burden on consumers, it affected to soften profitability. In addition, 7-Eleven stores implemented product strategy that aimed to satisfy customer needs, so the proportion of supermarket products which contributed lower margins was increased. However, in the second half of the year, the Company started to raise product prices to reflect higher costs, as a result, the gross profit margin began to increase. Regarding to the cost efficiency of cost of sales of goods and services, the Company was able to maintain gross profit margin in this year.

Meantime, other income of the convenience stores business was at Baht 21,879 million, increased by Baht 1,073 million or 5.2 percent YoY mainly due to an increase of number of store.

Distribution costs and administrative expenses were Baht 103,312 million, increased by Baht 12,876 million or 14.2 percent YoY mainly due to employee benefits and higher utilities cost from the announcement of an increase in electricity price this year. However, the Company still put best effort to control expenses tightly and to be efficient as possible. This year, the Company expanded 7-Eleven stores at 704 stores and increased more channels for customers to access products and services. Even though the expenses were increased but the convenience store business continued to report an increase in operating profit to Baht 21,363 million, an increase of 11.1 percent from the previous year, and a net profit of Baht 11,400 million, an increase of 26.2 percent from the previous year.

Other Businesses

Other businesses comprise of bill payment services, banking agents, manufacturing and sale of ready-to-eat food, distribution and maintenance of retail equipment and other businesses that mainly support the convenience stores business. The Company proactive to develop new innovations to be more in line with the needs of customers both products and services that offer to customers within 7-Eleven stores, as well as the development of new channels and distribution models such as e-commerce, which help customers to be more convenient and generate revenue growth for the Company in the future.

In 2022, other businesses reported profit before tax before elimination at Baht 3,430 million, increased by 2.2 percent YoY mainly due to an increase in revenue from sales of goods and services, together with controlling an increase in cost of sales, distribution costs and administrative expenses appropriately and most efficiently.

Grocery Wholesaling and Retailing Businesses

In 2022, Grocery Wholesaling and Retailing businesses reported profit before tax before elimination at Baht 9,418 million, increased by 13.2 percent YoY mainly from acquisition of Retail and Mall rental businesses, together with the increased sales revenue and efficient cost control of Grocery Wholesaling and Retailing businesses. (Note: investors can find additional details in MD&A for the year 2022 of Siam Makro).

Non-recurring Items and Other Income

In 2022, the Company reported other income at amount of Baht 23,223 million, increased by Baht 2,607 million from last year or 12.6 percent YoY. Other income in 2022 was divided into sales promotion income of Baht 13,245 million, increased by 7.9 percent YoY, and royalties and other fees relating to license income of Baht 2,313 million, increased

by 1.8 percent YoY. While, other income such as rental and service income in convenience stores and other income from grocery wholesaling and retailing businesses and etc., amounted to Baht 7,665 million, increased by 26.1 percent from previous year.

Analysis of the Company and its Subsidiaries' Financial Status for the Year Ended December 31, 2022

Total Assets

As at December 31, 2022, the Company and its subsidiaries reported total assets of Baht 924,061 million, decreased by Baht 7,831 million or 0.8 percent from last year. This was largely from a decrease of cash and cash equivalents of Baht 24,898 million. While inventories, right of use assets, intangible assets other than goodwill and property, plant and equipment increased at amount of Baht 7,648 million, Baht 4,979 million, Baht 2,688 million and Baht 1,877 million respectively. Assets with significant changes were as follows:

Cash and cash equivalents was Baht 71,424 million, or 7.7 percent of total assets, an decrease of Baht 24,898 million or 25.8 percent YoY, similar to current investments that also decreased to Baht 466 million or 0.1 percent of total assets, decreased by Baht 345 million, mainly due to repayment of long term borrowings from financial institutions from Siam Makro Public Company Limited.

Trade accounts receivable was Baht 3,620 million, or 0.4 percent of total assets, increased by Baht 279 million or 8.3 percent YoY, most of the trade accounts receivable arose from grocery wholesaling and retailing businesses and mostly of an increased trade accounts receivable were not overdue. As a result, the average collection period decreased from the previous year to 1.51 days.

Other current receivable was Baht 15,012 million, or 1.6 percent of total assets, increased by Baht 1,268 million or 9.2 percent YoY, following an increase of sales revenue. Majority of other current receivable were accrued revenue from joint promotion, royalty or service income including prepaid expenses which increased mainly from other businesses.

According to the aging analyses for trade and other accounts receivable, 97 percent of trade and other accounts receivable had credit term less than three months.

Trade and other accounts receivable are stated at their invoice value less allowance for doubtful accounts. The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

Inventories were Baht 58,183 million, or 6.3 percent of total assets, increased by Baht 7,648 million or 15.1 percent YoY, following an increase of sales revenue which mainly from an arise of finished goods. As a consequence, inventory turnover ratio increased to 11.98 times in 2022 from 10.81 times in 2021 due to the Company's efficient inventory management.

An allowance for losses is made for all deteriorated, damaged, obsolete and slow-moving inventories.

Regarding the investment plan, the Company has continued to invest in order to explore new business opportunity and improve support existing operation of the Company such as store expansion, new distribution center, new ready-to-eat food manufacturing facility, new distribution channel. The investments were directly made from the Company and its subsidiaries. In 2022, investments in subsidiaries were Baht 281,921 million, slightly increased by Baht 564 million or 0.2 percent YoY. This was due to an increase of investment in All Corporation Company Limited and Albuera International Limited to support the Company's overseas investment in the future, while investment in Siam Makro Public Company Limited was decreased.

Property, plant and equipment amounted to Baht 213,410 million or 23.1 percent of total assets, increased by Baht 1,877 million or 0.9 percent YoY. This was from store expansion of 7-Eleven convenience stores and an expansion of Subsidiaries Company before elimination at amount of Baht 94,152 million. Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Goodwill was Baht 360,641 million or 39.0 percent of total assets, same level with last year. Most of the goodwill arose from Siam Makro Public Company Limited enter into the entire business transfer transaction of C.P. Retail Holding Company Limited (Lotus's). In addition, it also increased from Siam Makro Public Company Limited's direct and indirect purchase of shares at 80 percent shareholding each of four companies, namely Indoguna (Singapore) Pte Ltd, Indoguna Dubai L.L.C, Just Meat Company Limited, and Indoguna Lordly Company Limited.

Goodwill is measured at the acquisition date for the fair value of the consideration transferred, including the recognition of a non-controlling interest in the acquiree and deduct the fair value of the identifiable assets acquired and liabilities acquired, measured at the acquisition date, any gains on purchases at lower than fair value are recognized in profit or loss.

Other intangible assets were Baht 53,803 million or 5.8 percent of total assets, increased by Baht 2,688 million or 5.3 percent YoY. A majority of which was an intellectual property amounted Baht 46,538 million, arose from business combination of Siam Makro. Other intangible assets were divided into two categories: 1) asset with finite useful lives i.e. computer software and customer database with useful life of 1-10 years are measured at cost less accumulated amortisation and accumulated impairment losses and 2) other intangible assets that have indefinite useful lives i.e. intellectual property, business license, etc. are measured at cost less accumulated impairment losses. Amortization is calculated on a straight-line basis over the expected useful life of the intangible assets and recognized in profit or loss. The Company does not have amortization for computer software under development.

The carrying amount 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.

Total Liabilities

As at December 31, 2022, the Company and its subsidiaries had total liabilities of Baht 633,760 million, decreased by Baht 5,325 million. Liabilities with significant changes were as follows:

Trade accounts payable were Baht 115,963 million or 18.3 percent of total liabilities, increased by Baht 9,100 million or 8.5 percent YoY which mainly from business combination of subsidiaries.

Interest-bearing liabilities were Baht 446,882 million or 70.5 percent of total liabilities, decreased by Baht 15,395 million or 3.3 percent YoY, mainly due to a decrease of short-term and long-term borrowings from financial institutions as our subsidiaries issued debenture to repay loan from financial institutions.

Deferred tax liabilities were Baht 17,173 million or 2.7 percent of total liabilities, decreased by Baht 675 million due to fair value adjustment of asset acquired from the business combination of grocery wholesaling and retailing businesses. 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.

Regarding contingent liabilities and off balance sheet liabilities management, the Company has contingent liabilities with third parties including: 1) commitments for capital expenditure, which is the contract that has not yet been realised such as cost of construction of new factories, cost of installing the machinery and computer system development 2) other commitments by the obligations of the Company, which incurred in the normal course of business operations, such as the Letter of Credit that has not yet been used for the purchase of goods and supplies. In this regard, contingent liabilities and off-balance sheet liabilities management additionally disclosed in the notes to the financial statements no. 34.

Total Shareholders' Equity

As at December 31, 2022, the Company had total shareholders' equity of Baht 290,301 million, decreased by Baht 2,506 million or 0.9 percent YoY mainly due to a decrease of perpetual debenture, while non-controlling interests increased because of the decrease in the shareholding proportion in subsidiaries.

Analysis of Statements of Cash Flows, Liquidity and Sources of Funds of the Company and its Subsidiaries for the Year Ended December 31, 2022, Compared to the Year Ended December 31, 2021**Liquidity**

As at December 31, 2022, the Company reported cash and cash equivalent of Baht 71,424 million, accounting for 7.7 percent of total assets. Nevertheless, the Company's liquidity remained healthy from efficient working capital management, having negative cash cycle of 30 days in 2022 which resulted from inventory period of 30 days, payable period of 62 days, and receivable period of 2 days.

Cash Flow from Operating Activities

In 2022, net cash flow from operating activities totaled Baht 69,873 million, increased by 50.9 percent from the same period of last year. This was caused by recovery of operating results as well as fully recognition of Lotus's operating results for a year.

Cash Flow from Investing Activities

In 2022, net cash flow used in investing activities amounted to Baht 30,506 million, the main activities occurred were cash paid for the purchase of land, buildings and equipment at amount of Baht 25,698 million and cash paid for the purchase of intangible assets other than goodwill at amount of Baht 4,063 million.

Cash Flow from Financing Activities

In 2022, net cash flow used in financing activities totaled Baht 64,312 million. Net cash from financing activities were mainly from repayment of short-term borrowings from financial institutions at amount of Baht 26,104 million, and repayment of debentures maturing during the year at amount of Baht 23,000 million. Meantime, net cash used in financing activities were mainly from interest payment, dividend payment. While the main activities received were cash received from the issuance of debentures during the year from both the Company and its subsidiaries.

Financial Ratio Analysis**Net debt to equity**

As at December 31, 2022, the Company net debt to adjusted equity according to definition of debenture covenants was at 0.92 time, slightly increased from 0.90 times in 2021 due to an increase of liabilities from debenture issuance during the year and a decrease of shareholders' equity from a conversion of perpetual debenture to be ordinary debenture as mentioned above.

As at December 31, 2022, the Company outstanding debentures were at Baht 247,261 million. The Company is obligated to comply with debenture covenants with net debt to equity ratio a based on the consolidated financial statements for the period ended 31 December of each year which audited by the Company's auditor. Therefore, net debt to adjusted equity is expected to be lower than 2 times since December 31, 2018 onward.

Debt-Service Coverage Ratio¹

As at December 31, 2022, the Company's debt-service coverage ratio was at 1.70 time, increased from 0.70 times in last year. This was mainly due to the decrease of short-term and long-term borrowing from financial institutions, while earnings before interest, tax, depreciation and amortization increased.

Interest Coverage Ratio²

As at December 31, 2022, the Company's interest coverage ratio was at 4.31 times, increased from 3.42 times in 2021 mainly due to growth rate of earnings was higher than growth rate of finance costs.

Liquidity Ratio and Quick Ratio

As at December 31, 2022, the Company's liquidity ratio was 0.72 time. Meantime, quick ratio was at 0.36 time slightly decreased from the previous year as a result of decreased assets.

Return on Shareholder's Equity

In 2022, the Company's return on shareholder's equity increased to 13.0 percent compared with 12.9 percent in last year. The DuPont Analysis is as follow:

The DuPont Analysis	2021	2022
Profit Margin (percent)	2.21	1.56
Total Asset Turnover (times)	0.81	0.92
The equity multiplier (times)	3.60	3.18

4.2 Factors or Situations which may Significantly Impact Operating Results and Financial Status of the Company and its Subsidiaries in the Future

Economic conditions, purchasing power, and changes in consumer behavior, including technological advances which is one of the important factors that will affect the operations, income, expenses and profits of the Company. If the Company is able to offer products and services that meets the needs of customers, it provides positively impact to the Company in term of higher number of customers which eventually able to sell more products. In addition, the Company focuses on 7-Eleven stores to increase the sales proportion of high margin products such as ready-to-eat food and fresh coffee, etc., as well as the Company has a policy to continuously expand number of store in order to reach more population.

However, post-COVID-19 consumer behavior continues on a new way of life or New Normal where people want convenience, speed, living, communicating and transacting online, paying attention to health care and focus on anything that value for money amid the rising cost of living. According to these factors, the Company has to accelerate to adjust to meet the needs of consumers based on the advancement of technology. The Company perceived consumers' perception in various dimensions and incorporates it in both short-term and long-term strategic plans that are comprehensive, consistent and responsive to lifestyles and expectations of current and future consumers under the slogan "All Convenience – convenient, complete in one place, convenient to buy, convenient to pay, convenient to receive, what do you want, 7-Eleven delivers to your place" to fully support the lifestyle of the digital age by combining between offline channels that have stores across all communities and online channels under the "7APP" application. Moreover, it is also a business operation that in line with the sustainability vision. "It is an organization that facilitates the community and society to have a good meal, live well, be happy.

¹ Calculated by earnings before interest, taxes, depreciation. and amortization / short-term interest-bearing debt + interest-bearing long-term debt due in 1 year.

² Calculated by earnings before interest, taxes, depreciation. and amortization / interest expense.

CP ALL (CAMBODIA) CO., LTD., and CP ALL LAOS CO., LTD., (Indirect subsidiary, 100% holding by Albuera International Limited which is the Company's direct subsidiary with 100% shareholding) entered into a Master Franchise Agreement with respect to the operation of 7-Eleven Stores in Cambodia and Lao People's Democratic Republic respectively. In accordance with the entering into Master Franchise Agreement, enhanced opportunity to expand our convenience store in neighborhood countries. At the end of 2022, the Company opened a total of 42 7-Eleven stores both in Phnom Penh and the surrounding provinces in Cambodia and target to open the first store in Laos within the first 6 months of 2023. Also, striving to improve the quality of life for people and surrounding communities with a wide variety of products that are carefully selected and also be a platform of opportunity for local entrepreneurs, SMEs business owners to grow together for sustainable business development.

Regarding other businesses such as bill payment services, banking agents, manufacturing and sale of ready-to-eat food, selling and maintenance of retail equipment, along with many projects including co-operations with various organizations to develop innovation under "7 Innovation Awards", CPALL continues to provide support to the small and medium business enterprises in order to support them to grow along with the Company which increases 7-Eleven performance to be efficiency and creates differentiated products and services from competitors, resulting in higher the Company's revenue. Entirely, the performance of other businesses mentions above will grow together with the expansion of 7-Eleven.

Grocery wholesaling and retailing businesses (MAKRO and Lotus's) which is a business in the form of hypermarkets that operates retail sales of general consumer goods, renting space in a shopping center and providing other services in Thailand and Malaysia in which the Company has invested (Currently, Siam Makro Public Company Limited is a subsidiary of the Company in which the Company directly holds approximately 60% of shares and the Lotus's business is an indirect subsidiary of the Company by holding shares through Siam Makro Public Company Limited). These businesses have good growth in the future with high competitive advantages. Although the Company had loan arising from the investment in the business, but the Company believes that the cash flow from operations will increase and able to pay debts and interest expenses appropriately.

4.3 Key Financial Information

(Unit : Million Baht)

Items	2020	2021	2022
Statement of income			
Revenue from sale of goods and rendering of services	525,884	565,060	829,099
Other income	20,706	22,470	23,506
Total revenues	546,590	587,530	852,605
Cost of sale of goods and rendering of services	410,880	444,771	651,100
Gross profit	115,004	120,289	177,999
Distribution costs and administrative expenses	107,858	124,026	165,414
Profit from operating activities	27,852	18,733	36,082
Finance costs	8,526	12,643	16,832
Gain on step acquisition	-	6,714	-
Share of gain/ (loss) of associate and joint venture accounted for using equity method	(63)	(226)	831
Profit before income tax expense	19,262	12,578	20,082

(Unit : Million Baht)			
Items	2020	2021	2022
Income tax expense	2,759	525	3,861
Non-controlling interests	(400)	933	(2,949)
Net profit	16,102	12,985	13,272
Statement of financial position			
Total assets	523,354	931,893	924,061
Total current assets	81,426	165,773	148,955
Cash and cash equivalents	40,589	96,323	71,424
Current investments	37	811	466
Trade accounts receivable	1,650	3,341	3,620
Other current receivables	7,178	13,745	15,012
Inventories	31,749	50,535	58,183
Other current assets	223	1,019	249
Non-current assets	441,929	766,119	775,106
Investment in related company	34	821	1,568
Investment in associate	85,552	9,139	9,053
Investment in joint venture	0	4,875	5,335
Other long-term investments	2	2	2
Other non-current receivables	171	224	50
Net fixed assets	120,510	257,022	257,540
Investment properties	333	45,489	44,130
Property, plant and equipment	120,177	211,533	213,410
Goodwill	128,096	360,641	360,641
Right-of-use assets	52,899	77,266	82,246
Leasehold rights	-	-	0
Intangible assets other than goodwill	51,706	51,115	53,803
Deferred tax assets	1,786	2,599	2,273
Other non-current assets	1,172	2,414	2,596
Total liabilities	411,759	639,085	633,760
Total current liabilities	123,275	215,072	207,443
Short-term borrowings from financial institutions	1,050	42,691	16,810
Trade accounts payable	72,778	106,863	115,963
Other payables	14,800	31,987	31,719
Current portion of debentures	14,501	16,998	25,555
Current portion of long-term borrowings from financial institutions	5,325	2,369	348
Other current liabilities	14,822	14,165	17,049

(Unit : Million Baht)

Items	2020	2021	2022
Total non-current liabilities	288,485	424,013	426,317
Debentures	138,495	205,351	221,707
Long-term borrowings from financial institutions	83,008	106,328	87,354
Lease liabilities	43,183	78,597	84,811
Deferred tax liabilities	14,947	17,848	17,173
Other non-current liabilities	8,852	15,888	15,272
Total equity	111,595	292,807	290,301
Equity attributable to equity holders of the Company	96,759	104,134	100,724
Non-controlling interests	14,836	188,673	189,577
Perpetual subordinated debentures	19,909	19,911	9,955
Statement of cash flows			
Net cash from operating activities	39,148	46,319	69,873
Net cash used in investing activities	(97,405)	1,878	(30,506)
Net cash from (used in) financing activities	68,959	7,510	(64,312)
Net increase (decrease) in cash and cash equivalents	10,729	55,707	(24,945)
Cash and cash equivalents at 31 December	40,589	96,323	71,424

	2020	2021	2022
Liquidity Ratios			
Current Ratio (times)	0.66	0.77	0.72
Quick Ratio (times)	0.34	0.47	0.36
Cash Flow Liquidity Ratio (times)	0.33	0.45	0.34
Account Receivable Turnover (times)	312.26	226.44	238.21
Average Collection Period (days)	1.15	1.59	1.51
Inventory Turnover (times)	12.98	10.81	11.98
Average Sale Period (days)	27.72	33.30	30.06
Account Payable Turnover (times)	5.43	4.95	5.84
Average Payment Period (days)	66.29	72.69	61.60
Cash Cycle (days)	(37.42)	(37.81)	(30.03)
Profitability Ratios			
Gross Profit Margin	21.9	21.3	21.5
Operating Profit Margin	5.1	3.2	4.2
Net Profit Margin	2.9	2.2	1.6
Debt to Equity Ratio (times)	2.3	1.3	1.3
Debt to Equity Ratio by definition of Terms and Conditions (times) ³	1.62	0.90	0.92

	2020	2021	2022
Debt to EBITDA (times)	5.2	8.4	5.2
Debt to EBITDA (times) ⁴	4.2	6.4	3.9
Return on Assets (%)	3.6	1.8	1.4
Operating Efficiency Ratios			
Return on Assets (%)	3.6	1.8	1.4
Return on Fixed Assets (%)	23.5	9.9	14.0
Assets Turnover (times)	1.2	0.81	0.9

³ Calculated by interest-bearing debt excluding lease liabilities, deduct cash and cash equivalents and current investments / (shareholders' equity + deferred tax liabilities - deferred tax assets).

⁴ Calculated by interest-bearing debt excluding lease liabilities deduct cash and cash equivalents and current investment / profit before interest, tax, depreciation and amortization.

General Information and Other Key Information



5. General Information and Other Key Information

5.1 General Information

Other References

Registrar	Thailand Securities Depository Co., Ltd. The Stock Exchange of Thailand Building 93, Rachadapisek Road, Dindaeng, Bangkok 10400 Telephone: 0-2009-9999 (Call Center) www.set.or.th/tsd
Auditor	Ms. Munchupa Singsuksawat, Certified Public Accountant Registration No. 6112 KPMG Poomchai Audit Ltd. No.1, Empire Tower, 50 th - 51 th Floor, Sathorn Road, Sathorn District, Bangkok Telephone: 0-2677-2060
The Registrar and Bondholder Representative	<p><u>Debenture No.1/2013</u></p> <p>The registrar – Krungthai Bank Public Company Limited 977/3, SM Tower 4th Floor, Paholyothin Road, Sam Sen Nai, Payathai, Bangkok 10400 Telephone: 0-2298-0830 Ext. 129</p> <p>Bondholder Representative – Siam Commercial Bank Public Company Limited No. 1060, Building 2, 3rd Floor, New Petchburi Road, Makkasan, Ratchathewi, Bangkok 10400 Telephone: 0-2256-2316</p> <p><u>Debenture No.1/2014, 2/2014, 3/2017,1/2019, 1/2020, 2/2020, 1/2021, 2/2021, 1/2022, 2/2022, 3/2022, 4/2022, 5/2022 and Perpetual Subordinated Debenture No.1/2021</u></p> <p>The registrar and bondholder representative – Krungthai Bank Public Company Limited 977/3, SM Tower, 4th Floor, Paholyothin Road, Sam Sen Nai, Payathai, Bangkok 10400 Telephone: 0-2298-0830 Ext. 129</p> <p><u>Debenture No. 1/2016, 2/2016,1/2017, and 2/2017</u></p> <p>The registrar – Krungthai Bank Public Company Limited 977/3, SM Tower, 4th Floor, Paholyothin Road, Sam Sen Nai, Payathai, Bangkok 10400 Telephone: 0-2298-0830 Ext. 129</p>

5.2 Other Key Information

5.2.1 Other information that may materially affect the decision of investors

A summary of the Area License Agreement between the Company and 7-Eleven, Inc. and the Initial Public Offering (IPO) Consent Agreement and its third amendment between the Company, C.P. Group, and 7-Eleven, Inc.

The Company entered into an Area License Agreement with 7-Eleven, Inc. (formerly known as “The Southland Corporation”) on 7 November 1988. Under this Agreement, the Company has the rights to operate a convenience store retail business under the trademark “7-Eleven” in Thailand. The Agreement also

stipulates that 7-Eleven, Inc. has given exclusive rights to the Company to operate in Thailand using the 7-Eleven system, trademark, and trade secrets and/or is liable to grant individual sublicenses on a case-by-case basis. Additionally, terms and conditions in the Agreement states that the Company has non-exclusive rights to use various 7-Eleven ancillary trademarks and are liable to receive training services and various technical support. The Company is liable to pay monthly license royalty compensation fees to 7-Eleven, Inc., which amounts to a percentage of total monthly sales, calculated according to details stipulated in the Agreement.

In addition to the abovementioned, the Company is liable to comply with the terms and conditions mentioned in the Agreement. Below is a summary of the main points of the Agreement:

1. The Company will maintain the minimum number or percentage of operating stores as specified in the Agreement throughout the contract period. If the Company is unable to do so, 7-Eleven, Inc. has the right to assume operations of the stores or transfer operation rights to other parties without the action being considered a breach of agreement with the Company (as of the end of 2022, there are a total of 13,838 7-Eleven stores in operation, higher than the minimum number of stores required to maintain the contract).
2. The Company will not transfer the rights stipulated in this Agreement, either in whole or in part, without prior written consent from 7-Eleven, Inc.
3. The Company will not issue any additional shares or other securities that can be converted into shares nor transfer any shares or any share-related benefits without prior written consent from 7-Eleven, Inc.
4. The Company will indemnify and defend 7-Eleven, Inc. from claims, damages, fines, liabilities (including liabilities from labor laws), and litigations, amongst other expenses incurred by the terms stipulated in the Agreement.
5. The Company will take all necessary steps to protect the goodwill and trademark reputation of 7-Eleven. If the Company fails to do so, it will be liable to pay 7-Eleven, Inc. for the damages incurred, calculated based on monthly gross sales as specified in the Agreement, applicable during the period when the Company was in breach of the Agreement or in the process or court or arbitration.
6. In the case that the Company's securities are not traded on the stock exchange and it receives tender offers or offers for asset ownerships, if the Company decides to accept such offers, it will let 7-Eleven Inc. exercise its right to consider buying these offers first. In this case, 7-Eleven may exercise its right to buy first within 60 days after being notified by the Company. If 7-Eleven does not exercise its rights, the Company has the right to sell the business or ownership of the said assets to other offerors. In this case, the Company is responsible for: (a) Transferring the rights stipulated in the Agreement to other offerors and indemnifying 7-Eleven, Inc. for any damages incurred, (b) paying any outstanding payments to 7-Eleven, Inc. in full, and (c) proceed to let the offeror perform the next steps according to the conditions stipulated in the Agreement.

The Agreement does not have a definite termination date, but may end if it is breached. Below are cases that are considered breaches of the Agreement:

- (1) The Company fails to resolve any due payments within 30 days from the date 7-Eleven, Inc. has notified the Company of the issue. In such cases, the Agreement will be terminated immediately without any requirement of a written notice from 7-Eleven, Inc.
- (2) 7-Eleven, Inc. has the right to terminate this Agreement in the following cases: (a) The Company files for bankruptcy, files for its assets to be frozen, undergoes organization restructuring, or has to undergo such similar cases, (b) the Company has been sued for bankruptcy and has not resolved the issue in the period specified in the Agreement, (c) 7-Eleven is of the view that the Company is unable to resolve its debts as

scheduled, (d), the Company transfers its rights for the benefits of its creditors or is unable to pay its license royalty fees for over 180 days due to force majeure, (e) government agencies in Thailand do not approve international money transfers for 7-Eleven, Inc. or do not approve use of 7-Eleven, Inc. trademarks. In the case that 7-Eleven, Inc. trademarks are unable to be used in Thailand, other parties in the Agreement will either agree to use new trademarks or 7-Eleven may choose to terminate this Agreement.

- (3) The Company reserves the right to terminate this Agreement in the event that 7-Eleven, Inc. has made a significant breach of the agreement for 30 consecutive days after the Company has notified 7-Eleven, Inc. of the issue. In such an event, the Company is responsible for communicating its intention to terminate the Agreement with 7-Eleven, Inc. as well as comply with certain conditions as specified in the Agreement.

If this Agreement is terminated for any reason except for a termination instigated by the Company due to 7-Eleven's breach of contract, 7-Eleven, Inc. has the right to purchase products, equipment, land, buildings, and/or other assets from the Company. Furthermore, the Company will transfer all related licenses to 7-Eleven, Inc. The Company is also responsible for paying any tax and property transfer fees and must stop using all 7-Eleven trademarks, trade secrets, and the 7-Eleven system. All 7-Eleven trade secrets must be returned or destroyed, including all manuals and copies of documents as requested by 7-Eleven, Inc.

If this Agreement is terminated for any reason except for a termination instigated by the Company due to 7-Eleven's breach of contract, the Company and parties directly or indirectly connected with the Company, including shareholder representations, will not operate in the convenience store business for a period of at least 7 years after the termination of the Agreement. This stipulation is applicable for the United States and any country in the world where 7-Eleven, Inc. operates, has franchises in, or has transferred its rights to another party. The exception is in the case that 7-Eleven, Inc. or a person appointed by 7-Eleven, Inc. does not exercise their rights to acquire further business from the Company.

The Area License Agreement stipulates that if the Company decides to sell its shares to the public or any persons by listing its shares on the stock exchange, the Company must promptly notify 7-Eleven, Inc. of the terms of the offer, including all relevant information. 7-Eleven will agree to authorize the abovementioned offer under certain conditions, including the condition that at the time of the offering of shares, the number of shares offered for sale must not exceed 49 percent of the registered capital. The issuance and offering of shares are considered authorized by 7-Eleven, Inc. when it aligns with the terms and conditions stipulated in the Initial Public Offering (IPO) Consent Agreement, whose main points are outlined below:

According to the Area License Agreement, 7-Eleven, Inc. has given its consent to the Company's public offering, which includes the listing of shares in the stock exchange when it entered into an IPO Consent Agreement with the Company and C.P. Group on August 20, 2003. The Company and 7-Eleven, Inc. has also agreed to amend certain parts of the IPO Consent Agreement. C.P. Group is bound by the terms of this IPO Consent Agreement. Its main details are as follows:

In the IPO Consent Agreement, the Company and C.P. Group have made agreements with 7-Eleven in various matters, including: (a) All of the Company's and C.P. Group's shares will not be pledged as collateral or encumbered with any obligations without prior written consent from 7-Eleven, Inc., (b) the Company and C.P. Group will not enter into any contract which will cause the breach of this IPO Consent Agreement. Vice versa, the IPO Consent Agreement must also not cause the Company and C.P. Group to breach other contracts, (c) throughout the duration of the Area License Agreement, C.P. Group retains the right to appoint and distribute roles to the majority of the Company's directors. If C.P. Group is unable to go through with this responsibility,

it will agree to purchase the Company's shares so that C.P. Group will be a shareholder of more than 50 percent of all of the Company's issued or sold shares.

In addition to the abovementioned representations and stipulations, the parties have agreed to amend certain terms and conditions in the Area License Agreement. The main contents of the revision are as follows:

- (a) The Company and C.P. Group acknowledges and understands that under the Area License Agreement, 7-Eleven, Inc. has given the Company the 7-Eleven trademark and other related rights. This is due to 7-Eleven Inc.'s confidence in the business and financial expertise and reputation of C.P. Group and its shareholders. Therefore, C.P. Group and other related parties, including C.P. Group companies (as detailed in the Agreement), will agree not to transfer, sell, pledge, incur encumbrances, or dispose of any or a significant portion of its shares or interests, either directly or indirectly, without the written consent of 7-Eleven, Inc. However, this stipulation does not include the transfer, sale, pledge, encumbrance of, or disposal of the Company's shares by C.P. Group or C.P. Group companies. In the case that C.P. Group holds more than 157,500,000 shares in the Company, directly or indirectly (at a par value at 10 Baht), and maintains the authority to appoint and manage the majority of the Company's directors, C.P. Group and C.P. Group companies must notify 7-Eleven, Inc. at least 30 days in advance of any transfer, sale, pledge, or obligation concerning the abovementioned shares.
- (b) After each IPO, C.P. Group will hold at least 157,500,000 shares in the Company, either directly or indirectly (at a par value at 10 Baht).
- (c) This stipulation applies as long as the Company's securities are listed on the Stock Exchange, in the event that C.P. Group receives an offer or offers to purchase shares of a company it holds from another party and intends to sell its shares. In this case, if 7-Eleven, Inc. considers that the divestment will result in C.P. Group and C.P. Group companies (as detailed in the Agreement) losing too much control of the Company, C.P. Group is liable to make an initial public offering of the relevant shares to 7-Eleven, Inc. The initial public offering must be the same as the offer that other parties propose to C.P. Group and must abide by the steps specified in the contract.
- (d) The Company will not sell, transfer, mortgage, pledge, incur contingent liabilities, or dispose of, by any means, a significant portion of its assets, including both direct and indirect interests associated with such assets without the written consent of 7-Eleven, Inc. This excludes the Company's normal sale of products and services.
- (e) Below are the amended obligations of the Company in the event that the Area License Agreement is terminated:
 - (1) If, for any reason, the Area License Agreement is terminated and 7-Eleven, Inc. does not exercise its right to purchase the products, equipment, land, buildings, and various assets used in the operation of the Company, the Company will stop using all these assets. The Company will also take action to ensure all relevant parties (as detailed in the Agreement) stop using all 7-Eleven trademarks, trade secrets, and the 7-Eleven system. Relevant copyrighted documents and all trade secrets, including manuals and copies of documents will be returned or destroyed as requested by 7-Eleven (the Company will be responsible for the expenses incurred). The Company will also comply with any other actions as specified in the Agreement.
 - (2) If the Area License Agreement is terminated due to the Company's breach of contract for any reason described above or because of reasons stipulated in the IPO Consent Agreement in the next paragraph, the Company will be liable to pay liquidated damages to 7-Eleven, Inc. at the following rates:
 - (a) If 7-Eleven does not exercise its rights to purchase all of the Company's assets, the Company will

pay for liquidated damages equal to 10 times the amount of average annual royalties within the previous 12 months, (b) if 7-Eleven exercises its rights to purchase all of the Company's assets, the Company will pay for liquidated damages equal to 3 times the amount of average annual royalties within the previous 12 months. The aforementioned compensation does not disqualify 7-Eleven, Inc. to claim damages as stipulated by the law or the Agreement.

In addition to the grounds described in the Area License Agreement that may cause the contract to terminate, the IPO Consent Agreement also states that the following constitutes a breach of the Agreement: (a) The Company or C.P. Group breaches any significant part of the IPO Consent Agreement or any issue related to the public offering, (b) the Company or C.P. Group breaches any significant part of the IPO Consent Agreement's terms or conditions, including maintaining a hold of at least 157,500,000 shares (at a par value of 10 Baht), directly or indirectly, after the initial public offering. Other situations considered breaches of the Agreement include if C.P. Group fails to maintain its authority to appoint and manage the majority of the Company's directors and if C.P. Group is unable to purchase additional shares until it holds more than 50 percent of the Company's total issued and sold shares. In such cases, 7-Eleven, Inc. will send a notice about the breach of contract to the Company and C.P. Group. If the breach of contract can be remedied, the Company will do so to the stated satisfaction of 7-Eleven, Inc. within a 30-day period (however, 7-Eleven reserves the right to stipulate a shorter remedial period). In the event that the Company is unable to take corrective action within the time limit, 7-Eleven, Inc. reserves the right to do one of the following: (a) Terminate the Area License Agreement, (b) increase the monthly royalty fees for merchants authorized to use the 7-Eleven trademark to the rate used for new licensees, (c) require the Company and CPG (if CPG is still the Controlling Principal as defined in the IPO Consent Agreement) to enter into a new license agreement, with different terms and conditions, including higher royalty charges and advertising costs, and (d) appoint a representative of 7-Eleven, Inc. to take the position of the Company's director.

The IPO Consent Agreement is governed and interpreted according to the law of Texas, the United States of America.

Summary of the Master Franchise Agreement between CP ALL (CAMBODIA) CO., LTD. and CP ALL LAOS CO., LTD., and 7-Eleven, Inc. (collectively referred to as the "Franchise Agreement")

CP ALL (CAMBODIA) CO., LTD., an indirect subsidiary of the Company incorporated in Cambodia, and CP ALL LAOS CO., LTD., an indirect subsidiary of the Company incorporated in the Lao People's Democratic Republic (collectively referred to as "Subsidiaries") entered into a Franchise Agreement with 7-Eleven, Inc. ("SEI") on May 5, 2020 (for Cambodia) and August 28, 2020 (for the Lao People's Democratic Republic). The Subsidiaries were granted the right to operate a convenience store retail business under the "7-Eleven" trademark in Lao People's Democratic Republic and Cambodia. Under the agreement, SEI grants the Company the exclusive right to use the 7-Eleven system and trademark as well as trade secrets for business operations or grants sub-licenses on a case-by-case basis in the Lao People's Democratic Republic and Cambodia. The Subsidiaries must comply with the terms and conditions outlined in the Franchise Agreement as below:

- The Subsidiaries will pay the Master Franchise Fee on the date of entering into the Franchise Agreement. The Subsidiaries will also pay a monthly royalty fee, calculated from total monthly sales.
- In the event that the Subsidiaries are unable to operate the minimum number of convenience stores under the trademark "7-Eleven" ("Stores") as specified in the Development Schedule due to willful misconduct

or serious negligence, the Subsidiaries will have to pay a fine to SEI. This fine is equivalent to the number of stores that are unable to be opened to meet the minimum requirements. If the Subsidiaries are unable to operate the minimum number of stores as specified in the Development Schedule for a period of 3 consecutive years, SEI has the right to: (a) Cancel the Company's exclusive rights, or (b) terminate the Franchise Agreement.

- The Controlling Principals of the Subsidiaries (i.e., CP ALL and Albuera International Limited) are required to guarantee the performance of their duties under the Subsidiaries' Franchise Agreement.
- The Subsidiaries shall indemnify and defend SEI and its directors, shareholders, executives, managers, and employees for any damages and expenses incurred as a result of its operations (whether carried out by the Subsidiaries, the Controlling Principals of the Subsidiaries, or any company within the group, directors, executives, manager, employees, representatives, contractors, or any other person acting on behalf of the Subsidiaries), as specified in the terms of the Franchise Agreement. In addition, if the Franchise Agreement expires due to SEI exercising the right to terminate the agreement (Unless in the case of termination of the contract due to force majeure), the Subsidiaries are liable for liquidated damages to SEI as specified in the Franchise Agreement.

The Franchise Agreement initially covers a period of 30 years. The said period starts from the day the first store opens. Relevant parties can agree to renew the Franchise Agree for two additional times, 20 years per renewal. Below are cases in which the Franchise Agreement may be terminated:

- (1) The Subsidiaries have the right to terminate the Franchise Agreement in the event that it faces consecutive losses when operating the franchise business, as specified in the Franchise Agreement.
- (2) In general cases, SEI has the right to terminate the Franchise Agreement if the Subsidiaries breach the it and fails to take remedial actions within 60 days (or any other period as agreed by the parties) from the date that SEI notifies the Subsidiaries of the breach.
- (3) SEI has the right to terminate the Franchise Agreement without providing for remedial periods in some cases, for example: (a) in the event that the Subsidiaries engages in willful or material breach of the Franchise Agreement, deliberately disclosing confidential information to employees or third parties without requiring such persons to agree to maintain confidentiality, (b) in the case of deliberate misuse of SEI's intellectual property, information, or systems, (c) in the case that the Subsidiaries or its Controlling Principals enters bankruptcy or business reorganization, or (d) in the case of that the Subsidiaries willfully breaks anti-terrorism laws.

Upon termination of the Franchise Agreement, SEI or SEI-appointed persons will have the right to acquire franchise businesses from the Subsidiaries at fair market value, which is jointly determined by an appraiser appointed by the Subsidiaries and SEI. If SEI or SEI-appointed persons choose not to exercise the rights to purchase the said businesses or does not exercise the right to buy the businesses at the price determined by the appraiser, the Subsidiaries reserves the right to sell the businesses to third parties.

The Franchise Agreement is governed by and under the interpretation of the law of Texas, the United States of America.

Summary of Other Contracts

(1) 7-Eleven Store Management Contract (SBP Type A)

Counterparty	: CP ALL Public Company Limited (“the Company”) and operators
Contract period	: Type A is currently only renewed from original contracts. The Company allows for operators to renew their contracts every 5 years, unless the contract is terminated for other reasons as specified in the Contract.
Fees for entering into the contract	: The fees are a fixed amount, stipulated by the criteria set by the Company.
Management compensation	: Operators will receive compensation for their management according to the Company’s compensation formula for Type A.
Other important conditions	: (1) Operators agree to be the Company’s store manager and will manage stores using the 7-Eleven system only. (2) Operators will not transfer the rights under this Contract to any person without prior written consent from the Company. (3) In the case that the operator breaches the conditions of the contract, the Company reserves the right to terminate the Contract.

(2) 7-Eleven Store Management Contract (SBP Type B)

Counterparty	: CP ALL Public Company Limited (“the Company”) and operators
Contract period	: 6 years from the beginning of store management unless the contract is terminated for other reasons as specified in the Contract.
Fees for entering into the contract	: The fees are a fixed amount, stipulated by the criteria set by the Company.
Management compensation	: Operators will receive compensation for their management according to the Company’s compensation formula for Type B.
Other important conditions	: Same as SBP Type A

(3) 7-Eleven Store Management Contract (SBP Type C)

Counterparty	: CP ALL Public Company Limited (“the Company”) and operators
Contract period	: 10 years from the beginning of store management unless the contract is terminated for other reasons as specified in the Contract.
Fees for entering into the contract	: The fees are a fixed amount, stipulated by the criteria set by the Company.
Management compensation	: Operators will receive compensation for their management according to the Company’s compensation formula for Type C.
Other important conditions	: Same as SBP Type A

(4) 7-Eleven Store Management Contract (SBP Type D)

Counterparty	: CP ALL Public Company Limited (“the Company”) and operators (a project operator, manager, or other persons as agreed)
Contract period	: 10 years from the beginning of store management unless the contract is terminated for other reasons as specified in the Contract.
Fees for entering into the contract	: The fees are a fixed amount, stipulated by the criteria set by the Company.
Management compensation	: Operators will receive compensation for their management according to the Company’s compensation formula for Type D.
Other important conditions	: Same as SBP Type A

(5) 7-Eleven Store Management Contract (SBP Type E)

Counterparty	: CP ALL Public Company Limited (“the Company”) and operators (approved employees may enter into a contract with the Company by resigning and forming a juristic person)
Contract period	: 6 years from the beginning of store management unless the contract is terminated for other reasons as specified in the Contract.
Fees for entering into the contract	: The fees are a fixed amount, stipulated by the criteria set by the Company. The fees may be paid in installments.
Management compensation	: Operators will receive compensation for their management according to the Company’s compensation formula for Type B.
Other important conditions	: Same as SBP Type A

(6) 7-Eleven Store Management Contract (SBP Type V)

Counterparty	: CP ALL Public Company Limited (“the Company”) and operators (retired and approved employees may form a juristic person to enter into a Contract with the Company)
Contract period	: 6 or 10 years from the beginning of store management (depending on whether the management is categorized as Type B or Type C) unless the contract is terminated for other reasons as specified in the Contract.
Fees for entering into the contract	: The fees are a fixed amount, stipulated by the criteria set by the Company. The fees may be paid in installments.
Management compensation	: Operators will receive compensation for their management according to the Company’s compensation formula for Type B or Type C, depending on the case.
Other important conditions	: Same as SBP Type A

(7) 7-Eleven Store Management Contract (SBP OR 1)

Counterparty	CP ALL Public Company Limited (“the Company”) and PTT Oil and Retail Business Public Company Limited (“OR”)
Contract period	: 10 years from the beginning of store management unless the contract is terminated for other reasons as specified in the Contract.
Management compensation	: “OR” will receive compensation for their management according to the Company’s compensation formula for OR 1.
Other important conditions	: Same as SBP Type A

(8) 7-Eleven Store Management Contract (SBP OR 2)

Counterparty	: CP ALL Public Company Limited (“the Company”) and distributors of PTT Oil and Retail Business Public Company Limited or parties that have been authorized by distributors (“Operators”)
Contract period	: 10 years from the beginning of store management unless the contract is terminated for other reasons as specified in the Contract.
Management compensation	: Distributors or parties that have been authorized by distributors will receive compensation for their management according to the Company’s compensation formula for OR 2.
Other important conditions	: Same as SBP Type A

(9) Territorial License Contract (Sub-Area)

Counterparty	: CP ALL Public Company Limited (“the Company”) and sub-licensees
Contract period	: The contract terminates when the Area License Agreement between the Company and 7-Eleven, Inc. ends or there are grounds for termination as specified in the Contract.
Compensation	: (1) A fixed entry fee (2) A monthly fee equal to a fixed percentage of the total monthly sales

Other Important Conditions :

- (1) The Company allows the sub-licensees to operate convenience stores using the 7-Eleven system within the territory. It also grants sub-licensees the right to use the 7-Eleven trademark, trade name, and trade secrets on goods or services provided at authorized 7-Eleven stores in the designated territory.
- (2) The Company will provide technical assistance and lend operation manuals to sub-licensees.
- (3) The sub-licensee must sell products only in cash or in accordance with the method specified by the Company. They must also report the total daily sales of each 7-Eleven store to the Company the following day.
- (4) The sub-licensee will let the Company send officers to visit their stores to make inventories and check equipment at any given time.
- (5) The sub-licensee will not transfer the rights in any part of this Contract to any other party without the Company’s prior written consent.
- (6) In the event that the sub-licensee receives a tender offer for their convenience store business under this Agreement from a third party and wishes to accept the offer, they must immediately notify the Company. The Company reserves the right to first choose whether or not they would like to purchase the sub-licensee’s convenience store business in accordance with the terms and conditions specified.
- (7) The Company reserves the right to terminate the contract in the event that the sub-licensee is unable to generate the average monthly gross sales as specified by the Company or lets the number of their operating 7-Eleven stores fall below the specified limit for more than 180 days.
- (8) If the sub-licensee continues to operate 7-Eleven stores after the termination of the Contract, this is considered a breach of contract and damaging to the Company. The sub-licensee will pay for the damages incurred in an amount equal to a proportion of a fixed percentage of total monthly sales to the Company for the period in which the sub-licensee operated 7-Eleven or convenience stores without permission.

5.2.2 Restriction to shareholders in other countries in case the Company has a policy to request a resolution of the shareholders' meeting in an offering of newly issued shares or transferable subscription right to shareholders in proportion to their shareholding without issuing and offering to shareholders that will make the Company need to have duties under foreign law

The Company does not have a policy to do the above.

5.3 Legal Disputes

None

5.4 Secondary Market

The Company has not listed its security in other country

5.5 References

Bangkok Bank Public Company Limited

Address : 333, Silom Road, Silom, Bangrak, Bangkok 10500
Telephone : 0-2230-2328, 0-2353-5421 and 0-2230-1704

Bank of Ayudhya Public Company Limited

Head office address : 1222, Rama III Road, Bang Phongphang, Yan Nawa, Bangkok 10120
Contact address : 550, Pleonchit Road, Lumpimi, Pathumwan, Bangkok 10330
Telephone : 0-2296-4776

KASIKORNBANK Public Company Limited

Head Office address : 1, Soi Rat Burana 27/1, Rat Burana Road, Rat Burana, Rat Burana, Bangkok 10140
Contact address : 400/22, Phahon Yothin Road, Sam Sen Nai, Phaya Thai, Bangkok 10400
Telephone : 0-2470-3274 (Institutional investor) or 0-2470-3074 (High net worth)

Siam Commercial Bank Public Company Limited

Address : 9, Ratchadapisek Road, Chatuchak, Chatuchak, Bangkok, 10900
Telephone : 0-2544-5740

Part 2

Corporate Governance

Corporate Governance Policy



6. Corporate Governance Policy

6.1 Corporate Governance Policy Overview

CP ALL Public Company Limited (“Company”) is fully intent on conducting its businesses based on the principles of good corporate governance and has established goals and guidelines on innovation promotion and development plans. This is so as to create value for its businesses on a sustainable basis in addition to building up confidence for its investors. This will also then enable the Company to be fully competitive and to achieve positive performance results, through keeping in mind potential long-term impacts and operating its businesses in an ethical manner, as well as through respecting the rights of and acting responsibly towards its shareholders and all stakeholders so as to benefit society as a whole and to develop or reduce any negative impacts on the environment. Additionally, it will enable the Company to adapt towards any changing operational factors in an effective manner.

The Company has established its Corporate Governance (CG) Policy together with Guidelines on Good Corporate Governance for the Board of Directors, executives and employees, supporting units for corporate governance, and the Internal Audit Office. The Company has also reviewed, improved and updated its Corporate Governance Policy so as to be current and timely with the current situation. This is also to correspond to the current laws and requirements as specified by the concerned Government authorities and other relevant regulatory organizations responsible for overseeing corporate governance practices, together with being in line with international CG standards and always being acceptable standards of CG practices. As such, this Corporate Governance Policy covers 5 key operational aspects: Rights of Shareholders, Equitable Treatment of Shareholders, Role of Stakeholders, Information disclosures and transparency, and the Responsibilities of the Board of Directors. The Company has considered and acknowledged the best practices for the Corporate Governance Committee and the revision of the criteria for the Corporate Governance Report of Thai Listed Companies (CGR) 2023 conducted by the Thai Institute of Directors Association in order to adapt and suit the Company’s business.

(The detail of Corporate Governance Policy and related Guidelines is on the Company’s website: www.cpall.co.th)

Section 1 Rights of Shareholders

All shareholders are entitled to receive their basic rights, both as an investor and corporate owner, through accepted and trusted methods and standards. These rights include rights to buy, sell and transfer their shares freely; protection of minority shareholder rights in calling shareholders’ meetings by one or many shareholders who have combined shares not less than ten percent of the total number of paid up shares without restrictions on the number of shareholders; rights to receive dividends; rights to attend shareholders’ meetings or assign a proxy to attend and vote on their behalf; and rights to join in deciding on important matters of the Company such as the selection of directors and approval of important business transactions that will have an impact on the Company’s business direction. All shareholders have the rights to vote according to the number of shares they hold. Each share is entitled to one vote and no share has special privileges above other shares.

Besides the above basic rights entitled to shareholders according to the law, the Company also encourages shareholders to use their rights as follows:

Prior to the Shareholders’ Meeting

The Company invited individual shareholders or groups of shareholders, who hold minimum shares of not less than 5 percent of the total voting shares of the Company, to propose agenda items in advance for the Annual General Meeting of Shareholders for the Year 2022. The Company prepared a form to propose agenda items for the convenience of shareholders and informed shareholders via the Company’s website and the Stock Exchange of Thailand from September 28, 2021 to December 31, 2021.

This was done 90 days before the last day of the fiscal year to allow time for the Executive Committee and Company Secretary to screen the proposed agenda items before presenting to the Board of Directors for consideration. In considering the agenda items proposed by shareholders, there are clear and reasonable criteria. In addition, the Board of Directors has a policy not to add agenda items that have not been informed in advance unnecessarily. During this time, no shareholders proposed additional agenda items in advance.

Due to the severe pandemic of COVID-19 and concern for the safety of the attendees in the meeting as well as various measures of the government sectors, the Annual General Meeting of Shareholders for the Year 2022 was held on April 22, 2022 through Electronics Means (E-EGM) only by IR PLUS AGM application in accordance with the Emergency Decree on Electronic Meetings 2020, the Notification of the Ministry of Digital Economy and Society, Re: Standards for Maintaining Security of Meeting via Electronics Means B.E.2020 (as amended), and the Company's Data Privacy Policy according to the Personal Data Protection Act B.E. 2562 (2019) in order to protect personal data of the shareholders for the collection, usage and disclosure of personal data.

The shareholder's meeting notice and attachment in Thai and English version for the Annual General Meeting of Shareholders for the Year 2022 were submitted to the shareholders more than 21 days prior to the meeting, and posted on the Company's website www.cpall.co.th on March 16, 2022 which is more than 30 days prior to the meeting, to ensure that the shareholders have sufficient time to study information before attending the meeting.

The Company's invitation to the shareholders' meeting had clear agenda items, correct and sufficient information as follows:

1. Registration form with barcode that was sent along with the invitation letter to facilitate registration for shareholders.
2. 3 types of proxy forms for shareholders to use as appropriate i.e. Proxy form (A), (B), and (C).
3. The Company's regulation regarding the qualifications of independent directors.
4. Agenda item on appointment of directors stated information on the nominated persons to be selected for the Board of Directors including first and last name, age, education, work experience, expertise, training from the Thai Institute of Directors Association (IOD), family relationship, director position held in other companies separated into listed companies and general companies, type of director position nominated, attendance at meetings in the past year, date position first held in the Company and term of office since first appointed, the attendance at the Board of Directors' Meeting, securities holdings of Directors, and criteria and process for nomination of qualified persons to be the Company's Directors.
5. Agenda to appoint the external auditor, which identifies the name and company, education, experiences and competency of the auditor, as well as the independence of the auditor and audit fee in order for shareholders can consider the competency and appropriateness of the auditor.
6. Agenda item on the approval of dividend payment stated the dividend policy, proposed dividend payment amount with supporting information, and dividend payment statistics.
7. Instructions for proxy appointment, registration and evidence required to be presented on the meeting day. In case of arranging the meeting via electronic means, to provide guidelines to attend the Shareholders' Meeting, voting with details and procedures for registration and identity verification including documents which shareholders should prepare for attending or appointing a proxy, attending and voting via mobile or website application, questioning and providing comment during the Meeting.
8. Information of Independent Directors to be appointed by the shareholder to attend and vote on his/her/its behalf.
9. The Company's Articles of Association regarding the shareholders' meeting
10. Annual Report 2021 (56-1 One report) and Sustainability Report 2021 in form of QR Code which contains of QR Code downloading Procedures, information on nature of business, management discussion and analysis, auditor's report and financial statements.

11. A map of the meeting venue with directions for travelling by car or public transport.
12. Each agenda item clearly states whether the matter is for acknowledgement or approval, the facts and reasons, the Board's opinions, the rules and procedures for voting, and the number of votes needed for the resolution.
13. In order to receive the greatest benefits from the meeting and allow directors and executives to prepare to explain on the meeting day, shareholders are invited to send their questions to the Company prior to the meeting day by informing channels for submitting questions and criteria for submitting questions before the meeting day.
14. To provide convenience to the proxies having numerous documents, especially financial institutions, mutual funds or those overseeing the securities for investors, the Company has liaised to ask for cooperation from the financial institutions or mutual funds to send documents related to the meeting to the Company in advance to allow the Company to check the documents prior to the shareholders' meeting.
15. For readiness before the meeting day, the Company opened the identity verification system for the E-AGM for shareholders or proxies 14 days prior to the meeting day.

At the Day of the Shareholders' Meeting

The Company was aware of and deeply concerned about the health and safety of every meeting attendee and prepared to comply with the government measures which request for cooperation from the private sector to be cautious in arranging any activities with mass gatherings, including social distancing measures, so as to prevent and minimize such pandemic. In this regard, the Company strictly limited the number of directors, management, and meeting organizers in the live room to comply with the relevant measures. The E-AGM system was open 2 hours prior to the meeting's starting time to enable shareholders or their proxies to log-in to join the meeting.

Before the meeting commenced, the secretary of the meeting, reported to the meeting that the self-identification methods for attending an electronic meeting were prescribed in the Manual to Attend the Annual General Meeting of Shareholders for the year 2022 and voting through Electronic Means (E-AGM) by IR PLUS AGM Application, which was enclosed with the notice of the Meeting. Then the secretary of the meeting informed the meeting of the number and proportion of shareholders who joined the meeting online and shareholders who appointed proxies through electronic means as a percentage of the Company's total paid up shares, voting procedures and vote counting method according to the Company's Articles of Association. In compliance with the Articles of Association of the Company and the Public Limited Companies Act B.E. 2535 (1992), as amended (the "PLCA") section 102, in respect of voting in the meeting, each shareholder shall have the vote equivalent to the number of shares being held by them and registered to attend the meeting, one share shall be counted as one vote. Each shareholder shall cast the vote either to approve, disapprove or abstain. By voting in each agenda, only shareholders who disapprove or abstain shall vote through IR PLUS AGM Application via mobile application or web application in order for votes to be counted. There is no need to vote through IR PLUS AGM Application for shareholders who approve the agenda. Once the meeting commences, the shareholders or proxies may vote on all agendas in advance through IR PLUS AGM Application or vote on each agenda at the time when such agenda is being discussed. The system will count the votes in each agenda when the agenda is closed. The Chairman of the Meeting shall allow sufficient time for voting before closing the voting of each agenda item. In respect of vote counting, the system will deduct non-affirmative votes, abstentions votes, or voided ballots from the total votes of the shareholders attending the meeting or the total votes of the shareholders entitled to vote, as the case may be, and the remaining votes shall be deemed as affirmative votes in the respective agenda. In respect of votes provided in the proxy form, the Company shall count the votes in each agenda as appeared in the proxy form which has been submitted to the Company before such agenda is being considered. Once the voting for each agenda is closed, the secretary of the meeting will inform the meeting of the voting details for such agenda by separating into affirmative votes, non-affirmative votes, abstentions votes, voided ballots, and will announce the vote as the percentage of shareholders according to the resolution required for each agenda.

In respect of questioning or raising any opinions, the shareholders may submit questions or opinions regarding the related agenda being considered through the application, by selecting the “Question” menu, typing the messages into the system, and selecting the “Send” button. The system will arrange the order of the questions or opinions based on the submission time. In this respect, the Company reserves the rights to screen questions that are deemed appropriate to the agenda. In the case that there are many questions, in order to keep the meeting on schedule, the Company will respond to the questions via the email address registered by the shareholders after the meeting is adjourned.

The Chairman, the Chairman of all Sub-Committees, which are the Chairman of the Audit Committee, the Chairman of the Sustainability and Corporate Governance Committee, the Chairman of the Remuneration and Nomination Committee, including Independent Directors, Directors, Chairman of the Executive Committee, Vice Chairman of the Executive Committee, Managing Director and Chief Executive Officer, Managing Director and the Company’s top executives gave high importance to the shareholders’ meeting and were present in all the meetings. The Company’s external auditor, legal advisor, and advisor to the Board of Directors were also invited to the meeting to provide information and answer shareholders’ questions. Moreover, the Company invited representatives from external regulatory organizations such as representatives from the Thai Investors Association to join the Q&A session and KPMG Phoomchai Audit Ltd. who is not the Company’s auditor to observe the vote counting.

In case the meeting has already started, the shareholders who login E-AGM system late can still attend and vote the remaining agenda.

The Company clearly set the agenda items for the shareholders’ meeting as follows:

- In the agenda item of dividend payment, the Company clearly stated its dividend policy and provided details of the proposed dividend amount, record date, tax credit for dividend payment from the Revenue Department, and history of dividend payment for the past 3 years. All details were provided in the invitation to the meeting, providing time for the shareholders to consider the information before attending the meeting.
- In the agenda item of selection of directors, the Company provided opportunity for shareholders to vote on an individual basis and inform full name of the nominees, expertise, shareholding and voting result on an individual basis. Each shareholder shall have a number of votes equal to one share per one vote and must exercise all the votes he/she has to appoint an individual or several persons to be director(s) but shall not split his/her votes among any person or group. The invitation letter includes documents with details of the directors nominated for selection, qualifications of the Independent Director according to the Company’s regulation and voting procedures.
- In the agenda item of remuneration for directors, the Company disclosed the criteria for remunerating directors in each position and has set the agenda item to consider and approve the remuneration of the Company’s directors at the shareholders’ meeting every year even though there is no change in the amount of the remuneration from the previous meeting resolution.
- In the agenda item of appointing the Company’s Auditors and fix their remuneration, the Company disclosed details of auditors which were profile, amount of shareholding, the relationship with the executive. Plus, the opinion of the Audit Committee in regard to the independence of the Auditors and remuneration, and historical audit fee separated into remuneration and other service fees. However, the appointment was complied with the regulations of the SEC regarding the auditor rotation.
- In the agenda that are significant in related to law and regulations and may have impacts on the Company’s operation.

The Chairman of the Meeting allocated sufficient time, conducted the meeting appropriately and transparently, and provided opportunities for shareholders to express their opinions and raise questions in each agenda item. The questions and answers were clearly and completely recorded by the Secretary of the Meeting. Each agenda item indicated the meeting resolution and result of the votes, including the number of agree votes, disagree votes, abstain votes or unentitled votes and voided ballot.

The video recording of the meeting was posted on the Company's website after the meeting to enable shareholders who were unable to attend or interested persons to be informed of the issues discussed during the meeting. In case the shareholders have problems accessing the shareholders' meeting system or voting, they can follow the guideline to attend the shareholders' meeting and voting via electronic means or contact the administrator at the phone number provided in the guideline.

This shareholders' meeting had only regular agenda items, and no shareholders suggested additional agenda items. The Company organized the Annual General Meeting of Shareholders in accordance with the related laws and regulations and the Company's regulations. Only the agenda items that were indicated in the meeting invitation were considered.

After the Shareholders' Meeting

After the Shareholders' Meeting the Company disclosed the resolution of the shareholders' meeting and the voting results through the Stock Exchange of Thailand within the same day. The Company prepared both Thai and English versions before submitted the Minutes of the Shareholders' Meeting to the Stock Exchange of Thailand within 14 days from the date of the meeting as well as posted on the Company website within 1 month from the date of the meeting.

In the Minutes of Shareholders' Meeting, the Company recorded the names and position of directors who attended the shareholders' meeting or were absent, name list of management, external auditor, vote-counting inspector and volunteer advocacy shareholders from Thai Investors Association, voting procedures and vote counting method which clearly specified before the meeting started, meeting resolution, voting results (approved, disapproved, abstained and voided ballot) of each agenda, including questions and answers from the meeting in the minutes. Shareholders can submit queries or opinions regarding the minutes of meeting, within one month from the meeting day. The agenda for adoption of the minutes of meeting for the next Annual General Meeting of Shareholders will be terminated.

After the Annual General Meeting of Shareholders, the Company will consider questions, comments, and suggestions of shareholders gathered from the meeting room in order to determine appropriate actions and to further improve the meetings in next year.

From the assessment of the quality of the Company's 2021 Annual General Meeting of Shareholders (AGM checklist) conducted by the Thai Investors Association, the Company received a score of 100 out of a total of 100, same as last year.

Section 2 Equitable Treatment of Shareholders

Even though each shareholder has unequal voting rights due to the different number of shares held by each, this does not mean that their basic rights as shareholders are different. The Company gives importance to and recognizes the rights of every single shareholder, whether major or minor shareholders, institutional or individual shareholders, local or foreign shareholders. Therefore, the Company will not perform any acts which are considered as preferential treatment or which will lead to unfair treatment to shareholders under related laws and regulations. In 2022, the Company performed the following:

1. The Annual General Meeting

- The Company provided an opportunity for minority shareholders to propose agenda items in advance for the Annual General Meeting of Shareholders for the Year 2022. The invitation was posted via the Company's website and the Stock Exchange of Thailand 90 days before the last day of the fiscal year to provide sufficient time for shareholders and to enable the Company Secretary to propose the agenda item to the Board of Directors for approval to be included in the shareholders' meeting.
- In the case where shareholders are unable to attend the meeting in person, the Company proposed 3 directors, all are the Independent Director to be selected as proxies, as an alternative for shareholders to appoint one of the directors to attend the meeting as their proxy and vote on their behalf.

- The Company sent all 3 proxy forms to shareholders so that they can choose the form that best suits their needs. However, in the invitation notice, the Company advised shareholders to use form B. which has the most detail.
- The invitation to the shareholders' meeting clearly states the documents that must be prepared for attending the meeting or proxy. Documents that are required for presentation at the shareholders' meeting are according to international practice, which is not complicated and does not cause unreasonable burden to shareholders.
- The Company sent the invitation to the shareholders' meeting and associated explanatory documents in English to foreign shareholders.
- In the selection of directors, the Company votes on individual directors.
- Record the minutes of the meeting in a correct, complete and timely manner.

2. Directors and Executives

The Company has strict written procedures to prevent the use of insider information as follows:

- Established a policy and guidelines on conflicts of interest to prevent the use of insider information by insiders before it is announced to the public. Established a policy to prevent the use of inside information and disseminated an announcement warning directors and executives to suspend trading in the Company's shares in the one month period prior to and one day after the release of the Company's financial reports to the public. Moreover, one day in advance notice is required for any transaction of the Company's shares.
- In the Board of Directors' Meeting, directors or executives with vested interests in connected transactions shall be excluded from attending the meeting and voting on that particular agenda item. In addition, if it is a transaction that must be disclosed or receive approval from shareholders according to the regulations of the Stock Exchange of Thailand, the Company disclosed the details and reasons for entering into the transaction, relationships of the connected persons, and calculations of the value of the transaction so that shareholders are informed of the details of the transaction.
- The directors and executives shall file a report of their interests and that of related persons every year and every time there is a change to the Company Secretary. In addition, copies shall be sent to the Chairman of the Board of Directors and the Chairman of the Audit Committee.
- The directors and executives shall file their holdings of the Company's shares and those held by their related persons and report to the Sustainability and Corporate Governance Committee and the Board of Directors' Meeting quarterly.
- Established guidelines regarding not using insider information for unlawful gains in the Handbook on Business Ethics and Code of Conduct.
- The related transactions which occurred in 2022 are honest and fair transactions under the ordinary course of business.
- The Company does not have a business group structure that engages in related transactions that may have conflicts of interest.

Section 3 Role of Stakeholders

The Board of Directors gives much importance to all stakeholder groups, through taking into consideration their respective rights as specified by the law – regardless of whether they are internal or external stakeholders. As such, this is to create mutual benefits for everyone on a sustainable basis as well as to encourage and promote close cooperation between the Company and the stakeholders in creating stability and security for the Company.

The Company gives importance to conducting its business operations with social responsibility, which also includes operating its business in an equitable manner through respecting human rights, treating the workforce equitably, occupational safety, health and environment, acting responsibly towards all consumers, protecting personal information and privacy, taking good care of the environment, participating in community development, preventing money laundering, and anti-corruption.

The Company has improved its Handbook on Business Ethics and Code of Conduct, which is reviewed every year to correspond with changes and be up to date. The Handbook is published and distributed to all directors, executives and employees for their information and strict compliance to ensure that the rights of all stakeholder groups are protected. In 2022, the Company has added the Company's Code of Business Ethics regarding trade competition for compliance with the guidelines of the Office of Trade Competition Commission.

The CG Policy on the treatment of all stakeholders of the Company can be summarized as follows:

1. Shareholders:

The Company is committed to conducting its business operations in an effective manner as well as with transparency and all due care, in order to achieve positive performance results together with ongoing growth and stable development of the organization, and to increase economic added value for the shareholders in the long term. The Company also gives importance to its shareholders through adhering to the principle of all shareholders being equal, together with looking after the benefits of all shareholders alike through having measures in place to protect against the use of inside information for the personal benefit of directors or executives and to ensure that directors and executives are accountable for their actions and not use their authority or position or inappropriate behavior that may bring about personal benefit or conflicts of interest.

2. Customers:

The Company gives importance and special attention to its customers with the highest level of responsibility so that our customers will be fully satisfied under the SAVEQC principle, providing Service (courteous service), Assortment (a myriad of products that meet customers' needs), Value (value for money), Environment (store design and maintenance that is safe for customers), Quality (quality, fresh, clean and safe products), and Cleanliness (cleanliness of the store as well as equipment). The Company conducts a customer satisfaction survey at least twice a year and the results of the analysis are used to make plans for product and service development and improvement (customer satisfaction survey's result is shown on the Company's website under Sustainability – Social Dimension). The Company also maintain the sustained good customer relations, through clearly establishing the policy for treating customers in an equitable manner and acting responsibility towards customers which is disclosed in Handbook on Business Ethics and Code of Conduct in working in the Company that has been widely distributed throughout the Company for awareness and adherence.

Additionally, the Company also has mechanisms and procedures that allow customers to access various relevant information, which is for business reasons, and to lodge any requests or complaints, such as: via the Branch outlets, by mail, via the Company's website and Social Media, and via Call Center, etc.

Operating Guidelines on the Treatment of the Company's Customers

1. The Company's management and employees must know and fully understand about the products and services offered by CPALL, as well as must give customers relevant and complete information.
2. The Company's management and employees must study and fully understand the customer requirements in detail before offering any products or services to customers so as to meet their exact needs; as well as always be interested

to seek out additional knowledge and information together with building up their work experiences so as to be more effective at work and achieve improved customer satisfaction.

3. The Company's management and employees must treat all customers in a courteous manner and with respect, as well as must speak politely to all customers.
4. The Company's management and employees must have a positive mindset towards their work in serving customers, as well as give importance to and discharge to the best of their ability the required customer service activities. This will then result in such customer service activities to be of value and effective, and lead to achieving customer service excellence.
5. The Company's management and employees must respect the decision and opinions of customers, as well as must not infringe on any personal rights of customers. They must be happy to receive any complaints from customers and be prepared to immediately rectify the problem. In the event that there are limitations or more time is required to resolve the problem, the customer must be informed of the situation within an appropriate period of time together with periodically keeping the customer informed of the status of the problem that is being resolved.

Protection of Customers' Personal Data

The Company is fully aware of the importance of customers' personal data which may cause damage to the data owner due to the ease, convenience and speed in the access, collection, use and disclosure of personal data at present. In this regard, the Company has reviewed and announced the Data Privacy Policy to protect the personal data of customers according to the Constitution of the Kingdom of Thailand and the Universal Declaration of Human Rights, and to support and respect the protection of internationally proclaimed human rights according to the UN Global Compact and the laws on personal data protection. Since 2018, the Company has not used the personal data of customers for other purposes. (Details can be found in the "Sustainability Report 2022").

3. Employees:

The Company fully recognizes the importance of employees who are the vital heart of the Company's sustainable operations, both current and future, and in all aspects of change. To satisfy the demands of customers and society and to grow sustainably, the Company has given importance to recruitment and selection, development of capacities, taking good care of employees' needs and problems, and creating employee engagement corresponding to the Company's key philosophy that "Through happy employees, we desire to see smiles from customers".

- **The workforce and Human Rights**

Policy on Human Rights and with regards to the workforce

The Company has a policy on Human Rights and with regards to the workforce. This is an indication of both the recognition by and responsibility of the Company in promoting its observance of the International Declaration of Human Rights, through determining the policy and associated operating procedures that correspond to the recommendations by the UNGP: UN Guiding Principles on Business and Human Rights. Additionally, the Company is committed to maintaining the principles of the UN Global Compact on human rights (Principles 1 and 2) and the operating guidelines with regards to the workforce (operating guidelines 3 – 6).

Operating guidelines on human rights and with regards to the workforce

To promote human rights and appropriate labor practices throughout the organization, and to build confidence that every employee, all related stakeholder groups and vulnerable groups, such as women,

children, indigenous people, migrant workers, sub-contracted workers, members of the local community, LGBTQI+ members, people with disabilities, pregnant women and the elderly, will receive protection and respect for basic rights in an equitable and fair manner, the Company has established guidelines as follows:

1. Respect and strictly comply with the established rules and regulations of the Company as well as both the relevant domestic and international laws.
2. Monitor and assess the associated risks together with potential impacts relating to human rights on a regular basis, as well as determine procedural guidelines or measures in managing such risks as appropriate. As such, all operating business units have the direct responsibility to oversee and manage their respective relevant risks.
3. Foster proactive two-way communication and training for all levels of employees to promote greater awareness, knowledge and understanding of their role in respecting human rights and labor practices. This ensures prevention against violation of human rights and good labor practice, particularly issues related to discrimination, sexual harassment and other forms of harassment. This provides opportunity for employees and stakeholders to raise concerns, identify adverse human rights impacts, or make complaints in case of human rights violation.
4. Establish procedures for investigating allegations of human rights abuses and violations upon receiving grievance reports from employees and/ or stakeholders, as well as report to top management to pursue effective solutions to mitigate any adverse human rights impacts. In case there is an investigation, all employees must fully collaborate with internal and external departments. If executives and employees act in any way that violates or fails to comply with this policy, whether directly or indirectly, the executives and employees will receive disciplinary actions per work regulations. For employment termination, the cause must due to below-standard performance after receiving opportunities to improve, committing severe disciplinary misconduct, or other reasons other than discrimination and harassment.
5. Develop a procedure enabling employees to make welfare-related suggestions beyond the legal requirements to employers. This includes supporting freedom of association, rights to collective bargaining, and freedom to express opinions through the Company's Welfare Committee. Reports will be made to top management for consideration and approval as deemed appropriate. This includes supporting individual freedom of expression or political activity participation.
6. Respect rights, freedom, and opinion expression of communities particularly from vulnerable groups, minority groups, and indigenous groups living in the community. There needs to be a community-related performance assessment which is transparent, fair, non-discriminatory, and in accordance with the laws. This includes respecting and protecting the farmers' and local community's rights to lands, as well as appropriate land management that minimizes impacts to the local community.
7. Convey this policy to suppliers, vendors, contractors and business partners to prevent human rights violation such as monitoring raw material sources, processing steps, and logistics according to human rights principles throughout the supply chain. Sourcing materials or parts from organizations or individuals with no association with wrongdoings against the laws, human rights violation, or terrorism.

8. Promote and support suppliers, vendors, contractors and business partners to join in conducting business ethically and with social responsibility. The Company shall provide capacity-building programs through various activities, in order to enhance competitiveness and sustainability performance of both the Company and suppliers. Such activities include knowledge sharing session on preparing business negotiation with external parties for entrepreneurs, ethical meeting and sustainable business practices for suppliers as well as training on suppliers' sustainable self-assessment.

In this regard, the Company has disclosed statistics of complaints and human rights violations in the past year in "Sustainability Report 2022".

As such, the Company's commitment to fully respect human rights is clearly reflected in the established policy on the management of various key business operational aspects of the Company as follows:

- Policy on Corporate Governance
- Policy on Required Ethics and Business Conducts
- Policy on Corporate Social Responsibility (CSR)
- Policy on Hiring Employees and Workforce Management
- Policy on Managing Diversity and Acceptance of Differences
- Policy on Health & Safety and the Environment
- Policy on Sustainable Sourcing and Operating Guidelines for Business Partners

Policy on Managing Diversity, Equity and Inclusion

The Company is cognizant of the importance of organizational power, which comes from managing the diversity of employees working in every province across the country to create unity based on the corporate culture of "Harmony". This creates an atmosphere that supports happiness, effectiveness, creative thinking and innovation, and is a stage for employees to demonstrate their highest potential which affects corporate image and employee pride which will help retain and attract capable and good people to join and further create success with the Company.

The power of collaboration, part of which comes from having a diversity of people within the workforce that can add value to and result in innovation within the Company, is important in driving the ongoing development and growth of the business. Therefore, by managing diversity and accepting differences in an appropriate manner, the Company is able to attract and retain people who are capable and good, as well as bring out and make use of their best capabilities.

Operating Guidelines on Managing Diversity, Equity and Inclusion

1. Treat all colleagues equitably; respect diversity and differences; create a work environment that promotes equitable treatment without discrimination, bias, or any actions that lead to unfair treatment.
2. Respect differences in attitudes, cultures, beliefs, languages, race, nationalities, gender, sexual orientation, gender identity, abilities, health, social status, skills and other personal characteristics.
3. Promote an inclusive work environment with colleagues with disabilities, both visible and invisible, and provide appropriate accommodations for employees with disabilities to perform their work.
4. Ensure the health, well-being and safety of all employees in an equitable manner.
5. Provide equal opportunity and consider diversity in the hiring process, selecting and hiring employees based on qualifications, knowledge, skills and relevant job experience, without discrimination and prejudice.

6. Open opportunities for diverse candidates by using neutral language in job announcements and job descriptions, making it easy to understand the responsibilities and duties of the position. Translation into other languages, including local languages, is also provided.
7. Arrange a workplace and facilities that are suitable and safe, taking into account differences and diverse needs such as parking spaces for persons with disabilities, restrooms for persons with disabilities, breastfeeding room and prayer room.
8. Establish equal compensation criteria for position holders at each level.
9. Consider diversity and equity when determining employee benefits and welfare.
10. Provide equal opportunities for all employees to transfer and grow within their career paths.
11. Consider qualifications, knowledge, skills, related work experience and diversity in appointing, promoting or transferring personnel.
12. Provide equal opportunities for all employees to receive training and skill development in their work.
13. Organize orientation and training on diversity, equity and inclusion for employees at all levels continuously to create awareness and understanding.
14. Support all levels of management to communicate and promote acceptance of diversity and inclusion within the organization.
15. Monitor, assess and review the promotion of diversity, equity and inclusion.
16. Open channels for all employees at all levels to express opinions and complaints/grievances equally in order to receive diverse and different perspectives, and provide protection to the whistleblower/grievant.
17. Establish transparent and fair investigation process and appropriate remedial action.
18. Support and collaborate with government agencies, non-governmental organizations (NGOs), educational institutions, communities and other stakeholders to implement projects that promote diversity, equity and inclusion.
19. Communicate and raise awareness about diversity, equity and inclusion among suppliers, business partners, consumers and stakeholders in a continuous manner.
20. Disclose the results of operations and progress compared to goals on diversity, equity and inclusion through the annual sustainability reports or other relevant disclosure reports to stakeholders.

Diversity and Equal Employment Opportunity

The Company respects employee diversity and is committed to treating all employees equitably on the basis of human rights and without discrimination of race, nationality, skin color, religion, gender, sexual orientation, age or disability status. Last year, the Company conducted various projects for the elderly and underprivileged groups such as the Pu Yai Jai Dee Project, a project for persons with disabilities which aims to support equitable treatment, providing appropriate work for persons with disabilities in which they can work in their residence location, following the commitment to create jobs and occupations for persons with disabilities, distributing income to the community. Details of employment of persons with disabilities in various projects implemented by the Company in order to support employment of persons with disabilities can be found in the “Sustainability Report 2022”.

The Company also supports equality between male and female employees in the organization by providing equal career promotion opportunities and equal compensation without discrimination. The Company also engages with the opinions of gender-diverse employees to help the organization grow sustainably. Details on the ratio of basic salary and remuneration of women to men can be found in the “Sustainability Report 2022”.

- **Treatment of the Workforce**

Employee Development

The Company gives importance to the transfer of knowledge and development of employees at all levels in the organization so that they can adapt to the rapidly changing business world as well as the impact from the COVID-19 situation. Thus, the Company has arranged enhancement of digital skills for personnel through the Digital Foundation program and promotes learning through the digital platform as well as development of skills to support the O2O strategy by designing courses appropriate for each occupational group. These courses include Retailer for 7 Delivery and Retailer for ALL Online for branch employees, Digital Marketing in Action, Data Analytic Upskilling, and Power App & Power Automate. In addition, there is development of leadership skills to effectively manage teams and drive performance through courses that prepare individuals for leadership positions at different levels such as the basic course for supervisors, basic course for managers, and Advanced Management course. Learning is available both Online (E-learning, Virtual Classroom) and Offline. The Company also supports cross functional learning, project-based learning and action learning. The management also helps by acting as consultants, providing advice and measuring the results of business-oriented outcomes. Furthermore, there is a program to develop employees with high potential (talent) to be successors. The Company also promotes creating knowledge and understanding of ESG and sustainability through various learning media and an annual evaluation of knowledge and understanding. Furthermore, the Company emphasizes building strong inter-relationships among employees through Team Power training project that makes employees understand the overall corporate objectives and direction, positive moral mindset and positive thinking. This training project has been regularly organized for all employee groups, including operations staff, distribution and logistics staff, HO staff, and Store Business Partners, since 2005. Each year there will be different topics and key learning points that focus on various means of communication. As for activities aimed at promoting internal close employee relationships and loyalty, each employee group can select to undertake various respective activities that are most appropriate to their type of work. The average hours of training per year per employee or the number of employees who received training per year can be found in the “Sustainability Report 2022”.

The Company also organizes various projects that are beneficial to employees, such as physical fitness activities and online health knowledge, Fit & Firm for Fun 2022 activity, New Normal Physical Fitness activity, and Good Doctor project which provides remote medical services through the Good Doctor application. Apart from this, there are club activities and social contribution activities, such as the Bringing the Temple to 7-11 activity by the Buddhist Wisdom Club and social contribution activities of the Volunteer Club. All these activities not only help employees relieve stress from work, but also develop them to be good citizens, to have a positive public mind, and to be a good member of society.

In order to create happiness for employees, the Company has the policy to recruit local staff to create income for the local community. The Company also provides opportunity for staff to voluntarily request to transfer to work in their hometown locations to enable them to stay with their family and enhance bonding in the family, which is one of the major institutions of the community and the nation.

Strong Corporate Culture for Sustainable Growth

The Company strongly believes that a good corporate culture will unite everyone’s energy into organizational power leading towards the same goal, by working together in “Harmony” since 2003. The Company has always promoted and supported all executives and employees to adhere to the “5-7-11” working principles

and values with understanding, willingness, and commitment following the words “mixing common elements together with different elements, so as to build unity in being part of the same band”. The “5-7-11” working principles and values consist of the following factors:

1. The basic 5 Working Principles that employees must observe are: love your work, love your customers, love positive morals, love your organization, and love your team work.
2. The 7 Values that the Company wishes every employee to have so as to achieve positive results through working together as a team are: strength, courage, keeping your word, unity, generosity, respect others, and enjoy the beauty of life.
3. The necessary 11 Leadership Skills for those in leadership positions so as to create trust, confidence, and respect from subordinates in working together as a team consist of: being sincere, not acting aloof as if you are better than them, talking nicely, not abusing or misusing your power, being a good role model, having positive morals, acting with kindness and compassion, being decisive, caring for society, developing good people, and being open to others.

The Company use 6 core values of the Charoen Pokphand Group as a framework and principle which are:

1. 3 Benefits: Nation, people, organization
2. Speed and Quality
3. Simplification
4. Accept Change
5. Innovativeness
6. Integrity and Honesty

Establishing Organization Good Governance so as to be a Sustainable Organization

2017 was the year in which the Charoen Pokphand Group and the Company gave great importance to making the organization to become an organization that will develop further in a sustainable manner. The Company started the associated Project and also issued various related initiatives together with many measures aimed at driving this Project – such as: the Corporate Governance Program, Anti-corruption Program and supporting SMEs to participate in the declaration of intention Anti-corruption of the Thai private sector, and the Human Rights Due Diligence Program; as well as established mechanisms and channels of communications to receive suggestions and complaints from customers and employees such as at the stores, by mail, via the Company’s website, as well as via the Call Center.

People Development through Education

Given the number of stores that are dispersed throughout every area and location of Thailand as well as that these outlets provide 24-hr convenience services to consumers in every town and communities, recruiting and selecting employees are challenging tasks, in order to ensure that the Company has good and capable people, who are prepared to provide customer services that will result in customers’ smiles. Thus, Company has established a foundation upon which to build and develop people by giving importance to education through creating work-based learning courses that emphasize learning coupled with actual on-the job-work experience for students with vocational education certificates or BA degrees. They will then attend courses at education centers established by the Company together with other learning institutes of the Group located

in Bangkok and upcountry; whereby they will receive both a transfer of knowledge and skills alternating with actual on-the-job work- experience sessions at our stores and at the Company's offices. As such, these education and skills learning courses coupled with actual working sessions enable the Company to build up and develop human resources from the new generation of people, who are then knowledgeable and experienced – especially in the retail business – and who are well-prepared to join the Company after completing their education and training courses.

Welfare Benefits

The Company has the policy to focus on the quality of life of its Staff in their work together with on equal treatment for all its Staff. There are various Employee Welfare projects such as follows:

- Employee Engagement projects aimed at enabling its Staff to be happy in working for the Company. There are also regular Staff satisfaction surveys carried out every year through engaging outside research experts to undertake the surveys; whereby the survey results are then used to improve the working atmosphere, determine various Staff welfare benefits to be offered so as to comply with the needs of the Staff. Details on the employee resignation rate (percentage) and the ratio of employee engagement (percentage) can be found in the “Sustainability Report 2022”.
- The 5 years program of the Employee Joint Investment Program (EJIP), has been prolong to the 3rd time, started from July 1, 2017 to June 30, 2022.
- Employee Provident Fund (Detail can be found in clause 7.5 “Employee Information”).
- Welfare assistance for the Employee and the Employee's family in case of crisis situation.
- Home purchase loans.
- Loan for debt settlement (Islamic Bank of Thailand).
- Life insurance and Health insurance for the Employee.
- Health insurance for the Employee and family member (Voluntary).
- Scholarships for the Employee and the Employee's children.
- Medical expenses for the Employee and immediate family includes loans for IPD hospitalization expenses.
- Financial support for death.
- Visiting gift for employees who are hospitalized (IPD).
- Employee health checkup policy.
- Financial support for employee heroism.
- Employee health center.
- Accommodation for store staff in the area that the Company deems appropriate.

Additionally, the Company also gives importance to looking after and taking care of the working environment for the Employee's personal safety and safety of the Employee's belongings; whereby a Safety Committee has been set up to oversee and train Employees about various situations that may occur, to implement various Safety and Protection Programs and Systems, and to undertake various safety-related activities and the ‘7- Sor’ project. Details on care for employees, accident statistics, absenteeism rates, injury rates caused by work, and measures to prevent and mitigate risks related to safety, occupational health and workplace environment can be found in the “Sustainability Report 2022”.

4. Public Sector

The Company conducts and operates its businesses within all the legal requirements, associated regulations and rules, or various other requirements in a strict and correct manner; whereby there is a Compliance Unit clearly established within the corporate organization structure. The Company also supports the operations of its businesses that will benefit the development of the overall economy and society. Additionally, the Company maintains the established good relationships with various Public Sector agencies as much as possible and in an appropriate manner; whereby contacts are made on a regular basis in an open manner, so as to support the required cooperation and assistance with various business projects from such agencies.

5. Intellectual Property Rights

The Company fully cooperates in not violating or infringing on the intellectual property rights of others; whereby the Company specifies in its Handbook on Business Ethics and Code of Conduct that the conduct of businesses by the Company respects the rights of the owner of the intellectual property; as well as has established an associated written policy on this matter together with operating guidelines. This policy and the associated operating guidelines have been communicated within the organization; and meetings have been undertaken to clarify and achieve a full understanding, together with activities to oversee and monitor compliance so that no incidents of any violation of the intellectual property rights or infringements of copyrights will occur. Additionally, punishment or disciplinary actions have been established in the event that any such violation or infringement is made.

6. Society, Communities and the Environment

The Company conducts its businesses by always being aware of “being a nearby close friend, who knows your desires and needs,” which means being an integral part of society and the community. As such, everyone feels that a 7-Eleven store is a good neighbor, and that whenever there is any event or situation, they always think first of a nearby 7-Eleven store. For this reason, it is one of the most important missions of the Company is to operate its business by always being aware of its responsibility towards the community, society and the nation, through adherence to the principles of good governance such as operating its business in an ethical manner and with good moral standards; acting an equitable manner towards every involved party, and taking care of the environment in a genuine manner. The Company aims to support any activities to further develop the quality of life of the immediate and nearby community and society as a whole, in order to improve and enhance the ongoing positive benefits of all communities in a sustainable manner.

The Company is committed to conducting business on the basis of social responsibility in line with the Company’s mission to “Create and Share Opportunities for All”, creating shared value for the nation, people and organization. Thus, the Company has established the Corporate Social Responsibility Policy and Guidelines for Creating Social Value, focusing on supporting the occupation and income generation of Small and Medium Enterprises (SMEs), farmers, and vulnerable groups. Short-term and long-term goals, key performance indicators, and supporting programs through 3 Giving Strategies – Giving Channels, Giving Knowledge, and Giving Quality of Life have been set. The Company is also committed to increasing the level of awareness in order to create acceptance from the community and society. In addition, the Company has development an integrated system to manage small business operators throughout the business partner cycle. Furthermore, the Company has implemented and supported the creation of shared value between the organization and communities such as recruitment, procurement, support of community products, and providing relief to communities in times of difficulty in order to build good relationships with communities that the Company conducts business in.

In addition, with commitment to help reduce the amount of greenhouse gas emissions and commitment to energy conservation, the Company has implemented the 7 Go Green Strategy. This strategy aims to create environmental

sustainability for communities, society and the country by reducing greenhouse gas emissions through cooperation from communities and society such as reducing energy use from the project to improve cooling systems and coolants; increased proportion of renewable energy usage to reduce greenhouse gas emissions; giving importance to packaging selection, use and management in order to appropriately manage plastic waste and create value added by developing a policy for sustainable packaging and creating engagement from stakeholders; designing Private Brand environmentally-friendly packaging; program to reduce single-use plastic; program to recycle or reuse packaging for alternative use; and management of appropriate product packaging in 7-Eleven stores in order to prevent negative environmental impact and with consideration to sustainable development according to the Circular Economy concept, taking the product life cycle into account. This strategy also aims to create environmental awareness and behavioral change.

7. Business Partners

Suppliers are critical links in conducting business. The Company believes that sustained success in business is based on responsible operations throughout the entire supply chain. Thus, the Company has formulated the Supplier Code of Conduct and Guideline as a guideline for suppliers to develop their capabilities, improve their competitiveness, and build long-term growth together. This also provides an opportunity for the Company and business partners to join in improving and developing the overall society and environment. The guideline for suppliers covers business ethics, quality and standards of products and services, respect for human rights, fair treatment of workers, occupational health, safety and environment, and responsibility to communities, society and the environment. In addition, the Company has established the Policy on Trade Competition. Details can be found on the Company's website under the "Sustainability" topic with the Guidelines and Policy on Trade Competition, Best Practices in accordance with the Trade Competition Act B.E. 2560, Policy on Conducting Business in the Free Market Economy, and trade practices that benefit consumers and society as a whole, in order to ensure that every business partner of the Company will receive both equal and equitable treatment. Further, business partners are advised and overseen that they all respect human rights, treat their respective workforce in an equitable manner, and be responsible towards society and the environment, collaborates with the Collective Action Coalition Against Corruption (CAC) to organize training for business partners that are SMEs to join the declaration of intent and become a member of the CAC. Furthermore, the Company helps assess the sustainability risk of business partners and helps develop their potential for sustainable business together. Additionally, the Company has also established a procedure undertake business activities with business partners through using the internet or E-Auction.

8. Creditors

The Company has a policy of treating all creditors equally, fairly and transparently in accordance with all terms and conditions of the relevant agreements. To maintain the trust of creditors, the Company places importance on proper financial management and structure. The Company communicates regularly with creditors about the status of the business, and strives to maintain a sustainable relationship with creditors. The Company's policy and guidelines towards creditors are as follows:

1. Execute contracts with all creditors legally, fairly and transparently without taking advantage.
2. Fraud and concealment of important information that may cause damage to creditors are prohibited.
3. Strictly comply with the terms and conditions of contracts executed with all creditors in a straightforward manner.
4. Establish a payment system for creditors that has prudent, accountable and strict procedures, with a vigilant and transparent internal control system. This creates confidence in the correct and timely payment.
5. Make timely and complete repayments, including interest, to creditors.

9. Competitors

The Company conducts its businesses in a fair and professional manner by operating its businesses operations openly and with transparency. It will not create any unfair competitive advantage in an unfair manner through undertaking any dishonest activities that will then have mutual negative impacts; as well as will not seek out any trade secrets or specific confidential information of its competitors by using any unlawful methods or by breaking its agreement not to disclose any information about its competitors regardless of whether having received such information from customers or other persons.

Remarks: With regards to details on the Role of Stakeholders, additional information has been included on this matter in the Company's Sustainable Development Report 2022".

Additionally, The Company's Board of Directors discloses various information and publishes reports on the conduct of its businesses operations to all stakeholders and other involved parties, who should know, through the Company's Form 56-1 One Report, and the Company's Sustainable Development Report, as well as posted on the Company's website etc. The Company has also established a two-way communications channel as an opportunity to allow all Stakeholders and other involved parties to submit any opinions or complaints in case of not having equitable treatment from the actions of the Company; whereby associated details and operating procedures guideline are given and posted on the Company's website in the Section on "Anti-Corruption Policy".

Section 4 Information Disclosures and Transparency

Information disclosure is one of the vital components of business operations that the Company has always adhered to. It is also an important indicator of transparent business operations according to the principles of good corporate governance. Thus, the Company has established a policy on the Company's information disclosure, which has been approved by the Sustainability and Corporate Governance Committee. Information disclosure is an important medium that enables shareholders who are not directly involved in the management of the Company to monitor the business performance of the Management Team. The Company gives importance to disclosing information in a correct, complete, sufficient, timely and regular manner and on an equal basis for all groups of shareholders.

Apart from the disclosures of information based on the criteria on information disclosures, as specified by the Stock Exchange of Thailand (SET), that correspond to the annual financial period of the Company such as the annual Financial Statements, Annual Financial Report Form 56-1 One report, Sustainability Report, and any other reports for specific situations. Analysts, investors, the press and public also receive important information through the Investor Relations Department of the Company on a quarterly basis.

In 2022, the Company disclosed information in various formats as required, that included information relating to the financial and accounting closing cycles as well as information relating to specific situations as follows:

Financial Information

Financial Statements of the Company that are prepared in accordance with generally accepted accounting standards and that have been audited without any qualifications by the appointed independent external Auditor as well as that have been reviewed and approved by the Audit Committee of the Company. Additionally, the Company has never had a history of having to revise and correct any Financial Statements, as well as has always submitted both the Quarterly and Annual Financial Statements of the Company before the required deadline as specified by law.

Non-financial Information

1. The Company has always disclosed various non-financial information as required by the applicable laws, in an accurate, complete, timely and transparent manner, through the SET's communications channels as well as on the Company's website. As such, the various non-financial information has also been regularly updated.

Information disclosed and posted on the Company's website:

- Vision and Core Values of the Company.
 - Nature of the Company's Business.
 - Names of the Company's Board of Directors and Executives/Management group.
 - Financial Statements, Statement of Financial Position, and Operating Results for the Current and Previous Years.
 - Form 56-1 One Report (that can be downloaded).
 - Information for Securities Analysts.
 - Shareholding Structure.
 - Corporate Structure.
 - Major Shareholders list.
 - Letter of Invitation to Attend the Annual General Shareholders Meeting (AGM) together with the Agenda Items to be considered, and also Minutes of the AGMs for the various years.
 - The Company's Articles of Association and Memorandum of Association.
 - The Company's Corporate Governance Policy, Anti-corruption Policy, Sustainable Development Policy and Goals, Human Rights and Labor Practices Policy, Diversity and Inclusion Policy, Corporate Social Responsibility Policy, Tax Policy, Environmental Management Policy, Sustainable Sourcing Policy, GMO Policy, Health and Nutrition Policy, Packaging Policy, Business Partner Guidelines, Occupational Safety, Health and Environment Policy, Data Privacy Policy, Information Technology Security Policy, Risk Management Policy, Compensation and Benefits Policy and Principles, Biodiversity and Natural Resource Policy, Food Loss and Waste Management Policy, Whistleblowing and Whistleblower Protection Policy, Anti-Money Laundering Policy, Guidelines and Policy on Trade Competition, Innovation and Value Creation Policy, Policy and Guidelines on Fair and Responsible Treatment of Creditors.
 - Charter of the Company's Board of Directors and Guidelines on Good Corporate Governance for the Board of Directors.
 - Charter of the Audit Committee, Charter of the Sustainability and Corporate Governance Committee, and Charter of the Remuneration and Nomination Committee.
 - Handbook on Business Ethics and Code of Conduct.
2. The shareholding structure of the Company is clear, transparent and not complicated. There are no cross-shareholdings or a pyramid shareholding structure. A clear shareholding structure is shown, indicating the Major Shareholders together with the total percentage of shareholdings owned by minority shareholders, as well as shareholdings owned by the Board of Directors and the Executives/Management group that together account for 0.17% of the total issued and paid-up shares.
 3. Report on the conflicts of interests of the Board of Directors and the Executives/Management group together with those of any other connected parties.
 4. Report on the shares owned by members of the Board of Directors and the Executives/Management group together with those of any connected parties.
 5. Board of Directors' Statement of Responsibility for Financial Reports, together with the Report of the Auditors.

6. Report on the audit fee, with separate details for the audit services and other services provided.
7. Remuneration for the Board of Directors and the executive management (as disclosed in the Company's 56-1 One report in the "Management" section); whereby the total amount of remuneration is appropriate for the respective responsibilities and duties of the members of the Board of Directors and the executive management when compared to other similar businesses.
8. The number of Board Meetings held and attendance record with the number of times each Board Director attended the meetings in 2022.

Section 5 : Responsibilities of the Board of Directors

On November 13, 2017, at the meeting of the Company's Board of Directors, a resolution was made to approve the Charter of the Board of Directors of the Company and also the Operating Guidelines on Corporate Governance for the Board of Directors, which were established through being based on the 8 Core Principles and Operating Principles together with the Good Corporate Governance Operating Guidelines as specified in the Corporate Governance Code – CG Code 2017 and published by the Office of the Securities Exchange (SEC) and the Stock Exchange of Thailand. In 2022, the Board of Directors has considered and acknowledged the revision of the criteria for the Corporate Governance Report of Thai Listed Companies (CGR) 2023 conducted by the Thai Institute of Directors Association (IOD). As such, these CG Principles and Operating Guidelines were adapted to be appropriate and suitable for the Company's business operations; and are for reference and use by the Company's Board Directors in their responsibility to oversee the Company's operations, in order to achieve positive operating performance results in the long term together with confidence on the part of Shareholders and society as a whole so as to benefit the Company in creating ongoing added value for its businesses on a sustainable basis.

Additionally, the Company also encourages and supports every Board Director to attend Directors training programs that will further develop their knowledge offered by the Thai Institute of Directors Association and other institutes on an ongoing basis, so as to increase their effectiveness and productivity in their capacity as a Company Board Director. This will create further confidence on the part of Shareholders and general investors that Board Directors possess the knowledge about and understanding on discharging the duties and responsibilities as a Board Director according to the principles of good corporate governance. In this regard, the Company Secretary is responsible for coordinating that all Board Directors consider attending the respective training programs available.

Separation of the Role and Responsibilities between the Board of Directors and the Management

The Company has separated the role and responsibilities between the Company's Board of Directors and the Management in a clear manner. As such the Board of Directors is responsible for determining the organization's overall objectives, goals, core strategies, and key operating policies together with the allocation of key resources so as to ensure achievement of the established objectives, goals; as well as for monitoring, evaluating results and overseeing the reporting of the Company's performance results by the Management at the policy level. At the same time Management is responsible for managing the various operations in accordance with the established objectives, goals and policies as approved and specified by the Board of Directors.

The Chairman of the Board is not the management and not the same person as the Chairman of the Executive Committee, as well as does not participate in the management of the Company's business operations, nor being the authorized signatory to legally bind the Company. As such, this is to separate the responsibilities between overseeing the overall Company at the policy level and managing the business operations in a clearly defined manner.

At the end of every year, the Company arranges the Board of Directors' Meeting that does not include the executive directors or management of the Company in order to review the Company's operational performance for the year and

to provide opinions, suggestions or observations that are beneficial to the Company. Subsequently, the meeting of the executive directors and management considered and acknowledged the said opinions, suggestions and observations for further improvement of the management of the Company.

As for the Company's Management, it has been assigned the responsibility for operating the business in accordance with the established objectives, goals, annual business plans and budgets as approved by the Company's Board of Directors. The Chairman of the Executive Committee has been assigned the responsibility under the scope of authority as determined by the Board of Directors. While the Chief Executive Officer and Managing Director has also been assigned the scope of authority as determined by the Chairman of the Executive Committee; and the Management group has been assigned the scope of authority as specified in the Company's Handbook on the Separation of Operating Authority.

Policy on the Company's Directors and Top Executives Holding Positions in External Organizations

The Company has not yet set a policy on the Company's directors and top executives holding positions in external organizations as the Company's directors and top executives all are professional experts who are able to efficiently and effectively manage their time.

However, Charter of the Company's Board of Directors stipulates that the directors can hold directorships in other companies, but being such a director must not be an obstacle in performing duties of the Company's directors. However, holding directorships in other listed companies including the Company must not exceed 5 listed companies.

6.2 Business Ethics

The Handbook on Business Ethics and Code of Conduct published by the Company is reviewed, improved, and updated every year. The Handbook describes the principles and requires behavior with regards to business ethics and morality for the Company's directors, executives, and employees. This is so that they will all discharge their duties and responsibilities with honesty, full adherence to all relevant laws, transparency, strict observance of the principles of fairness and good morals, priority to customers, and responsibility towards society and environment; as well as not to be involved with politics and always keeping in mind all stakeholders including the rights of various other parties specified by the laws, not to be involved with any acts of human rights violation; to be against corruption, Anti-money Laundering, not to give or accept any unusual benefits or compensation, not to be involved in offering or receiving any bribes, not to be involved with any conflict of interest situations, to protect assets, not to use inside information for unlawful gains, and not to act in any way that violates or infringes on the intellectual property rights of others. The Company has distributed this Handbook to all directors, executives, and employees within the organization. Training and test sessions were also undertaken to inform and educate employees so that they fully understand the guidelines in a correct manner. Communication, raising awareness, and cultivate employees to follow including various activities to promote and support the executives and employees to participate in spreading Company corporate governance creed which will then result in the various operations of the Company to be undertaken with good quality and high moral standards together with fairness, transparency, and full accountability.

In addition, to promote innovation and to conduct business with responsibility to society and the environment that is reflected in the Company's business plans to ensure that all parties operate in line with the Company's objectives, main goals, and strategic plans, the Company has established the Sustainability Policy and Guidelines as well as the sustainable development framework and goals. The key issues relate to sustainability include corporate governance; human rights and labor practice; leadership and human capital development; stakeholders engagement; anti-corruption; social impact; health and well-being; education; innovation management; occupational safety, health and environment; climate change management; water stewardship; ecosystem and biodiversity protection; responsible supply chain management; and local conflict management and community acceptance.

Under the authority, roles and responsibilities of the Sustainability and Corporate Governance Committee that was appointed by the Board of Directors, the Sustainability and Corporate Governance Committee appointed the Corporate Governance Sub-Committee and Sustainable Development Sub-Committee as an important mechanism in driving processes and ensuring that executives and employees of the Company and its subsidiaries correctly and completely understand and earnestly practice business ethics and sustainable development of the organization. This is considered part of the Company's organizational culture that the top management has established as the corporate governance observance that is one of the organization's strategies and objectives. Both sub-committees must report to the Sustainability and Corporate Governance Committee every quarter.

(The detail of Business Ethics and Code of Business Conducts appear on the Company's website: www.cpall.co.th).

6.3 The Major Change and Development of Corporate Governance Policy, Guideline and Charter during the Past Year

6.3.1. Major Changes and Developments in Policies, Guidelines, Corporate Governance and Charters in the Past Year

1. Amended the Audit Committee Charter by adding the role and responsibility of the Audit Committee in overseeing compliance with the relevant laws, regulations, rules and standards relating to the use of information technology, cybersecurity, and customer data protection. There was consideration of risks relating to management of incidents which may cause impact on information technology security.
2. Amended and added the definition of "facilitation payment" in the anti-corruption guidelines to be in line with the guidelines of the Thai Private Sector Collective Action against Corruption (CAC).
3. Added to the Company's Code of Business Ethics and Code of Conduct regarding trade competition and established the Guidelines and Policy on Trade Competition to be in accordance with the guidelines of the Office of Trade Competition Commission.
4. Managed information technology security in accordance with the Company's Information Technology Security Policy ISS 03/2563, with review and assessment conducted every year. Continuously established security guidelines and standards according to ISO 27001, internal and external risk assessment, Cyber Security Trust Rating from external agency, with the Cyber Security Officer and Cyber Security Operation responsible for management and implementation in order to mitigate cyber risks and enhance information technology security. The principles of the Policy lead to the short-term plan and roadmap which correspond with the business strategy which is reviewed annually. The roadmap is used for planning in order to consider the investment plan, while the short-term plan includes implementation and monitoring of the information technology system to be in line with the Company's KPIs.

In the allocation of resources, the Digital Governance Department is responsible for the budget and investment management. The information technology security plan is considered and proposed to the Investment Committee each year, covering essential resources used in the management of information technology security according to the Policy, that is, personnel, processes and technology.

5. Organized various projects and activities relating to good governance, business ethics and code of conduct, and sustainable development, such as the seminar on corporate governance policy and anti-corruption through CG online and testing knowledge through the CG Quiz, Sustainable organization training, activity promoting stories of employees who performed good deeds and naming them in the Company's Hall of Fame, the preparation for compliance with the Personal Data Protection Act (PDPA), Data Governance and Cyber Security, compliance with the Information Technology Security Policy, electronic reporting of

conflict of interest for all executives and employees, emerging risk management and internal control systems to prevent risks in each process, environmental conservation projects such as the reforestation project and the waste management and environment project.

6. Prepared operational plans on corporate governance and anti-corruption for the year 2022 in order to attain excellent corporate governance rating from internationally recognized institutes.
7. Monitored the progress of working culture improvement to ensure compliance with applicable laws, rules, and trade regulations by providing training on relevant laws. Created a procedure for adhering to the laws, governance, and reporting.
8. Continuously organized a program jointly with the Collective Action Coalition Against Corruption (CAC) to promote and provide knowledge to the Company's business partners that are SMEs to join the declaration of intent and become a member of the CAC; as well as developed business partners to have sustainable business practices following DJSI criteria.

6.3.2. The Adoption of CG Code 2017 for Listed Companies Issued by the SEC

The Company has annually reviewed the appropriateness of compliance with the CG Code for listed companies issued by the SEC and adopted the Code for the Company's business context as appropriate. Throughout 2022, the Company has fully complied with the CG Code, except for the following aspects:

1. The Company needs to have more than 12 members of the Board of Directors, whereby the current total of 16 members of the Board of Directors is appropriate for the size and type of Company's business that is complicated, so that they can help to oversee the management operations of the Company's Subsidiaries that are both varied and numerous.
2. The Chairman of the Board is not an Independent Director, since the Company's business is complicated; whereby there is a need for a leader who is capable and well-experienced as well as with extensive knowledgeable in both overall business management and the retail business in particular. Despite the fact that the Chairman is not an Independent Director, the Company has in place an internal audit system that incorporates operating mechanisms to achieve a balance of power, is transparent and based on the principles of good corporate governance and the discharge of duties and that always take into consideration the overall benefits of all stakeholders.
3. The Company has Independent Directors with terms of office exceeding 9 years in total from the initial date of appointment as an Independent Director. This is because our type of business is complex and thus requires Independent Directors, who are knowledgeable as well as who have specific experiences in and a true understanding of our business operations, which requires a longtime to learn and fully understand. Furthermore, despite the fact that the Independent Directors of the Company have terms of office exceeding 9 years in total from the initial date of appointment, but given their qualifications, extensive experience and reputation it will result in each of these Independent Directors being able to remain fully independent in the effective discharge of their duties. Nevertheless, effective from the date of the AGM 2018, the Company has now determined that Independent Directors of the Company cannot have a maximum term of office exceeding 9 years in total, unless the Shareholders Meeting considers and approves the reasons and necessity for appointing an Independent Director having a term of office exceeding 9 consecutive years in total as proposed by the Company.
4. The Company has not yet appointed an external consultant to help define and propose the required procedures and process for the performance evaluation exercise of the Board that should be undertaken

at least every 3 years, and the results of which then should be disclosed in the Company's Annual Report. However, currently each company Board of Director individually and each Board Committee as a group undertakes an annual self-assessment of their performance every year; the Company has revised self-assessment questionnaire according to the form of the Thai Institute of Directors Association; whereby they all carry out a self-assessment of their performance and express their comments in a fully independent manner. As such, the results of the performance self-evaluation activities are used to further develop the effective discharge of the duties of the Board of Directors; and both the criteria and the process used for this self-evaluation exercise are disclosed in the Company's Annual Report.

6.3.3. Other Information in Accordance with Good Corporate Governance Principles to Support Various Assessments

The Company regularly reviews, improves and updates its Corporate Governance Policy every year to be in line with national and international CG standards such as the Corporate Governance Code published by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), the Corporate Governance Report of Thai Listed Companies (CGR) conducted by the Thai Institute of Directors (IOD), and DJSI Sustainability Assessment.

The Company and its subsidiaries received the major corporate governance evaluations and awards as follows:



1. For the fourth year in a row, the Thai Institute of Directors (IOD) awarded the Company 5 stars or Excellent CG Scoring in the Corporate Governance Report (CGR) of Thai Listed Companies 2022, and the Company is in the Top Quartile group of companies with a market capitalization of more than 10,000 million baht.
2. The Company received a score of 100 out of 100 for the AGM Checklist 2022 from the Thai Investors Association.
3. The Company was selected as a member of the Thailand Sustainability Index (THSI) 2022 in the Services industry by the Stock Exchange of Thailand for the 5th consecutive year and received SET Awards in the sustainability excellence awards in type of Highly Commended in Sustainability Awards of more than 10,000 million baht Market Capitalization Company for the 2nd consecutive year.
4. The Company has been selected to be a member of the FTSE4Good Index 2022 (designed to measure the performance of companies demonstrating strong Environmental, Social and Governance practices) in the Food Retailers & Wholesalers sector by FTSE Russell in 2 series, the FTSE4Good Emerging Index and FTSE4Good ASEAN 5 Index for the 5th consecutive year, and the Company maintained a score higher than the industry average in every dimension.
5. The Company is the sole organization who received Sustainability Awards (gold class) in the Food & Staples Retailing Industry in the Sustainability Yearbook 2022 by S&P Global world-class Financial Institutions and credit rating.
6. The Company has been selected to be a member of the Dow Jones Sustainability World Index 2022 (DJSI World) for the 5th consecutive year and is the sole Thai organization in the Food & Staples Retailing sector. In addition, the Company has retained its membership of the DJSI Emerging Markets Index for the 6th consecutive year.
7. Selected by the Thaipat Institute, which examines listed firms with outstanding performance in terms of Environmental, Social, and Governance (ESG) criteria, as one of the 2022 ESG 100 companies in the service sector for the 5th consecutive year.
8. The Company received the CAC Change Awards 2022 for the 2nd consecutive year, which was given by the Thai Institute of Directors (IOD) and the Collective Action Against Corruption (CAC), as a result of its accomplishment in organizing training and inviting more than 10 SMEs partners to join the anti-corruption policy with the CAC within a year. In 2022, the Company improved the quality of 36 SMEs that signed the Declaration of Intent.
9. Won the Thailand Best Employer Brand Awards 2022, sponsored by the World HRD Congress and the Stars of the Industry Group (Virtual Event).
10. Rated at top range by Asia Executive Team Survey 2022 from Institutional Investor – LLC, which is a global leader in investor relations research, received three Institutional Investor Awards: Honored Companies, Best CFO, and Best IR Program.
11. The Company received the ‘Excellence’ award under the Low Carbon and Sustainable Business Index (LCSI) Project of 2022 for the 2nd consecutive year from the Thailand Greenhouse Gas Management Organization (Public Organization).
12. The Company has received ISO/IEC 27001:2013 and ISO/IEC 27701:2019 certification from the management of the ALL Member membership system which takes into consideration personal data security in compliance with the Personal Data Protection Act from BSI Group (Thailand) Co., Ltd., representative of British Standard Institution (BSI).
13. The Company received the Organization that Empowers Persons with Disabilities Awards for the 6th consecutive year from the Department of Empowerment of Persons with Disabilities, Ministry of Social Development and Human Security.
14. The Company received the 2022 Outstanding Sustainability Model Organization in the Thai Capital Market Award for Empowerment of Persons with Disabilities, organized by the Office of the Securities and Exchange Commission and the Ministry of Labor, Department of Skill Development, Department of Employment, Department of Empowerment of Persons with Disabilities, the Thai Listed Companies Association, and the Association of the Physically Handicapped of Thailand.

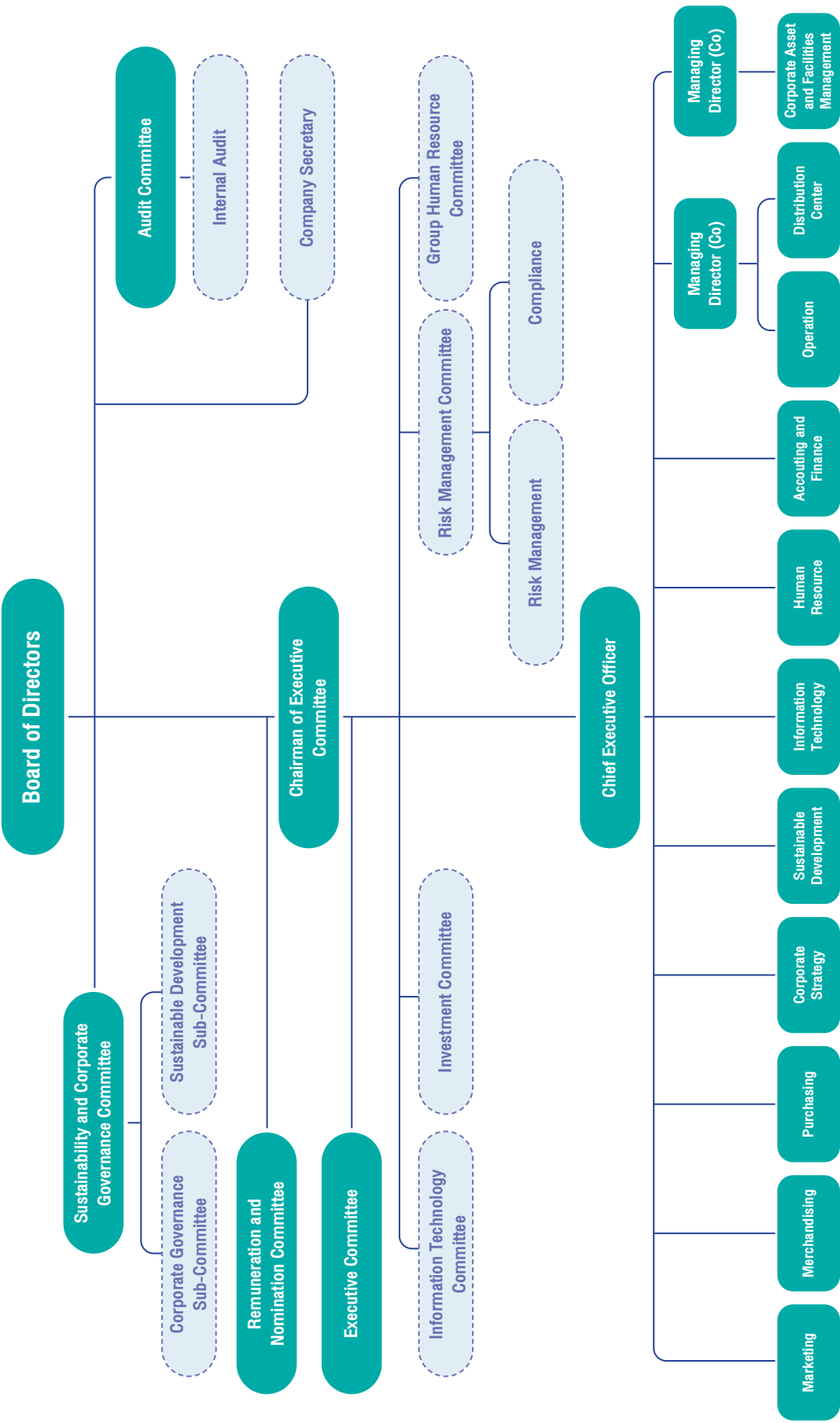
15. The Company received an A score from the Carbon Disclosure Project (CDP) 2022, the best score received compared to previous years.
16. The Company received an A rating on the MSCI ESG Ratings 2022 by Morgan Stanley Capital International, for the first time since 2018.
17. Received Score 4.23 out of 5 from Cybersecurity Resilience Survey 2022 of National Institute of Standards and Technology (NIST) conducted by the Stock Exchange of Thailand cooperate with ACinfotec Co., Ltd. The Company's score is higher than the overall average score of 210 participated listed companies which is 1.83 and higher than the industry average score of 48 participated listed companies in the same industry group – Service group which is 1.56. In summary, the Company has guidelines for controlling Cybersecurity, has policy, clearly procedure and sufficient resources for set up Cybersecurity Standard including the criteria to measure the effectiveness of the guidelines that are set out in the policies and processes. The results are continuously measured and regularly reviewed with the relevant management. Furthermore, the Company has receive Certificate of Cyber Hygiene: Gold Level and NCSA Cyber Safety Certificates 2022 conducted by the Office of the National Cyber Security Commission (NCSC).
18. In the State Enterprise sector, CPRAM Co., Ltd. got the 2022 Role Model Organization Award on Human Rights for the 2nd consecutive year. The prize was given for its human rights best practices, which included preventing human rights violations and promoting human rights knowledge among employees.
19. CPRAM Company Limited received the Eco Factory Award 2022 in the Gold Plus Level from the Department of Industrial Works. The awards are designated to honor industrial factories that have efficient resource management and environmentally friendly processes, improving the community and local economy.
20. CPRAM Company Limited received the Thailand Quality Prize 2022 in the Golden Award Level in 2 categories, that is, Manufacturing QCC Prize and Junior Manufacturing QCC Prize, organized by the Thai-Japan Technology Promotion Association.
21. Counter Service Company Limited was the sole organization that received the Thailand Quality Award: WINNER 2021 from the Thailand Productivity Institute for improvement of overall management quality to be world class, with commitment to continuous organizational improvement and development. This award guarantees that the Company has potential, capabilities and operational excellence on par with global standards.
22. Panyapiwat Institute of Management EEC Campus received the ASEAN Energy Awards 2022 for the SKY BRIGHT CENTER from the ASEAN Center for Energy (ACE), an organization established to drive energy efficiency in ASEAN. The award recognizes organizations that give importance to sustainable conservation and environmental awareness.
23. Panyapiwat Technological College received the Outstanding Safety School Award 2022, for the 7th consecutive year, from the Department of Labor Protection and Welfare, Ministry of Labor. This award testifies the College as one of the model educational institutions that foster conscience and a safety culture in the educational institution in a concrete manner through building knowledge and understanding of prevention measures relating to occupational safety, health and environment among all students and personnel in the educational institution for the safety of everyone's life and property according to the Safety Thailand Project.

Corporate Governance Structure and Important Information of the Board of Directors, Sub-Committees, Executives and Other Staffs



7. Corporate Governance Structure and Important Information
of the Board of Directors, Sub-Committees, Executives and Other Staffs

7.1 Corporate Governance Structure as at 31 December 2022



Executives who shall declare remuneration

7.2 Information of the Board of Directors

As of December 31, 2022, the Company's Board of Directors consists of 16 members including:

1. Executive Directors 5 persons; and
2. Non-executive Directors 11 persons, which are as follows:
 - Independent Directors 6 persons (account for one-third of Board members).
 - Non-executive Directors 5 persons (account for one-third of Board members).

Definition

Executive Directors: The directors who hold a position in the management and are involved in the day-to-day operations of the organization.

Non-executive Directors: The directors who do not hold a position in the management, may or may not be an independent directors, and are not involved in the day-to-day operations of the organization.

Independent Directors: Independent or outside directors who are not engaged in the day-to-day management of the organization and are not major shareholders. Furthermore, independent directors must have no such connection with a major shareholder, group of major shareholders, or other stakeholders.

7.2.1 Composition of the Board of Directors

1. The Company's Board of Directors is composed of at least 5 Directors, and at least half of the total number of Directors must reside within the Kingdom of Thailand; whereby they represent the major shareholders who are not executives or part of the management team, and Directors who come from the executive team. This is so that the Company is able to discharge its responsibilities in an effective, efficient and productive manner. Further, at least one-third of the total number of Directors must be Independent Directors, of whom there must be not less than a total of 3.
2. The Directors of the Company are appointed and must possess the complete qualifications as well as do not possess any disqualifications as specified by the Public Company Act and the Stock Exchange of Thailand. Directors must possess the knowledge, capabilities, extensive expertise and experience that will be genuinely beneficial for the Company. They must also possess the dedication and be able to devote much time in genuinely discharging their required duties in accordance with their assigned responsibilities together with leadership skills and wide vision. They must also be a person with good moral and ethical standards, and have a good track record.
3. The Company's Independent Directors must possess the qualifications as specified by the Charter of the Board of Directors of the Company with regards to the qualification of Independent Directors, that have been specified in detail and are more comprehensive and stringent than those minimal qualifications specified by the SEC and SET with regards to the ownership of the Company shares.
4. The Chairman of the Board of the Company is not on an executive and is not the same person as the Chairman of the Executive Committee, whereby there is a clear separation of power and roles between Board Directors and the Management. Additionally, the Chairman of the Board also encourages every Director to debate and discuss as well as freely and fully express their opinions in Board Meetings by allowing adequate time.
5. In order to ensure that Directors are able to dedicate their time adequately in discharging their responsibilities towards the Company, it has been determined that each Director is limited to being a Board Director in not

more than a total of 5 listed companies concurrently; whereby there is to be a system in place to report their Board Directorships in other listed companies, so that it will not be an obstacle in discharging their responsibilities towards the Company, and such reports should be open for acknowledgment.

In regards to the powers of the Chairman of the Board of Directors and of the Chairman of the Executive Committee, these have been defined and determined by the Board of Directors of the Company – especially with regards to the requirement that any important matters must be submitted to the Board of Directors for consideration and approval.

6. The Board of Directors of the Company has appointed a Company Secretary and has disclosed details regarding the appointed Company Secretary in attachment 1. The Company Secretary is responsible for explaining and making recommendations regarding the related laws, regulatory requirements and duties of directors in order to that Directors be aware of and know, and is required to comply with; arranging the Board of Directors meetings and the Annual General Meeting of Shareholders; coordinating with internal units to ensure that all resolutions of the Board and AGM have been strictly complied with; liaising with regulatory agencies such as the Securities and Exchange Commission and the Stock Exchange of Thailand and overseeing information disclosure and reporting to the regulatory agencies and general public to be correct and complete according to the laws; and providing information to and arranging an orientation for newly appointed directors. There is also an Office of the Company Secretary as a support unit.

7.2.2 Information of the Board of Directors and the Controlling Person

Names of the Board of Directors

1.	Adj. Prof. Prasobsook Boondech		Independent Director, Chairman of Sustainability and Corporate Governance Committee
2.	Pol. Gen. Phatcharavat Wongsuwan		Independent Director, Chairman of Remuneration and Nomination Committee, Sustainability and Corporate Governance Committee
3.	Mr. Padoong Techasarintr		Independent Director, Chairman of Audit Committee, Sustainability and Corporate Governance Committee, Remuneration and Nomination Committee
4.	Mr. Pridi Boonyoung		Independent Director and Audit Committee
5.	Mrs. Nampung Wongsmith		Independent Director and Audit Committee
6.	Pro. Dr. Kittipong Kittiyarak		Independent Director
7.	Mr. Soopakij Chearavanont		Chairman
8.	Mr. Korsak Chairasmisak ¹		Vice Chairman and Chairman of Executive Committee
9.	Mr. Suphachai Chearavanont ²		Vice Chairman and Remuneration and Nomination Committee
10.	Mr. Tanin Buranamanit ¹		Vice Chairman and Vice Chairman of Executive Committee
11.	Mr. Adirek Sripratak ²		Director
12.	Mr. Umroong Sanphasitvong ²		Director, Member of Executive Committee, Sustainability and Corporate Governance Committee

13.	Mr. Narong	Chearavanont ²	Director
14.	Mr. Prasert	Jarupanich ¹	Director
15.	Mr. Pittaya	Jearavisitkul ²	Director and Vice Chairman of Executive Committee
16.	Mr. Piyawat	Titasattavorakul ²	Director and Vice Chairman of Executive Committee

Remarks: Directors No. 8 – 16 are Authorized Directors.

Authorized Directors:

Certification documents of the Company stipulate that the binding signatures must include 2 authorized directors – consisting of any authorized director from both Executive¹ and Non-Executive² members, excluding the Chairman and Independent Directors for the existence of independence in compliance with good corporate governance principles. Both directors must sign and affix the Company's seal.

Appointment and Removal of Board Directors

The appointment of Board Directors must be in accordance with the regulations of the Company and the applicable laws. As such, there must be full and clear transparency in the nominations process for new Directors, that must proceed in compliance with criteria and procedures established by the Remuneration and Nomination Committee and in line with business strategy of the Company by conducting Board Skill Matrix. As such, this process must also be applicable for those persons proposed for consideration to be nominated by Minority Shareholders in accordance with the criteria and associated procedures specified by the Company or external consulting company or IOD Chartered Directors, etc. Further, the consideration of possible new nominees must also take into consideration the diversity of the qualifications, gender, age, ethnicity, religion and place of birth, as well as information of educational and professional background, and past experiences together with areas of special expertise including specific business skills relating to industry sectors, management, finance and accounting, legal matters, corporate governance, and contribute to the Company so that the comprehensive information can be used in the decision process by the Company's Board of Directors and/or Shareholders.

The Shareholders Meeting will approve the appointment of a Director by a majority vote in accordance with the criteria and process as follows:

1. Each shareholder have one vote per one share.
2. Each shareholder must exercise all the votes he/she has according to (1) for appointing an individual or several persons to be director(s) but shall not split his/her votes among any person or group of persons.
3. The persons receiving the highest number of votes in descending order shall be appointed as directors depending on the requirement of directors set at such time. In the event that a number of persons receive an equal number of votes for the last directorship rendering the number of directors more than which is required, the chairman of the meeting shall have a casting vote.

For the election, it shall consider and appoint an individual to be director in each position by exercising all votes of each shareholder but not splitting votes. The person receiving the highest number for votes of each position will be appointed as a director of that position.

Where a vacancy occurs in the Board of Directors otherwise than by rotation, the Board of Directors shall elect a person who is qualified and does not possess any prohibited description according to the laws as the replacement Director at the following meeting of Directors, except where the remainder of the duration of office of the Directors is less than two months. The replacement Director under paragraph one may retain his office only for the remainder of the

duration of office of the Director whom he replaces. The resolution of the Board of Directors under paragraph one must be supported by a vote of not less than three-fourths of the number of subsisting Directors.

The Meeting of Shareholder may resolve to remove any Director from office prior to rotation by a vote of not less than three-fourths of the number of shareholders who are present at the meeting and are entitled to vote, which vote represents an aggregate number of shareholders of not more than one-half of the number of shares held by the shareholders who are present at the meeting and are entitled to vote.

7.2.3 Role and Duties of the Board of Directors

The Company's Board of Directors has a key role in driving the organization forward, together with the duty and responsibility for overseeing that the business operations are undertaken in line with the established corporate objectives and goals, so as to result in achieving maximum benefits for the Company; as well as that they are based on being socially responsibility, taking into consideration the possible impacts on the environment, acting in an equitable manner towards all Stakeholders according to the principles good corporate governance and the established Company policy on anti-corruption and sustainability. As such, these business operations activities must also be undertaken in accordance with the applicable laws, the stated corporate objectives and the rules and regulations of the Company and with the various resolution of the Board of Directors together with the resolutions of the Shareholders Meetings. Further, the oversight activities of Board Directors must be always be undertaken in a positive and ethical manner, with all due care and perseverance, as well as with full responsibility and accountability towards the shareholders.

All the members of the Board of Directors of the Company have a full understanding of their respective individual role, duties and responsibilities together with the nature of the Company's business. As such, the Office of Company Secretary has prepared a Handbook for Board Directors for presenting to newly appointed Directors, which Handbook contains detailed information relating to being appointed as a Board Director of the Company, such as: the Company's business operations, Company Annual Reports, the Company's Rules and Regulations, the Company's Objectives, the Company's Handbook on Business Ethics and Code of Conduct as well as Handbook on the Company's Corporate Governance, Charter of the Board of Directors and associated Company's Operating Guidelines on Corporate Governance for the Board of Directors of the Company together with the Scope of Authority of the Board of Directors. Additionally newly appointed Directors must attend relevant directors' development/training programs and courses offered by the IOD, with the Company being fully responsible for all associated expenses.

The Duties and Responsibilities of the Board of Directors of the Company, as specified in the Charter for the Board of Directors of the Company, are as follows:

1. Report any individual situations of conflicts of interests or those of related persons that are related to the management of the Company and of the Subsidiary Companies and that can be accountable for. As such, this is for the sake of full transparency in the operations of the businesses.
2. Define and determine the corporate vision and mission, objectives, core policies, key strategies, business plans, and annual budgets, through undertaking detailed analyses of the operating business environment and the various changing key operating factors that will impact the overall businesses together with the Stakeholders. Also determine the oversight of the Management group and their allocation of key resources so as to effectively operate the Company's businesses in accordance with the established policies, objectives and goals for the maximum benefit of the Company and its Shareholders. This is to be achieved through taking into consideration all stakeholders, possible impacts on society and the environment, with the business operations being undertaken in a transparent and equitable manner, within the legal and

regulatory framework and with good business ethics, together with having a process in place to evaluate the performance outputs and to make improvements so as to achieve effective business operations.

3. Determine, establish and undertake activities in accordance with the established policy on good governance, business ethics and code of conduct, and policy on anti-corruption as well as various applicable operating guidelines that the Company has documented in writing; and undertake a review of these policies and associated activities in accordance with the established policies at least once a year.
4. Determine the policy on risk management together with undertaking an assessment of the potential risks, and determine associated operating guidelines; as well as monitor the actual outputs from undertaking various activities in accordance with the established operating guidelines on risk management.
5. Consider transactions of conflicts of interests in a careful manner; determine clear operating procedures guidelines so as to achieve full benefits for the Company and its Shareholders, whereby all the involved Stakeholders are involved in the decision making process.
6. Consider and approve the Company's operating performance results for each Quarter compared with the established plans and budgets, together with assessing the ongoing business trends for the next immediate financial period.
7. Consider and approve any business transactions or activities that will have a significant impact on the financial status of the Company, its loans obligations, and the Company's ongoing business operations and reputation; as well as monitor and ensure the adequacy of the Company's ongoing financial liquidity and its ability to service existing debts.
8. Undertake to establish an accounting system, to prepare financial reports, to have the accounts audited by a reputable party, and to oversee information disclosures together with the preparation of the Company's Annual Reports, Annual Company Information Statement (Form 56-1) that will adequately reflect the actual financial status and achieved performance results; as well as oversee that effective and efficient procedures are in place to review and evaluate the appropriateness of the internal controls and internal audit systems as well as that an opinion is given regarding the adequacy of the internal controls and internal audit systems in the Company's Annual Report.
9. Determine the policy of information disclosures together with the management of Company information so as to prevent any leaking of such information and the protection of any confidential Company information or information that may have an impact on the Company's share price.
10. Promote creativity and support innovation together with making use of creativity and technology to create added value to the business; as well as ensure that the management of information technology systems is in line with the genuine needs of the Company.
11. Consider and determine the establishment of the scope of authority of various Board Committees such as the Sustainability and Corporate Governance Committee, Audit Committee, and Remuneration and Nomination Committee – so as to achieve operating effectiveness and full benefits for the Shareholders.
12. Consider the appointment of the Chairman of the Executive Committee, Executive Directors, Chief Executive Officer, and Managing Director; as well as determine the scope of approval authority of the Chairman of the Executive Committee together with reviewing such scope of approval authority as appropriate on a regular basis.
13. Establish appropriate channels of communications with shareholders and stakeholders together with ensuring that shareholders participate in the decisions on important matters and key issues of the Company.

14. Establish a succession plan, in order to be well-prepared in the event that a senior executive is not able to discharge the required duties.
15. Ensure and support that all Board Directors and Executives members fully understand and comply with the legal and regulatory requirements, business ethics and code of conduct, and policy on anti-corruption, as well as the various established operating guidelines.
16. Establish clear directions and operating guidelines for stakeholders or any person wishing to submit any information via the Company's website or directly to the Company with the 'whistle-blowing' channels of communications being the Company's Board of Directors, the Sustainability and Corporate Governance Committee and the Audit Committee; as well as establish clear instructions for a thorough investigations to be made of all information received according to the established procedures and for a full report is to be submitted to the Board of Directors.
17. Oversee Subsidiary Companies, through considering that appropriateness of those persons to be appointed as Directors of the Subsidiary Companies to oversee that their management is in accordance with established operating policies and that various business transactions are in compliance with the legal and regulatory requirements specified by the laws on securities and by the various announcements of SET.

Role of the Chairman of the Board

The Chairman of the Board has the following duties and responsibilities

1. Supervise, monitor and ensure that the Board of Directors and the Sub-committees act in accordance with the assigned duties and responsibilities of the Board of Directors as well as in an effective manner, so as to achieve the targeted objectives and goals of the Company.
2. Act as the leader of the Board of Directors and also acts as the Chairman at Board Meetings, Shareholders Meetings and meetings of Non-executive Directors.
3. Collaborate with the Chairman of the Executive Committee and the Company Secretary, to determine the agenda for Board Meetings; as well as ensure that important matters are included for consideration and that Board Directors receive relevant information that is complete, accurate, and clearly documented and also in time prior to Board Meetings, so that they may study the information and come to a decision as appropriate.
4. During Board Meetings, allocate adequate time for the Management to propose matters for consideration; and also encourage Directors to debate, discuss and actively exchange their opinions in an open and independent manner so as to make careful judgments on the issues while taking into consideration the interests of all stakeholders in a comprehensive manner. The Chairman will then summarize the associated issues and the resolution of the Meeting, as well as ensure that the final decisions of the Board are then implemented accordingly.
5. Create and support good working relationships among Executive Directors and Non-Executive Directors as well as between the Board of Directors and the Management; and support the Chairman of the Executive Committee in acting in accordance with the established policies of the Company.
6. Support and act as a positive role model in fully complying with the principles of good governance and in accordance with the established good moral standards and business ethics of the Company; as well as oversee and ensure that every Board Director participate in encouraging to establish a positive corporate culture of having good moral standards and adhering to good corporate governance practices.

Scope of Approval Authority of the Company's Board of Directors

The Board of Directors of the Company has the authority to approve various Company-related matters as specified by laws, Regulations of the Company, the Charter of the Board of Directors of the Company, and various resolutions of the Shareholders Meetings. As such, this includes determining and reviewing the Company's vision and mission, strategies, financial objectives, risk factors, business plans and budgets; together with statement of financial position and operating result, and approving the Company's financial statements and operating performance results, as well as approving any important transactions or activities that may have a significant impact on the financial position of the Company and ability to service its debts, the Company's overall business and reputation.

Term of Office as a Board of Director

- **Number of years for each term**

Company Directors have a total of 3 years for each full term of office, except those persons appointed as a replacement Director for an unexpected vacant directorship due to reasons other than the normal expiration of a term of office and required resignation, in such case, the replacement Director serves out the remaining period of the term of office; whereby the replacement Director may be re-elected as a Director for another full term.

- **Number of consecutive terms of Independent Director**

An Independent Director can have a maximum total term of office of not more than 9 consecutive years, effective from the date of appointment as an Independent Director by the AGM 2018 (20 April 2018). As such, unless the AGM considers the reasons and necessity as proposed by the Company and approves a further appointment as an Independent Director that will then exceed the maximum of 9 years as stated above.

7.3 Information of Sub-Committees

7.3.1. Composition and Components of Sub-Committees

There are 3 Sub-Committees under the Company's Board of Directors – the Audit Committee, the Sustainability and Corporate Governance Committee and the Remuneration and Nomination Committee. Besides, there are two sub-committees under the Chairman of the Executive Committee which are the Executive Committee and the Risk Committee.

1. Audit Committee

The Company's Audit Committee was established by the Board and consists of 3 Directors; whereby all are required to be Independent Directors as well as not be Executives of the Company, with the Manager of the Internal Audit Office acting as the Secretary of the Audit Committee.

The Audit Committee are as follows:

1.	Mr. Padoong	Techasarintr*	Chairman, Audit Committee
2.	Mr. Pridi	Boonyoung	Member, Audit Committee
3.	Mrs. Nampung	Wongsmith	Member, Audit Committee

*Member of the Audit Committee possessing the relevant knowledge and experience in finance and accounting, and able to review the credibility of the Financial Statements.

The Audit Committee is fully independent in carrying out its duties and responsibilities. Apart from reviewing the Financial Statements, the Audit Committee also reviews that all operational activities are correct and fully comply with all established policies, rules and regulations, applicable laws, and operating regulations, as well as the requirements of the regulatory agencies. The Audit Committee also reviews and ensures that there are effective internal controls and an internal audit system in place together with a comprehensive risk management system. The Audit Committee meets with the external independent Auditor to discuss their opinions and comments about the Financial Statements and internal controls system; as well as prepares a summary report of its activities together with recommendations for improvements for submitting the Board of Directors every Quarter, with details as contained in “Attachment 6”. The Company takes on the various recommendations received from both the Audit Committee and the external Auditors for immediate implementation and improvements, and will then report back to the Audit Committee at the next meeting.

The Manager of the Internal Audit Office is Mr. Taweesak Jitsamankul, who also acts as the Secretary of the Audit Committee, through the approval of and appointment by the Audit Committee. There is a supporting group, the Internal Audit Office, which is independent of the Management group that is responsible for reviewing and assessing the adequacy and effectiveness of the various internal controls in place together with the various risk management measures; whereby it then reports the results to the Audit Committee every month. In addition, the risk management unit and compliance unit, would report major risk for the Audit Committee twice a year before submits its reports to the Board of Directors every Quarter. The details relating to the Manager of the Internal Audit Office together with the Internal Audit unit is disclosed in “Attachment 3”.

Qualifications of and Criteria for Members of the Audit Committee as specified in the Charter of the Audit Committee

1. Owning not more than 0.5 percent of the total number of shares with the rights to vote and issued by the Company, Parent Company, Subsidiary Company, and Joint Venture Company; or of the Major Shareholder, or of a person with a controlling power over the Company. As such, this total shareholding also includes those shares owned by persons related to the respective Independent Director.
2. Not being or having been a Director involved in the management of the operations of, an Employee of; or an advisor with a monthly retainer to; or a person with a controlling power over the Company, Parent Company, Subsidiary Company, Joint Venture Company, and Subsidiary Company of the same status, Joint Venture Company, the Major Shareholder of, or a person with a controlling power over the Company; unless the person in question no longer is in such a position or has such a status for not less than 2 years prior to being appointed to the Audit Committee. As such, this prohibited qualification is not applicable in the event that the Independent Director used to be a Civil Servant or an advisor to the Government Agency/ organization that is a Major Shareholder of or a party with a controlling power over the Company.
3. Not being a person who has a relationship, by blood or by legal registration, as a parent, spouse, sibling or children, as well as spouse of the children, of an Executive of, a Major Shareholder of, a person with a controlling power over, as well as a person proposed to be appointed as an Executive or as a person with a controlling power over, the Company or Subsidiary Company.
4. Not being or having been a person with a business relationship with the Company, Parent Company, Subsidiary Company, Joint Venture Company, as well as with a Major Shareholder of or a person with a controlling power over the Company, so as to maybe an obstacle to exercising judgments in a fully

independent manner. This also includes not being or having been a significant Shareholder of a party or having a controlling power over a party with a business relationship with the Company, Subsidiary Company, Joint Venture Company as well as with a Major Shareholder of or a person with a controlling interest of the Company. This is unless the person in question no longer is in such a position or has such a status for not less than 2 years prior to being appointed to the Audit Committee.

5. Not being or having been an Auditor of the Company, Parent Company, Subsidiary Company, Joint Venture Company, as well as of a Major Shareholder of or a person with a controlling power over the Company; as well as not being or having been a significant Shareholder of, a person with a controlling power over, or a Partner of the Audit Firm of the Company, Parent Company, Subsidiary Company, Joint Venture Company, as well as of a Major Shareholder of or a person with a controlling power over the assigned Company. This is unless the person in question no longer is in such a position or has such a status for not less than 2 years prior to being appointed to the Audit Committee.
6. Not being or having been a person providing any professional services – including legal or financial advisory services – with an annual professional fees payment of more than Baht 2.0 million, to the Company, Parent Company, Subsidiary Company, Joint Venture Company, as well as to a Major Shareholder of or a person with a controlling power over the Company; as well as not being or having been a significant Shareholder, a person with a controlling power over, or a Partner of the Professional Services firm in question. This is unless the person in question no longer is in such a position or has such a status for not less than 2 years prior to being appointed To the Audit Committee.
7. Not being or having been a Director appointed to represent a Director of the Company, a Major Shareholder, or a Shareholder associated with a Major Shareholder.
8. Not having a business similar to or the same as or that is a significant competitor of the Company or Subsidiary Company; or not being a significant Shareholder in a Business Partnership, or a Director actively involved in managing the business operations, Employee or Staff of, or an advisor who receives a monthly retainer to; or owning more than 0.5% of the total voting shares of a company/business that operates a business similar to or the same as or is a significant competitor of the Company or Subsidiary Company.
9. Not being a person who is in a position to not be able to exercise judgments in a fully independent manner with regards to the operations of the Company.
10. Not being a Director assigned by the Board of Directors to decide on matters relating to conduct of business and operations of the Company, Parent Company, Subsidiary Company, Subsidiary Company of the same status, Joint Venture Company, as well as of the Major Shareholder of or a person with a controlling power over the Company; unless such a decision is a collective decision.
11. Not being a Director of the Parent Company, Subsidiary Company or Subsidiary Company of the same status, whereby this is applicable only to listed companies.
12. A Member of the Audit Committee must be able to dedicate and devote time in an adequate manner to the activities of the Audit Committee; and should receive ongoing training so as to improve knowledge relating to the activities of the Audit Committee, in order to be always up to date with the ongoing changes that may occur and to further improve the working effectiveness, efficiency and productivity of the Audit Committee.

Term of Office of Members of the Audit Committee

Members of the Audit Committee have a term of office of 3 years, which is also concurrent with being an Independent Director of the Company; whereby a Member of the Audit Committee will cease to hold the position due to the expiration of the current term of office, but can then be reelected for another term.

Additionally, apart from the expiration of the current term of office, a Member of the Audit Committee will cease to hold the position, in the event of:

1. Death;
2. Resignation;
3. No longer being a Director or Independent Director of the Company;
4. The Board of Directors of the Company approves to terminate the term of office or to remove the person from being a Member of the Audit Committee; or
5. Not possessing all the required qualifications or possessing any prohibited qualifications, as specified by the SEC and SET as well as the Public Company Act.

In the case that an Audit Committee position becomes vacant for any reason other than the expiration of the term of office, then the Board of Directors of the Company can appoint a person who possesses all the required qualifications to be a replacement Member of the Audit Committee.

In the event that a Member of the Audit Committee wishes to resign prior to completing the current term of office, the Company should be informed together with the reason for the resignation, so that the Board of Directors can then consider appointing another qualified Board Director to replace the Member who is resigning.

Duties and Responsibilities of the Audit Committee

The Audit Committee has the following duties and responsibilities, as assigned by the Company's Board of Directors.

1. Review and ensure that the Company has and submits financial reports that are correct, accurate and adequate.
2. Review and ensure that the Company has in place both internal controls and internal audit systems that are appropriate and effective; as well as considers and monitors the independence of the Internal Audit Office together with considering the appointment, transfer, or termination of the Head of the Internal Audit Office.
3. Review and ensure that the Company fully complies with all laws on securities and securities exchange and the regulations of SET, as well as other laws applicable to the Company's business.
4. Consider and select, propose the appointment of qualified external Auditor/ Auditors together with the associated audit fee, as well as consider and remove Auditors; whereby the consideration process should take into account the level of independence, credibility, availability of people resources together with the experience of the assigned auditors to audit the company's accounts. Further, a meeting should also take place with the authorized external Auditor of the Company at least once a year.
5. Consider and review all proposed related transactions or those transactions that may involve a conflict of interests, so that they comply with the applicable laws and regulatory requirements of SET. As such, this is to ensure that such transactions are appropriate and for the maximum benefits of the Company.

6. Prepare the Report of the Audit Committee, through disclosing this in the Company's Annual Report; whereby the Report is to be signed by the Chairman of the Audit Committee and must consist of all the following information and details as required and specified by the SEC and SET
 - (a) Opinion on the correctness, accuracy, and comprehensiveness, together with the credibility of the Company's financial reports
 - (b) Opinion on the adequacy of the Company's internal audit system
 - (c) Opinion on compliance to all the laws on securities and securities exchange
 - (d) The regulations of SET, and all laws applicable to the Company's businesses
 - (e) Opinion on the appropriateness and suitability of the external Auditor
 - (f) Opinion on those transactions that may involve a conflict of interests
 - (g) Number of Audit Committee meetings held during the year, and the attendance record of each Member of the Audit Committee
 - (h) Overall opinion or comments that the Audit Committee has received in discharging its responsibilities in accordance with the Charter for the Audit Committee
 - (i) Any other matters that the Audit Committee thinks that Shareholders should be informed about and that is within the scope of duties and responsibilities as assigned by the Company's Board of Directors
7. Review compliance with the established Anti-Corruption Policy and the guidelines on fraud and corruption.
8. Review the efficiency and effectiveness of the established risk management processes, such as strategic risks; operational risks; financial risks; regulatory compliance risks; social, environmental and economic risks; taxation risks; Information Technology risks; as well as risks relating to fraud and corruption.
9. Undertake any other activities as assigned by the Company Board of Directors and with the concurrence of the Audit Committee; as well as prepare and submit a report of the activities of the Audit Committee at least once every Quarter.

In undertaking its duties and responsibilities, the Audit Committee is directly responsible to the Company's Board of Directors; while the Board of Directors is responsible to external parties for the ongoing operations of the Company.

In the event that there are any changes to the composition or the duties and responsibilities of the Audit Committee, the Company is required to disclose and inform such changes relating to the names of the Members of and the scope of responsibilities of the Audit Committee in accordance with the format as well as procedures specified by SET within three (3) working days from such changes becoming effective via SET's electronic communications system.

Additionally, the Audit Committee meets on a regular basis every month with and reports to the Company's Board of Directors the results of all such reviews every Quarter, as well as meets with the external Auditor to review the Financial Statements.

2. Sustainability and Corporate Governance Committee

The Sustainability and Corporate Governance Committee appointed by the Board of Directors' Meeting and is comprised of at least 3 directors, with at least half being Independent Directors and with Mr. Supot Shitgasornpongse, the Company Secretary, acting as the Secretary of the Committee.

The Sustainability and Corporate Governance Committee is as follows:

1.	Adj. Prof. Prasobsook Boondech*	Chairman, Sustainability and Corporate Governance Committee
2.	Pol. Gen. Phatcharavat Wongsuwan*	Member, Sustainability and Corporate Governance Committee
3.	Mr. Padoong Techasarintr*	Member, Sustainability and Corporate Governance Committee
4.	Mr. Umroong Sanphasitvong	Member, Sustainability and Corporate Governance Committee

*Independent Director

Qualification of the Sustainability and Corporate Governance Committee

1. Having appropriate knowledge, capability and experience.
2. Dedicate to work sufficiently and efficiently.

The Sustainability and Corporate Governance Committee appoints the Sustainability and Corporate Governance Sub-committee that consists of executives from relevant departments, which is key function to operate and report to the Sustainability and Corporate Governance Committee for consideration quarterly. Additionally, the Company also appointed an external expert to advise the Corporate Governance Committee so as to provide observations, opinions and recommendations in further developing and improving corporate governance procedures and processes, in order to upgrade existing CG practices to be of international standards, namely Corporate Governance Policy, Anti-Corruption Policy, Sustainability Policy, conflicts of interests issues, Policy on Protecting Personal Information and Data, Business Ethics, Data Governance, Cyber Security and Code of Business conducts, policy on risk management, IT governance, Policy on Insider Trading, Guideline and Policy relating to Antitrust, required information disclosures as specified by the SEC and SET; and reports to the sustainability and Corporate Governance Committee.

Term of Office of Members of the Sustainability and Corporate Governance Committee

Members of the Sustainability and Corporate Governance Committee have a term of office that is concurrent with being a Director of the Company; whereby a Member of the Sustainability and Corporate Governance Committee will cease to hold that position due to the expiration of the current term of office, but can then be reelected for another term as appropriate.

Additionally, apart from the expiration of the current term of office, a Member of the Sustainability and Corporate Governance Committee will cease to hold the position, in the event of:

1. Death;
2. Resignation;
3. No longer being a Director or Independent Director of the Company; or
4. The Board of Directors of the Company approves to terminate the term of office or to remove from being a Member of the Corporate Governance Committee.

In the event that a member of the Sustainability and Corporate Governance Committee wishes to resign prior to completing the current term of office, the Company should be informed together with the reason for the resignation, so that the Board of Directors can then consider appointing another qualified Board Director to replace the Member who is resigning.

In the event that the seat of the Sustainability and Corporate Governance Committee becomes vacant for any reason other than the expiration of the term of office, then the Board of Director of the Company can appoint a person who possesses all required qualifications to fill the vacancy within 3 months from such vacancy date. The new member of the Sustainability and Corporate Governance Committee can stay in office only for the remaining term of the former member.

Duties and Responsibilities of the Sustainability and Corporate Governance Committee

1. Establish the Policy on Good Corporate Governance, Business Ethics and Code of Conduct, Policy on Anti-corruption, and Policy on Sustainability that corresponds to the laws and the regulatory requirements of the government agencies and regulatory authorities of listed companies such as the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC); and submit to the Company's Board of Directors for approval.
2. Determine the policy and guidelines on innovation promotion, business operations with responsibility to society and the environment, and sustainable development planning.
3. Propose guidelines on corporate governance, guidelines on anti-corruption, and guidelines on sustainability management to the Board of Directors, as well as provide advice and recommendations to the Board of Directors relating to corporate governance and various practices relating to anti-corruption and sustainability management.
4. Oversee and ensure that the Company's executives act in full compliance with the established Policy on Corporate Governance, Policy on Anti-corruption, and Policy on Sustainability; as well as review and assess, together with relevant directors and members of the Management Team, the results of acting in compliance with the Policy on Corporate Governance and the Policy on Sustainability together with giving recommendations on fully complying with the aforesaid policies.
5. Review the Policy on Corporate Governance, Business Ethics and Code of Conduct, Policy on Anti-Corruption, and Policy on Sustainability together with the associated guidelines on a continuing basis at least once a year, so that they are all current with the latest situation, through referring to the UN Global Compact (UNGC), international guidelines, and relevant laws and regulations of government agencies and regulatory authorities of listed companies, such as the Stock Exchange of Thailand and the Securities and Exchange Commission; and submit recommendations to the Board of Directors for approval in implementing such further improvements.
6. Report the results of the various activities undertaken and the results of the assessment of the compliance with the Policy on Corporate Governance, Policy on Anti-corruption, and Policy on Sustainability, together with summarizing the key issues relating to corporate governance practices, anti-corruption activities, responsibility to society and the environment, and sustainability management to the Board of Directors at least two (2) times a year.
7. Oversee, ensure and monitor the progress of the activities of the various sub-committees established by the Sustainability and Corporate Governance Committee, together with giving recommendations for further improvements and necessary support.
8. Coordinate the activities with the various sub-committees in regards to cooperating in implementing corporate governance practices, anti-corruption activities, responsibility to society and the environment, and sustainability management, together with giving recommendations for improvements as necessary.

9. Encourage and support the Company to communicate with directors, executives, employees at all levels, and all involved parties in an adequate and continuous manner, so that they will all be fully aware of and fully understand the Policy and Guidelines on Corporate Governance, Business Ethics and Code of Conduct, Policy on Anti-corruption, and Policy on Sustainability and associated guidelines.
10. Act in compliance with the Policy on Anti-Corruption together with associated guidelines on preventing fraud and on anti-corruption.
11. Endorse the Sustainability Development Report in order to present to the Board of Directors for approval before public disclosure.
12. Undertake any other activities as deemed appropriate and assigned by the Board of Directors.

3. Remuneration and Nomination Committee

The Remuneration and Nomination Committee was established by the Board of Directors and is comprised of 3 persons, with at least half must be Independent Directors, with Ms. Lawan Tienghongsakul, Senior Vice President – Human Resource acting as Secretary to the Committee.

The Remuneration and Nomination Committee is as follows:

1.	Pol. Gen. Phatcharavat Wongsuwan*		Chairman, Remuneration and Nomination Committee
2.	Mr. Padoong	Techasarintr*	Member, Remuneration and Nomination Committee
3.	Mr. Suphachai	Chearavanont	Member, Remuneration and Nomination Committee

*Independent Director

Qualifications of the Members of the Remuneration and Nomination Committee

1. Being a Director of the Company.
2. Have appropriate knowledge, capability, and understanding of the nature of business and the role, duties, and responsibilities of the Board of Directors and sub-committees, as well as possess good knowledge and understanding of corporate governance.
3. Possess far-sighted vision, follows the ongoing changing factors relating to determining remuneration and nominations at the international level on a continued basis, in order to make improvements to the Company's Remuneration and Nomination Policy.
4. Understand the appropriate ways to develop the potential and skills of each director and executive in order to enhance work performance.
5. Able to undertake the duties and responsibilities as well as to express opinions, together with reporting the results of the various activities undertaken as assigned in a fully independent manner. Also, able to devote adequate time to discharge the required responsibilities.
6. Can independently recruit and select suitably qualified persons to be nominated for consideration to be appointed as a Director of the Company to replace those Directors retiring upon the expiration of their respective terms of offices or for any other reasons; as well as prepare the required background information on proposed nominees adequate for consideration by the Board of Directors.

Term of Office for Members of the Remuneration and Nomination Committee

Members of the Remuneration and Nomination Committee have a term of office concurrent with being a Director of the Company; whereby Members of the Remuneration and Nomination Committee will cease to hold the position due to the expiration of the current term of office, but can then be re-elected for another term as appropriate.

Additionally, apart from the expiration of the current term of office, a Member of the Remuneration and Nomination Committee will cease to hold the position, in the event of:

1. Resignation;
2. Not possessing the required qualifications in being a Member of the Remuneration and Nomination Committee as specified in the Charter for the Remuneration and Nomination Committee; or
3. The Board of Directors of the Company resolves to remove from office.

If a Member of the Remuneration and Nomination Committee wishes to resign, a letter of resignation should be submitted to the Chairman of the Board of Directors, whereby the resignation will become effective immediately on the date the letter is submitted to the Chairman of the Board.

In the event that a Remuneration and Nomination Committee position becomes vacant for any reason other than the expiration of the term of office, then the Board of Director of the Company should appoint a person who possesses all the required qualifications to be a replacement Member of the Committee within 3 months from the date that there is a vacancy in the Remuneration and Nomination Committee, so that the Committee has the full required number of Members to undertake the work.

Duties and Responsibilities of the Remuneration and Nomination Committee

1. Consider and determine the criteria for the remuneration and types of remuneration for directors and key executives for proposing to the Board of Directors. Consideration is given to both cash and non-cash payment benchmarking to leading companies in the same industry; the individual's performance, experience, duties, role and responsibilities; business expansion; the Company's financial status and operating results; and the Company's long-term strategy and goals, in order to motivate and retain quality directors and key executives. The Board of Directors will consider and approve the remuneration for key executives; while the Shareholders Meeting will approve the remuneration for Members of the Board of Directors every year.
2. Review and assess that the remuneration paid to key executives correspond to the actual achieved performance results by using assessment goals and criteria that is linked to short-term and long-term strategies and plans.
3. Consider and determine the criteria and procedures for selecting and nominating persons who possess the appropriate and required qualifications to be appointed as a Director, corresponding with the Company's business strategy by using Board Skill Matrix for consideration; as well as select the final nominees in accordance with the established procedures such as consider the names and background of the nominees from the existing Committee, open opportunities for shareholders to nominate persons for director positions, consider using external consultants, or consider individuals from the Pool of IOD Chartered Directors, with consideration to appropriate and diversified qualifications in terms of qualifications, profession, skills, age, experience, gender, ethnicity, religion, place of birth, expertise and special abilities that is necessary to have in the Company's Board of Directors and partakes in creating benefits for the Company; and propose to the Board of Directors for consideration and approval.

4. Establish programs to develop the work of directors and key executives and the Succession Plan; and review the aforesaid programs and plan every year.
5. Oversee the orientation of new directors to ensure understanding of their role, duties, and responsibilities; and present information relating to the Company's policies, nature of business, and business environment that must be taken into consideration.
6. Establish plans on training and development of the knowledge and expertise of the current directors which is appropriate to the changing external situation and sustainable development of the Company, in terms of both business operations and corporate governance. Review whether the current directors have possessed appropriate skills, knowledge and expertise in accordance with the Director Skill Matrix in order to arrange a suitable program for further development.
7. Recommend the procedures for assessing the performance of the Board of Directors and other sub-Committees with review of the procedures on an annual basis and with consideration of the use of external consultants; as well as monitor and summarize the results of the assessment to the Board of Directors for acknowledgment in order to improve work performance and enhance knowledge and capabilities of the Company's directors.
8. Undertake any other activities as considered appropriate and assigned by the Board of Directors.

To fulfill its duties under its scope of authority, the Remuneration and Nomination Committee is authorized to call for and order the management or employees concerned to give opinions, attend meetings or submit necessary documents. In addition, in performing its duty under the scope of authority as specified in the Charter, the Remuneration and Nomination Committee may seek external consultation from independent consultants or experts in various fields, as deemed necessary and appropriate.

4. Executive Committee

The Executive Committee consists of at least 3 persons who are the Company's directors and/or the executives of the Company as approved by the Chairman of the Executive Committee. At each Executive Committee Meeting, the Executive Committee may invite other persons such as the representative from the management and/or external advisors to join the meeting as deemed necessary.

The Company's Executive Committee is as follows:

1.	Mr. Korsak	Chairasmisak*	Chairman of Executive Committee
2.	Mr. Pittaya	Jearavisitkul*	Vice Chairman of Executive Committee
3.	Mr. Piyawat	Titasattavorakul*	Vice Chairman of Executive Committee
4.	Mr. Tanin	Buranamanit*	Vice Chairman of Executive Committee
5.	Mr. Umroong	Sanphasitvong*	Member of Executive Committee
6.	Mr. Yuthasak	Poomsurakul	Member of Executive Committee
7.	Mr. Wisade	Wisidwinyoo	Member of Executive Committee
8.	Mr. Taweesak	Kaewrathtanapattama	Member of Executive Committee
9.	Mr. Vichien	Chuengviroj	Member of Executive Committee
10.	Ms. Lawan	Tienghongsakul	Member of Executive Committee

Remarks: *Are directors

Scope of Authority and Responsibilities of the Executive Committee

1. Consider the Company's objectives, business strategies, budget, and investment projects. In case the situation changes, the Executive Committee will review the use of the budget and investment projects that were previously approved to be appropriate for the changing situation.
2. Monitor the performance and progress of investment projects and report the overall results including the problems or obstacles encountered and the guidelines for improvement.
3. Monitor the results of the Company's risk management.
4. Monitor the results of human resource development, appointment and relocation of executives according to human resource plan, remuneration guidelines, and evaluation criteria of high-level executives.
5. Consider financing options when there is a need to find funding sources for various investment projects.
6. Monitor the use of funds, management of the funds, and the Company's financial status.
7. Perform any other tasks as considered appropriate and assigned by the Chairman of the Executive Committee.

Appointment and Removal of the Executive Committee

The Company's Board of Directors appoints and removes the Executive Committee according to the proposal of the Chairman of the Executive Committee by a majority of votes at the Board of Directors' Meeting.

5. Risk Committee

The Risk Committee consists of Executive Committee and/or management person nominated by the Chairman of the Executive Committee. The Chairman of Executive Committee is ex officio chairman of the Risk Committee.

The Company's Risk Committee is as follows:

1.	Mr. Korsak	Chairasmisak	Chairman of Risk Committee
2.	Mr. Pittaya	Jearavisitkul	Vice Chairman of Risk Committee
3.	Mr. Piyawat	Titasattavorakul	Vice Chairman of Risk Committee
4.	Mr. Tanin	Buranamanit	Vice Chairman of Risk Committee
5.	Mr. Umroong	Sanphasitvong	Member of Risk Committee
6.	Mr. Yuthasak	Poomsurakul	Member of Risk Committee
7.	Mr. Wisade	Wisidwinyoo	Member of Risk Committee
8.	Mr. Taweesak	Kaewrathtanapattama	Member of Risk Committee
9.	Mr. Vichien	Chuengviroj	Member of Risk Committee
10.	Ms. Lawan	Tienghongsakul	Member of Risk Committee

Scope of Authority and Responsibilities of the Risk Committee

1. Considering and identifying key risks of the Company's business operations, e.g., strategic risks, financial risks, operational risks, legal risks, market risks and all other risks that may affect the enterprise's reputation, including providing suggestions to prevent and manage the said risks to be at the acceptable level through policies and guidelines on how to manage such risks in an appropriate and efficient manner; Advising the Board of Directors and management on risk management.
2. Developing risk management plan and process to achieve business objectives and goals.
3. Overseeing and supporting risk management for successful outcomes by monitoring and evaluating the Company's compliance with the risk management framework and by reviewing the adequacy of the risk management policies and systems. Continuously adjust and improve risk management plans to minimize risks to suit the business conditions of the Company.
4. Communicating with the Audit Committee on significant risks in order to evaluate the sufficiency of the Company's internal control systems.
5. Reporting risk assessment and performance to the Board of Directors at least twice a year. In the case of significant events that would adversely affect the financial status and the performance of the Company, this shall be reported to the Board of Directors as soon as possible.
6. Performing any other duties as assigned by the Chairman of the Executive Committee.

Appointment and Removal of the Risk Committee

The Chairman of the Executive Committee has an authority to appoint and remove member of the Risk Committee.

7.3.2. Performance Evaluation of the Sub-Committees

In 2022, the Company arranged a self-evaluation for each Sub-Committee including the Audit Committee, the sustainability and Corporate Governance Committee, the Remuneration and Nomination Committee, the Executive Committee; and the Risk Committee to undertake according to the amended evaluation form issued by the Thai Institute of Directors. So that these Sub-Committees can review and assess their activities and performance results together with the various obstacles faced during the past year, in order to help make the work of these Committees to be more effective.

Self-Evaluation Form for the Sub-Committee Includes:

- Structure and qualifications of the sub-committee are appropriate and support the sub-committee's performance, i.e., the number of members of the sub-committee is appropriate; the sub-committee's knowledge and experiences are appropriate for undertaking the assigned responsibilities efficiently; the proportion of each type of members in the sub-committee is appropriate; the appointment process is transparent, fair and not subject to influence of any person; the chairperson of the sub-committee has appropriate qualifications for the role; and term of office is determined appropriately.
- Meetings of the sub-committee are arranged in an effective manner, i.e., information of the meetings dates during the year and associated details are given in advance; frequency of the meetings is appropriate; the meeting's agendas are appropriate; duration of each meeting is adequate and appropriate; relevant information for the proposed discussions are distributed in advance so that the sub-committee has sufficient time to prepare; information provided in the meeting documents is sufficient, comprehensive and relevant to support decision making in the meeting; atmosphere in the meeting is encouraging for expression of constructive comments and is not influenced by any individual or party; members of the sub-committee

with a vested interest in a matter being discussed is not allowed to participate in the discussions and make a decision; the sub-committee members understand and comply with the meeting regulations; the sub-committee chairman encourages all members to express their opinions and summarizes the opinions in a non-leading manner; the meeting minutes has important, accurate, complete and sufficient content that can be referenced.

- Report of the sub-committees is regularly issued to the Board of Directors in order to report activities or progress of works as assigned. The sub-committees have prepared adequate and appropriate reports on activities conducted during the year which is disclosed in the annual report.
- Authorities, roles, duties and responsibilities of the sub-committees are clearly defined, comprehensive and up-to-date. The charters of the sub-committees are regularly reviewed. Any significant amendments to the charters will be presented to the Company's Board of Directors for approval. The sub-committees give importance to consideration of, review of and compliance with the following matters.

Audit Committee

- Giving importance to and spending sufficient time to review and ensure that the Company has an adequate and effective internal control system.
- Coordinating with the Risk Management Committee to identify key risks and develop a guideline for review of internal audit plans and appropriate internal control measures to manage risks.
- Giving importance and allocating sufficient time to consider the independence of each internal audit unit and providing approval for an appointment, transfer and termination of the head of Internal Audit.
- Giving importance and allocating sufficient time to review the compliance with regulations and policies of the Company.
- Giving importance and allocating sufficient time to consider, select, and propose the appointment of an independent person to serve as the Company's auditor.
- Holding a joint meeting with the Company's auditors at least once a year without participation from the management team.
- Allocating sufficient time to consider related party transactions or transactions with conflict of interest, to be in compliance with relevant laws and regulations.
- Giving importance and allocating sufficient time to review operational processes to align with the Anti-Corruption Policy and measures.
- Allocating sufficient time to review internal procedures regarding complaint submission, whistleblowing, concern reporting, etc. to ensure appropriateness.

Sustainability and Corporate Governance Committee

- Having knowledge and understanding the CG Principles and is able to provide appropriate recommendations to the Board of Directors regarding practices in question.
- Giving importance and allocating sufficient time to consider/review the CG Policy and Code of Conduct, and ensure proper implementation.
- Giving importance and allocating sufficient time to consider/review the Sustainability Policy and ESG practices, and ensure proper implementation.
- Giving importance and allocating sufficient time to consider/review the Anti-Corruption Policy, and follow-up to ensure appropriate implementation.

- Giving importance to and promoting the development of a business culture that emphasizes ethics and good corporate governance through ethical conduct.
- Opening opportunities for management/departments responsible for governance and sustainability to consult and seek advice/suggestions that are beneficial.

Remuneration and Nomination Committee

- Regularly considering and reviewing the number, structure, and composition of the Company's Board of Directors to be appropriate to the size, type, and complexity of the business, and provide recommendations that are beneficial to the Board of Directors.
- Giving importance and allocating sufficient time to consider the policies, criteria and procedures in selecting suitable individuals as directors and presenting to the Board of Directors for approval.
- Giving importance and allocating sufficient time to oversee the selection process of directors to be effective, transparent and fair.
- Allocating sufficient time to review the qualifications and assess the performance of directors who will retire by rotation, to consider the suitability of reappointing the aforementioned directors for another term.
- Giving importance and allocating sufficient time to develop guidelines, criteria, methods, and processes to evaluate the performance of the Board of Directors, sub-committees and individual members.
- Giving importance and allocating sufficient time to review the directors' development programs in order to continuously enhance the competencies of directors in various areas.
- Giving importance and allocating sufficient time to develop a succession plan for directors and top-level management to ensure the continuity of business operations.
- Giving importance and allocating sufficient time to develop a compensation policy for directors and top-level management in various forms, both monetary and non-monetary, to be presented for approval by the Board of Directors.
- Giving importance and allocating sufficient time to consider methods and criteria for determining compensation that is fair, transparent and reasonable.
- Giving importance and allocating sufficient time to regularly review the appropriateness of current compensation criteria to align with the responsibilities of each position, operating performance, business size, and industry practices.

Executive Committee

- Considering the Company's objectives, business strategies, budget, and investment projects. In the event that the situation changes, there will be a review of the budget and approved investment projects to ensure they are appropriate for the situation.
- Monitoring the performance and progress of investment projects and report the overall results including the problems or obstacles encountered and the guidelines for improvement.
- Monitoring the results of the Company's risk management.
- Monitoring the results of human resource development, appointment and relocation of executives according to human resource plan, remuneration guidelines, and evaluation criteria of high-level executives.
- Considering financing options when there is a need to find funding sources for various investment projects.
- Monitoring the use of funds, management of the funds, and the Company's financial status.

Risk Management Committee

- Having knowledge and understanding the risk management system of the CP ALL Group.
- Is trained or attending seminars relating to risk management both internally and externally to stay current with changing trends.
- Having good relationships and working with Management to understand their visions, attitudes and approaches in managing risks (frequency of participation with related Management such as MPR).
- Enabling to communicate effectively to ensure understanding and importance of risk management, leading to continuous implementation and the Company's culture.
- Promoting regular reviews and risk assessments, along with the development of risk mitigation strategies.
- Establishing a risk appetite that is appropriate and aligns with the Company's goals, and communicating effectively to all relevant parties.
- Assisting in overseeing the risk management process as part of normal operations, and help to achieve the Company's goals.
- Regularly monitoring and reviewing management methods of both existing and new risks.
- Reporting of risks to the Audit Committee and the Board of Directors in a comprehensive, focused, consistent, and timely manner.
- Utilizing technology to ensure comprehensive and accessible data in risk management, as well as to facilitate prompt communication.

The self-evaluation form of the various Committees provides space for Members to indicating their respective scoring, which consist of 5 possible scores; namely:

- 0 = Do not agree with strongly; and does not undertake the respective activity/does not address the matter at all.
- 1 = Do not agree at all; and undertakes the respective activity/addresses the matter to a small extent.
- 2 = Agree; and undertakes the respective activity/addresses the matter to a fair extent.
- 3 = Agree to a greater extent; and undertakes the respective activity/addresses the matter to a good extent.
- 4 = Agree strongly; and undertakes the respective activity/addresses the matter to an excellent degree

Additionally, space is provided for the Committees Members to add further comments freely comments.

Summary of the results of the self-evaluation by Committee Members as a group are as follows:

Audit Committee

A high degree of agreement; or the Committee's activities address that respective aspect/matter to an excellent degree, with the total average score = 100%.

Sustainability and Corporate Governance Committee

A high degree of agreement; or the Committee's activities address that respective aspect/matter to an excellent degree, with the total average score = 100%.

Remuneration and Nomination Committee

A high degree of agreement; or the Committee's activities address that respective aspect/matter to an excellent degree, with the total average score = 100%.

Executive Committee

A high degree of agreement; or the Committee's activities address that respective aspect/matter to an excellent degree, with the total average score = 85%.

And a high degree of agreement; or the Committee's activities address that respective aspect/matter well, with the total average score = 15%.

Risk Committee

A high degree of agreement; or the Committee's activities address that respective aspect/matter to an excellent degree, with the total average score = 79%.

And a high degree of agreement; or the Committee's activities address that respective aspect/matter well, with the total average score = 21%.

7.4 High-level Executives

7.4.1. Executive Committee

As of 31 December 2022, the Company had a total of 17 high-level executives consisting of

- Executive Committee 10 persons; and
- Executive Officers 11 persons (4 persons are also in the Executive Committee).

Chairman of the Executive Committee

The Chairman of the Executive Committee, Mr. Korsak Chairasmisak, was appointed by the Board of Directors' Meeting on 7 August 2013 and is authorized to perform duties in relation to the Company's policies, strategies, operational plans, budgets and investment projects with honesty and prudence to protect the benefits of the Company, and in compliance with the laws, the objectives, the Company's Articles of Association, and the policies set by the Board of Directors. To assist in effective and efficient management of the Company, the Chairman of the Executive Committee is authorized to propose the appointment and removal of persons in the following positions:

1. Nominate persons on the Executive Committee for the consideration and approval by the Board of Directors.
2. Nominate persons for the position of Chief Executive Officer for the consideration and approval by the Board of Directors.
3. Approve the appointment of Managing Director and Executive Officers according to the proposal from Chief Executive Officer.

Important matters that the Chairman of the Executive Committee must present to the Board of Directors' Meeting for consideration and approval include:

1. The sale or transfer of all or partial portions of the Company's business to other persons.
2. The purchase or takeover or transfer of business from other companies or private companies.
3. The execution, amendment and termination of agreements concerning the leasing out of all or substantial parts of the Company's business, the delegation of authority to other persons to manage the business of the Company or consolidation with other persons for the purpose of sharing of profit and loss.
4. The amendment of the Memorandum or Articles of Association of the Company.
5. The increment or decrement of capital, the issuance of debentures, the consolidation or dissolution of the Company.

6. The approval of annual balance sheet and income statement.
7. The appropriation of profits and payment of dividends.
8. Approval of remuneration for directors.
9. Appointment of auditor and determination of audit fees.
10. The borrowing of money or the guaranteeing of loans or creation of obligations to the Company with financial institutions or other companies in the amount exceeding Baht 500 million per time.
11. The lending of money to other companies in the amount exceeding Baht 500 million per time.
12. The investment, joint-venture, increment of capital in subsidiaries, affiliates or other companies in the amount exceeding Baht 500 million per time.
13. The Capital expenditure for investment in large projects or the acquisition of assets of the Company where the cost of such a project or the value of assets exceeds Baht 500 million per time.
14. The sale or disposal of fixed assets of the Company at a sale or disposal price exceeding Baht 500 million per time.
15. The operation plan and annual budget of the Company.

The Chairman of the Executive Committee may sub-delegate the Executive Committee, Chief Executive Officer, Managing Director, Executive Officer and/or Employee of the Company to approve one or several matters as the Chairman of the Executive Committee considers appropriate, provided that the sub-delegated power may not be sub-delegated any further. With respect to the foregoing approval, the Chief Executive Officer or person delegated by him shall not be able to approve any transaction in which he or any person who may have a conflict of interest would have an interest or might have any other conflict of interest with the Company or its subsidiaries, unless such approval is in accordance with the policy and criteria approved by the Board of Directors.

Appointment and Removal of the Chairman of the Executive Committee

The Board of Directors appoints and removes the Chairman of the Executive Committee with majority vote of the Board of Directors' Meeting.

Executive Officers

As of 31 December 2022, the Company's Executive Officers consist of:

1.	Mr. Yuthasak	Poomsurakul	Chief Executive Officer
2.	Mr. Vichai	Janjariyakun	Managing Director (Co) and in charge of Operation and Distribution Center
3.	Mr. Vichien	Chuengviroj ¹ *	Managing Director (Co) and in charge of Corporate Asset and Facilities Management
4.	Mr. Taweesak	Kaewrathtanapattama*	Senior Vice President – Accounting and Finance
5.	Ms. Lawan	Tienghongsakul*	Senior Vice President – Human Resource
6.	Mr. Kriengchai	Boonpoapichart	Senior Vice President – Accounting and Finance and Chief Financial Officer
7.	Mrs. Nipaporn	Ackarapolpanich	Senior Vice President – Marketing

8.	Mr. Thupthep	Jiraadisawong	Senior Vice President – Operation
9.	Mr. Wiwat	Pongritsakda	Vice President – Information Technology
10.	Mrs. Phaphatsorn	Thanasorn	Vice President – Purchasing
11.	Mr. Ronnakitt	Pojamarnpornchai	Vice President and Deputy Chief Financial Officer

Remarks: ¹ Mr. Vichien Chuengviroj was appointed as a Managing Director (Co) on 1 October 2022.

* Executive Committee

The Executive Committee and Executive Officers named above are executives classified according to the definition in the Notification of the Capital Market Supervisory Board under the Securities and Exchange Act.

Chief Executive Officer

Chief Executive Officer, Mr. Yuthasak Poomsurakul, was appointed by the Board of Directors' Meeting on 23 December 2021 effective on 1 January 2022 and is authorized to perform duties in relation to the Company's operations and in compliance with the Company's objectives and the resolutions of the Board of Directors and Executive Committee, with authority as determined by the Chairman of the Executive Committee.

In addition, to assist with managing the Company to achieve the set objectives, the Chief Executive Officer is authorized to nominate persons as Managing Director and Executive Officers for consideration and approval by the Chairman of the Executive Committee.

Appointment and Removal of the Chief Executive Officer

The Company's Board of Directors appoints and removes the Chief Executive Officer according to the proposal of the Chairman of the Executive Committee by a majority of votes at the Board of Directors' Meeting.

7.4.2. Remuneration for High-level Executives

High-level Executives' Remuneration Policy and Criteria

The Board of Directors determines the policy on high-level executives' remuneration to be at an appropriate level, fair, and in line with their responsibility in order to meet the expectations of various stakeholder groups and comply with related laws and regulations. The Remuneration and Nomination Committee has hired an independent expert to gather information and provide advice on establishing an appropriate compensation criteria and structure for high-level executives in order to present recommendations to the Board of Directors for approval. The following factors were taken into consideration:

- The Company's operating results with consideration to various pre-determined business indicators.
- Comparison of the Company's operating results with other companies in the same industry.
- Ability to develop business and improve business efficiency of each business unit each year.
- Benchmarking with remuneration rates in the same industry.

In 2018, the Board of Directors considered and approved the criteria and indicators for compensating high-level executives in the form of special bonus in addition to the current bonus in order to motivate and drive executives to achieve new goals. This will be considered from achievement of 3 goals, which are, Return of Equity (ROE), customer satisfaction, and the Dow Jones Sustainability Index (DJSI) scores, which evaluate the effectiveness of business operations in accordance with the Company's sustainable development.

7.4.3. Remuneration for Executive Committee and Executive Officers (High-level Executives)**(1) Cash Remuneration**

Year	Description	No. of Executives (Person)	Remuneration (Million Baht)
2019	Salary bonus and special pension	17	561.393
2020	Salary bonus and special pension	16	403.098
2021	Salary bonus and special pension	18	429.425
2022	Salary bonus and special pension	17	474.950

2022 Total company accumulated cash remuneration Baht 30,554 million.

Payment for Executive Committee and Executive Officers 1.55%.

(2) Other Remuneration**1. Provident Fund**

The Company has established a provident fund, with the Company contributing 2 percent of monthly salary. In 2022, the Company contributed a total of Baht 8.990 million to the provident fund for high-level executives, and paid Baht 8.521 million, Baht 6.642 million and Baht 6.035 million in 2021, 2020 and 2019 respectively.

2. Employee Joint Investment Program (EJIP)

The Company has established an Employee Joint Investment Program (EJIP) to provide incentives and keep personnel working with the Company for a long time. The 3rd EJIP which is a five year term ending on June 30, 2022. Executives who are eligible for the EJIP must work for the Company at least 3 years. The Company will deduct 5 percent or 7 percent (on a voluntary basis) from the employee's monthly salary. The Company contributes 80 percent of the deductible amount from the employee in each month. In 2020 (January – May), the Company paid Baht 4.286 million for high-level executives who joined the EJIP, and paid Baht 12.205 million and Baht 11.604 million in 2019 and 2018 respectively.

Remark: The Company has suspended the Employee Joint Investment Program (EJIP) since end of May 2020 to relieve the burden of employees who have voluntarily joined the program due to the COVID-19 situation.

7.5 Information of Personnel

No. of Employees and Remuneration for Employees of CP ALL Public Co., Ltd. Only.

Convenience Store Business	2022	2021	2020
Store employees (Persons)*	57,929	49,557	50,313
Head office staff (Persons)*	15,557	13,857	13,583
Total (Persons)	73,486	63,414	63,896
Remuneration for Employees (million Baht) (Comprises of salary, bonus, EJIP, provident fund and other fringe benefits)	30,554	25,564	24,114

*Only Company's permanent staff.

In 2022, the Company's Subsidiaries (excluding Subsidiaries under Makro Group and subsidiaries of Siam Makro Public Company Limited) paid Remuneration to Employees in the same way, totaling Baht 6,911 million.

Employees joining Provident Fund – PVD

Company (in Thailand Only)	PVD Yes/No	Employees joining PVD (Persons)	Percentage of Total Employees
1. CP ALL Plc.	Yes	24,849	33%
2. CPRAM Co., Ltd.	Yes	1,594	53%
3. Panyapiwat Institute of Management	Yes	613	53%
4. CP Retailink Co., Ltd.	Yes	590	30%
5. Gosoft (Thailand) Co., Ltd.	Yes	439	49%
6. 24 Shopping Co., Ltd.	Yes	338	40%
7. Panyapiwat Technological College	Yes	153	47%
8. Counter Service Co., Ltd.	Yes	142	58%
9. Panyatara Co., Ltd.	Yes	77	80%
10. All Training Co., Ltd.	Yes	48	73%
11. MAM Heart Co., Ltd.	Yes	37	82%
12. ALL Guardian Co., Ltd.	Yes	13	42%
13. Panyapiwat Institute of Management Demonstration School	Yes	18	19%
14. ALL Wellness Co., Ltd.	Yes	13	37%
15. CP Foodlab Co., Ltd.	Yes	5	63%

The Company has a policy to support the Provident Fund Committee to select a fund manager who strictly complies with investment governance and manages the fund responsibly with consideration to Environmental, Social, and Governance (ESG) criteria as it is an investment guideline that can lead to the greatest benefits of the fund members, that is, the Company's employees, in the long run.

7.6 Other Important Information

7.6.1. Information of the Company Secretary, Head of the Internal Audit Office, Account Controller and Compliance

The Company Secretary

Mr. Supot Shitgasornpongse, Vice President – Accounting and Finance, who acts as the Company Secretary, has been appointed by the Board of Directors since 13 August 2008. The detail of the Company Secretary is shown in Attachment 1.

In cases where the Company Secretary vacates his position or is incapable of performing his duty, the Board of Directors shall appoint a new Company Secretary within 90 days from the date on which the Company Secretary has vacated his position or has been incapable of performing his duty. In this regard, the Board of Directors shall be empowered to assign any director to perform the duty as the substitute during such period.

Head of the Internal Audit Office

Mr. Taweesak Jitsamankul, Vice President – Internal Audit acts as the Secretary of the Audit Committee and Head of Internal Audit Office. The detail of Head of Internal Audit Office is shown in Attachment 3.

Account Controller

Ms. Aphaporn Wisitkamthorn, Assistant Vice President – Accounting Shared Services with the qualifications specified by the Department of Business Development, had been appointed as the person supervising accounting (Account Controller) of the Company. The Account Controller is responsible for reporting correct and complete accounting details according to accounting standards and financial reporting standards; and attends Continuing Professional Development Program in compliance with the criteria, methods, and timeline according to the laws. The detail of the Account Controller is shown in “Attachment 1”.

Compliance

Ms. Walainoot Kattirat, Deputy Department Manager – Legal Compliance, is the head of the Company’s compliance unit acting as the center for compliance according to the regulations of agencies governing the business of the Company and companies in the Group. The detail of the Compliance Manager is shown in “Attachment 3”.

7.6.2. Information of Head of the Investor Relations Department and Contact Information

Ms. Jiraphan Thongtan, Assistant Vice President – Investor Relations, acts as Head of the Investor Relations Department of the Company, acting as a central source of important information disclosures for investors, also prepares various analyses (Results Presentation) for dissemination to investors that are then posted on the Company’s website together with quarterly MD&A, key financial information and key operations performance results. These information disclosures are in the form of PowerPoint presentations, showing the status and performance results of the Company. Moreover, there are press conferences for analysts, investors, the media and the general public on a quarterly basis.

In 2022, the Company held activities for 1,207 investors as follows:

- Quarterly analysts meetings and SET Opportunity Day for a total of 8 times, which Investor Relations Department and senior management participated to provide information and answer questions (Virtual Conference).
- Non-deal roadshows in Thailand and overseas for a total of 29 times (Virtual Conference).
- Company visit for 35 times and conference call for 35 times (Virtual Conference). In Q4/2022, the Company started to invite investors to visit the Company and physical meeting, but still strictly comply with the COVID-19 preventive and control measurement of the Company.
- Analysts and investors physical meeting for 24 times.
- Marketing activities by inviting analysts and investors to visit the operating area of the Company 1 time.
- Held Press conference to public the Company’s performance and newsletter for a total of 14 times.

Investors are able to contact the Company to request information about the Company via the telephone or email, and by attending any investors' meetings or presentations. Additionally, investors can access and view relevant information through accessing the Company's website: <http://www.cpall.co.th/Investor-Relations>

Or contact to request for information from the Company's Investors Relations (IR) Department as shown below:

Telephone : 0-2071-4369

Facsimile : 0-2071-8617

Email : investor@cpall.co.th

By Letter or Mail : Investor Relations (IR) Unit

CP ALL Public Company Limited

119, Floor 12, Tara Sathon, Sathorn Soi 5, South Sathorn Road, Thung Mahamek,
Sathorn, Bangkok 10120

7.6.3. Audit Fee

1. Audit Fee

In 2022, the Company paid audit fees to the external independent Auditor of the Company, Mrs. Munchupa Singsuksawat, CPA No. 6112 of KPMG Phoomchai Audit Co., Ltd. totaling Baht 5,970,000. Additionally, KPMG Phoomchai Audit Co., Ltd. is also the Auditor of a total of 20 Subsidiary Companies (excluding subsidiaries under Makro Group) located in Thailand and 2 Subsidiary Companies located in overseas, including Lotus Distribution Investment Limited and Albuera International Limited, totaling Baht 5,710,000.

Audit fees of the other 3 overseas Subsidiary Companies which are Successor Investments Limited, Successor (China) Investments Limited and CPALL LAOS CO., LTD. were paid to KPMG overseas. Despite the fact that there are various auditors (not only KPMG Phoomchai Audit Co., Ltd.), the Directors will ensure that the consolidated financial statements will be issued in a timely manner.

2. Other Non-audit Services

In 2022, the Company and Subsidiary Companies did not receive any other non-audit services from KPMG Phoomchai Audit Co., Ltd.

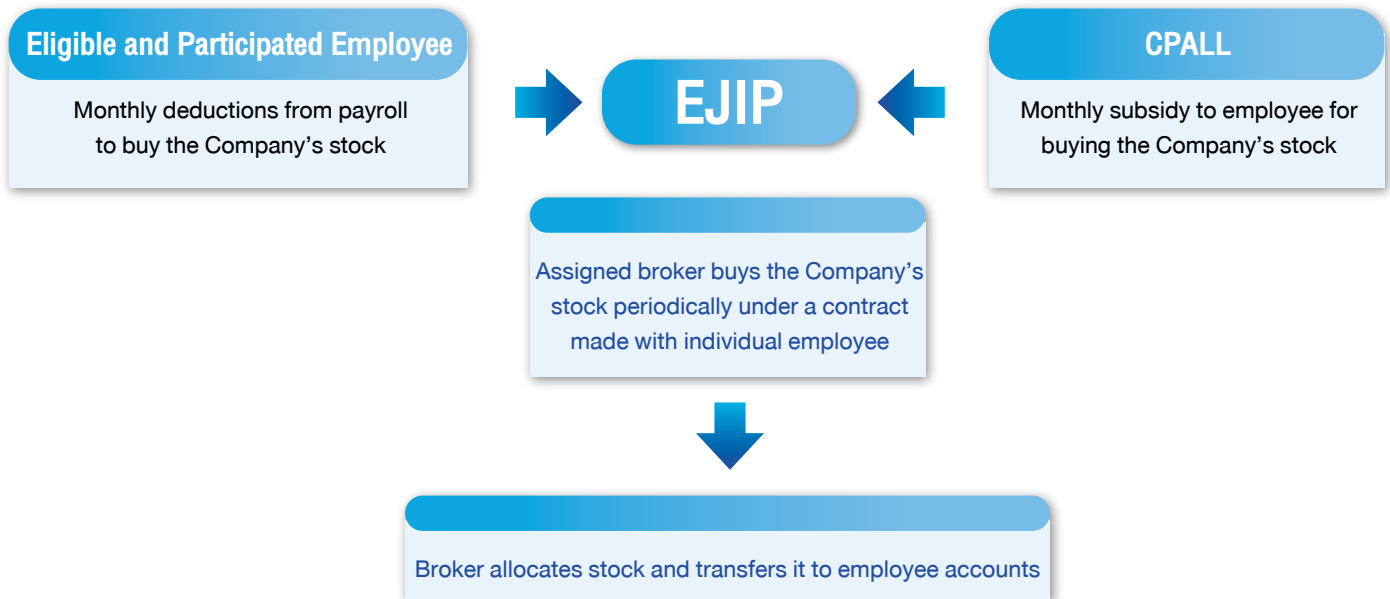
7.6.4. Employee Joint Investment Program – EJIP

CP ALL Public Company Limited and its subsidiaries have a policy for creating a sense of ownership, loyalty and the attempt of employees to grow along with the Company. Thus it has launched Employee Joint Investment Program (EJIP) No. 3 with the following criteria.

1. Nature of EJIP

It is an investment program for the voluntarily employees of the listed companies in the Stock Exchange of Thailand upon accumulative buying of their Company's shares on a period basis (i.e. monthly or quarterly) using the dollar cost average method.

2. EJIP Arrangement



Type of Stock	Ordinary shares of CPALL trading in the Stock Exchange of Thailand
Frequency of Investment	Specified date on a monthly basis
Investment Amount (per Employee)	Employee – 5% or 7% of salary (on a voluntarily basis) Company – 80% of the deductible amount from the employee each month
Duration	1 July 2017 – 30 June 2022 (Total 5 years)
Method of Payment	Buying – employee's deduction from monthly salary and the Company's contribution Selling – broker transfers money from stock sale to employee's bank account
Stock Purchase	Automatic purchase by certain broker as stated in the contract
Stock Delivery	Delivered to individual employee account opened with the broker
Benefits to Employee	Dividend Gain Capital Gain Other rights such as rights issue, warrant, shareholders' meeting
Selling Stock	Employee has the rights to sell stock during the specified period in the contract.
Tax	Employee must pay personal income tax on the contribution amount received from the Company. The Company can claim tax deductible on the contribution amount.

*The Board of Directors has delegated the Executive Committee the authority to amend, change or add program guidelines where appropriate, including early termination of the program.

3. Eligible Employee Under EJIP

Managers with the level of assistant department manager or equivalent and above with the working period till the initial contribution date of not less than 3 years, excluding directors and advisors of the Company.

Due to the COVID-19 pandemic, the Executive Committee Meeting No.4/2020 dated 29 April 2020 decided to suspend the Employee Joint Investment Program (EJIP) from the end of May 2020 onwards, in order to relieve burden of employees who have voluntarily joined the program.

Corporate Governance Report



8. Corporate Governance Report

8.1 Summary of the Performance of the Committees for Last Year

The Company's Board of Directors has an important role in determining the Company's key policies and, together with the Executive Committee and other senior Executives/Managers, in defining the Company's values, corporate culture, vision and mission, corporate objectives, financial policy, risk management policy, strategy, operating business plans, and annual budgets. They also oversee the operations activities so as to ensure that the defined strategies and annual business plans correspond to the established core corporate objectives and goals; whereby in determining the strategies and annual business plans, a full analysis of the operating business environment, the challenges and opportunities that may impact the Company's business operations have been undertaken, increase competitive advantage, supervision of the adequacy of the internal control system, so that the outcome will be a well-defined set of strategic objectives and core operating corporate objectives to which the organization has focused for the next 5 years.

Board of Directors' Meeting

1. The Board of Directors' Meeting is held once every quarter on a normal basis and extra meeting when needed. Directors must regularly attend the Board of Directors' Meetings to be informed of and jointly make decisions on the Company's business operations. At least 7 Board of Directors' Meetings are organized each year according to the Charter of the Board of directors.
2. The Company specifies in the Corporate Governance Guideline in relation to Board's role that directors should attend at least 75% of all board's meetings held during the year which the dates will be predetermined one year in advance so that directors can arrange their schedule to attend the meeting. However, additional meetings may be called if there are special matters that require the Board's approval or urgent matters that require the Board's consideration.
3. In 2022, a total of 8 Board of Directors' Meetings were held which was appropriate for the duties and responsibilities of the Board and the operations of the Company. 95% of the Directors attended the meetings. The Company also held one meeting for the Non-Executive Directors in 2022 which all Non-Executive Directors attended.
4. The meeting's invitation, agenda and relevant documents were sent to the directors at least 7 days prior to the meeting date to allow sufficient time for the directors to study the information before decision-making. In the consideration of any issue, the directors are entitled to look at or check the related documents and ask the management to provide additional information.
5. The Company has not yet implemented a written policy for the minimum quorum of at least 2/3 of the Board member for board decisions to be valid to facilitate the participation in the board meeting. The Company, however, has continued to act in accordance with this rule for many years which is shown in the table of Names of the Board of Directors and Board Members Attendance. In 2022, 8 Board of Directors' meetings were held. There were 3 meetings which all of the directors were present, and there were 4 meetings meeting which one director was absent, accounting for 93.75% of attendance rate. There was one meeting which 13 directors from 16 directors attended, accounting for 81.25%.
6. In every meeting, the management were asked questions raised by directors. The directors exercised careful, independent and transparent judgment with fair consideration for the interests of shareholders and stakeholders. Directors with vested interests in the matter under consideration must leave the meeting during consideration of that matter. The Chairman also provided sufficient time for directors to discuss problems and possible solutions. Management related to the presented agenda item were invited to the meeting to provide additional details and

answer questions, which is also a good opportunity for the management to get to know the high-level executives for further job-handover.

7. After the Board of Directors' Meetings, the minutes of meeting were prepared, approved by the Board and filed at the Company Secretary Office for future reference and verification by directors and related persons. In addition, the Company Secretary coordinated to all departments to strictly perform its duties in line with the resolutions of the Board of Directors.
8. In some cases, the Company organized for outside consultants or experts to provide advice or additional information to the Board of Directors, at the Company's expense.

8.1.1. Recruitment, Development, Assessment of the Performance of the Board of Directors

1. Recruitment

The Company has appointed the Remuneration and Nomination Committee to be responsible for determining the criteria and procedures in selecting and nominating persons with the appropriate and required qualifications to be appointed a Director which will be revised annually in order to be in line with the strategies and business operation of the Company. (The detail of the Remuneration and Nomination Committee is shown in topic no. 7.3.1).

(1) Independent Director

The candidate for the independent director and/or member of the sub-committee shall not only possess the complete qualifications of the independent directors according to the Notification of the Capital Market Supervisory Board and the Board of Directors Charter and/or Sub-committee Charter, but the Board of Directors must also consider that the candidate for the independent director and/or member of the sub-committee is able to provide independent judgment and is eligible according to the set criteria.

The Company has a total of 6 Independent Directors, or equal to 1/3 of the total number of Board Directors, namely Mr. Pridi Boonyoung, Mr. Padoong Techasarintr, Pol. Gen. Phatcharavat Wongsuwan, Adj. Prof. Prasobsook Boondech, Mrs. Nampung Wongsmith, and Prof. Dr. Kittipong Kittiyarak.

- **Qualifications of Independent Directors**

Apart from the generally required qualifications in accordance with the Public Company Act and the Securities and Securities Exchange Act as well as other applicable laws, Independent Directors of the Company also have specifically required qualifications in accordance with the announcement of the Capital Markets Supervisory Board as well as the Charter for the Board of Directors of the Company.

Additionally, the Company has also specified that the percentage of the shares of the Company able to be owned by Independent Directors (as per Item 1 and Item 8) to be more stringent than the minimum percentage as announced by law. As such, the Independent Directors of the Company must possess the following specific and required qualifications.

1. Owning not more than 0.5% of the total number of shares with the rights to vote and issued by the Company, Parent Company, Subsidiary Company, and Joint Venture Company; or of the Major Shareholder, or of a person with a controlling power over the Company. As such, this total shareholding also includes those shares owned by persons related to the respective Independent Director.

2. Not being or having been a Director involved in the management of the operations of, an Employee of; or an advisor with a monthly retainer to; or a person with a controlling power over the Company, Parent Company, Subsidiary Company, Joint Venture Company, and Subsidiary Company of the same status, Joint Venture Company, the Major Shareholder of, or a person with a controlling power over the Company; unless the person in question no longer is in such a position or has such a status for not less than 2 years prior to being appointed. As such, this prohibited qualification is not applicable in the event that the Independent Director used to be a Civil Servant or an advisor to the Government Agency/ organization that is a Major Shareholder of or a party with a controlling power over the Company.
3. Not being a person who has a relationship, by blood or by legal registration, as a parent, spouse, sibling or children, as well as spouse of the children, of an Executive of, a Major Shareholder of, a person with a controlling power over; as well as a person proposed to be appointed as an Executive or as a person with a controlling power over, the Company or Subsidiary Company.
4. Not being or having been a person with a business relationship with the Company, Parent Company, Subsidiary Company, Joint Venture Company, as well as with a Major Shareholder of or a person with a controlling power over the Company, so as to may be an obstacle to exercising judgments in a fully independent manner. This also includes not being or having been a significant Shareholder of a party or having a controlling power over a party with a business relationship with the Company, Subsidiary Company, Joint Venture Company, as well as with a Major Shareholder of or a person with a controlling interest of the Company. This is unless the person in question no longer is in such a position or has such a status for not less than 2 years prior to being appointed.
5. Not being or having been an auditor of the Company, Parent Company, Subsidiary Company, Joint Venture Company, as well as of a Major Shareholder of, or a person with a controlling power over the Company; as well as not being or having been a significant Shareholder of, a person with a controlling power over, or a Partner of the Audit firm of the Company, Parent Company, Subsidiary Company, Joint Venture Company, as well as of a Major Shareholder of or a person with a controlling power over the assigned Company. This is unless the person in question no longer is in such a position or has such a status for not less than 2 years prior to being appointed.
6. Not being or having been a person providing any professional services – including legal or financial advisory services – with an annual professional fees payment of more than Baht 2.0 million– to the Company, Parent Company, Subsidiary Company, Joint Venture Company, as well as to a Major Shareholder of or a person with a controlling power over the Company; as well as not being or having been a significant Shareholder, a person with a controlling power over, or a Partner of the Professional Services firm in question. This is unless the person in question no longer is in such a position or has such a status for not less than 2 years prior to being appointed.
7. Not being or having been a Director appointed to represent a Director of the Company, a Major Shareholder, or a Shareholder associated with a Major Shareholder.

8. Not having a business similar to or the same as or that is a significant competitor of the Company or Subsidiary Company; or not being a significant Shareholder in a Business Partnership, or a Director actively involved in managing the business operations, Employee or Staff of, or an advisor who receives a monthly retainer to; or owning more than 0.5% of the total voting shares of a company/business that operates a business similar to or the same as or is a significant competitor of the Company or Subsidiary Company.
9. Not being a person who is in a position to not be able to exercise judgments in a fully independent manner with regards to the operations of the Company.

An Independent Director possessing the specific and required qualifications 1 to 9 above may be assigned by the Board of Directors to make decisions relating to the operations of the Company, Parent Company, Subsidiary Company, Joint Venture Company, Subsidiary Company of the same status, of a Major Shareholder or a person with a controlling power over the Company; whereby the decision will be made as a collective decision.

In the event that a person appointed by the Company as an Independent Director is or has been a person with a business relationship with or providing professional services (with a total value as specified in Item 4 and 6), the Company may exempt the requirement in the event that it views that the appointment of the person in question will not have any effect on the person's ability to discharge the assigned responsibilities and to express opinions in a fully independent manner; whereby the Company has disclosed this matter and following relevant information in the supporting documents relating to the respective Agenda Item for consideration as sent to Shareholders in advance together with the Letter of Invitation to the Shareholders Meeting.

- a. Nature of the business relationship or professional services provided that disqualifies the person in question by having a qualification that is not in accordance with the established criteria.
- b. Reason and necessity for retaining or appointing the person in question as an Independent Director of the Company.
- c. Opinion of the Board of Directors in proposing the nominee to be appointed as an Independent Director

(2) Recruiting of Director and High-Level Executive

Recruiting of Director

The Remuneration and Nomination Committee recruits, selects and screens individuals to be a Director to replace Members whose term will expire or for any other reason, before presenting to the Board of Directors Meeting or the Shareholders' Meeting for resolution and appointment. The Director may be proposed by minority shareholders in accordance with the criteria and process specified by the Company, or from qualified persons with background and expertise from various professions, who possess leadership qualities, broad vision, knowledge, capabilities, morality and ethics, and past professional experiences that will meet the requirements of the vacant directorship position within the Company.

Criteria and Process for Selection a New Director

1. The Remuneration and Nomination Committee is responsible for selecting individuals with appropriate qualifications by considering the list of proposed names for directorship

position and their background or from director retired by rotation, the person nominated by shareholder, or the Professional Pool of IOD Chartered Directors. To correspond with the Company's business strategy by using Board Skill Matrix for consideration and considering to appropriate and diversified qualifications in terms of qualifications, profession, skills, age, experience, gender, ethnicity, religion, place of birth, expertise, and special abilities that is necessary to have in present.

2. It is the equitable rights of every shareholder to propose other individuals for consideration. The Company has established the process for nomination and announcement through the Stock Exchange of Thailand's information system, ninety (90) days prior to the end of the accounting period.
3. The Remuneration and Nomination Committee is responsible for screening and examining the names that will be proposed for the directorship position with the related agencies to ensure that the individual has the appropriate and required qualifications and does not have any untrustworthy characteristics.
4. The Remuneration and Nomination Committee presents the names of the individuals who have been considered to the Board of Directors Meeting. In case of the expiration of the Director's term of office, the Board of Directors will propose the nominees to the Shareholders' Meeting for approval. For other cases, the Director may be appointed by the Board of Directors.
5. In voting for appointment of director, each shareholder shall have a number of votes equal to one share per one vote and voting for each position will be considered on an individual basis.

Talent Management and Succession Planning for Top Management Positions in the Company

In order for the organization to compete in a highly competitive market and maintain its growth sustainably, the Company has policies and programs in place for talent management and development as well as for succession planning for senior management positions. In 2022, the Company has reviewed its policies, criteria, and systems in carrying out the aforementioned programs to ensure their effectiveness, in line with the changing and highly competitive business world, and to support the growth of the organization in the future. The details of the program implementation are as follows:

1. Talent Management & Development Program aims to provide the Company with the right supply of talented workforce for sustainable business growth. It ensures that the Company can maintain talent that is committed and loyal to the organization and is ready to work with the Company in a long term. It also serves as a pipeline for the Succession Planning Program, providing potential future leaders who can manage well and grow into leadership positions in the future. The Company has a policy for selecting and developing talent from both within and outside the organization. Within the organization, the Company selects and develops talent, from officer level to supervisor level and higher, by selecting employees who have high performance and high potential to become leaders. The selection process will utilize various tools, including psychological tools and 360-degree feedback. The results of the potential assessment will be used to develop an Individual Development Plan (IDP), in addition to training programs and courses determined by the Company.

The Company will monitor and report the progress of the development to the Personnel Committee and top management regularly to ensure that the implementation is in line with the plan and set goals.

2. The Succession Planning Program is designed to ensure that key positions in the organization will have a successor who can sustain business growth and to manage the risks related to human resource management and retaining talent in the organization. The Company has, therefore, implemented a Succession Planning Program for all management positions to create and develop talent within the organization for future growth and advancement through a systematic and continuous process of selection and development. In 2022, the Company conducted the selection of successors from the talent pool and evaluated successors' readiness using various tools, including psychological tools, 360-degree feedback, and assessments of their readiness for higher positions. The results were then used to create individual development plans (IDPs) that focused on developing skills and experiences necessary for advancement to higher positions. This included job shadowing to learn how to think and work, special job assignments, one-on-one coaching from both superiors and external experts, and job rotation, apart from development through various training courses. The Company will monitor and report the progress of the development to the Personnel Committee and top management regularly to ensure that the implementation is in line with the plan and set goals.

2. Directors and Management Development

1. The Company encourages and facilitates those persons involved with good governance of the Company such as the Board of Directors, the Sustainability and Corporate Governance Committee, the Audit Committee, the Remuneration and Nomination Committee, the Management Team, the Head of the Internal Audit Unit, the Company Secretary, the CFO, and the Accountant Controller, a person supervising accounting, to attend training programs or various relevant seminars on a regular basis, especially the training programs held by the IOD. This is so that all such persons within the Company can have full knowledge and a good understanding of the respective roles and responsibilities as well as be able to improve their respective work on a continuous basis accordingly.
2. The Company also arranges to hold an orientation program whenever there is a new Director or Management member joining the Company, as well as provides various background information and relevant documents that are beneficial for their work for them to study as guidelines on how the Company operates its businesses, and to get to learn about the established corporate objectives, vision, mission, corporate values, and overall strategies of the Company.
3. The Board of Directors of the Company has assigned the Remuneration and Nomination Committee together with the Human Resources Policy Committee to be responsible for the appropriate ongoing management of the Company in a sustainable manner as well as for considering the Succession Plan for the Company. This is especially so with regard to senior Executive and Management positions at the level of Heads of "Business Groups" or Heads of "Office" Units upwards, so as to ensure that the Company has in place plans for recruiting, selecting, and preparing specific persons to be the successor to any such key positions, that are vital for the ongoing operations of the Company in the event that the incumbent is promoted or transferred, retires, and resigns, thus resulting in

4. During the past year, the Company still recognized the importance of developing leaders in order to create confidence among all stakeholders, taking into consideration the work of each year and long-term sustainability. The Company gave importance to leadership development in 3 forms including 1) Learning by Course, 2) Learning by Others such as superiors, senior executives and external experts, and especially 3) Learning by Experience. The Company also focused on developing leaders to be capable in work, capable with people, and a good person. Leaders must be a good role model in line with the organization's culture and values. Thus, leaders in every level must help build the next generation of leaders through the coaching process. To foster a coaching culture, the Company developed the Leaders as Coach program to create empathetic leaders who understand their team and have coaching skills to build their team to be happy, deliver good performance, and have smiles for customers following the Company's philosophy, "Through happy employees, we desire to see smiles from customers".

[illegible]

Training Courses/ Year of Attendance		Company's Board / Directors Names													
		Director Accreditation Program (DAP)	Audit Committee Program (ACP)	Advanced Audit Committee Program	Monitoring the Internal Audit Function (MIA)	The Role of Chairman	Director Certification Program (DCP)	Ethical Leadership Program (ELP)	Company Secretary	Board Performance Evaluation	DCP Refresher	Role of the Compensation Committee	Driving Company Success with IT Governance (ITG)	Finance for Non-finance Director	IT Governance and Cyber Resilience Program (ITG)
11.	Mr. Adirek Sripratak	2005					2001								
12.	Mr. Umroong Sanphasitvong						2001	2016	2003	2006	2006	2007	2016		2022
13.	Mr. Narong Chearavanont	2007													2021
14.	Mr. Prasert Jarupanich						2004					2008		2004	2022
15.	Mr. Pittaya Jearavisitkul						2000								
16.	Mr. Piyawat Titasattavorakul						2001								

In 2017, the Company's directors and high-level executives attended the "Information Disclosure and Transparency" training course, with speakers from Freshfields Bruckhaus Deringer, a renowned multinational law firm and consultant on corporate governance to the Charoen Pokphand Group.

In 2018, Mr. Umroong Sanphasitvong participated in the National Director Conference 2018 Rising above Disruptions organized by the IOD, in order to prepare in the area of finance and to prepare for the role and duties of a director in managing transformation in the digital era.

In 2019, the Company's directors and high-level executives attended the "Business Ethics Program for High-Level Executives – Dealing with Conflict of Interest" training course, given talks by Professor Dr. Warapatr Todhanakasem and organized by the Charoen Pokphand Group.

In 2020, the Charoen Pokphand Group held the Good Corporate Governance training for year the 2020 to Directors and high level executives of the group. The Company's directors who join this session under the topic Corporate Governance in Practice were Mr. Pittaya Jearavisitkul, Mr.Piyawat Titasattavorakul and Mr.Tanin Buranaminit who also join the Preventing Corruption & Fraud topic.

3. Assessment of the Performance of the Board of Directors

The Company has established an evaluation process of the performance of the Board of Directors of the Company and all sub-committees on an annual basis at least once a year. This is to enable the Directors of the Company to review and consider their respective performance outputs and achievements together with the various associated issues or obstacles in discharging their duties during the year, which will then enable them to improve their effectiveness as the Board of Directors through having a clearer understanding of their individual responsibilities, as well as to enhance the working relationships between the Board of Directors and the Management. The performance evaluation of the Board of Directors is divided into 2 types, that is, assessment of the overall performance of the Board of Directors as a whole and self-assessment of the performance of the individual director.

Process and Criteria for Performance Evaluation of Directors

The Company Secretary Office is responsible for sending the performance evaluation form, which the content is revised in accordance with the Thai Institute of Directors form, to every director of the Company in order to assess the performance of the Board of Directors and the sub-Committee that he/she is a member. After receiving all of the evaluation forms back, the Company Secretary Office summarizes the results and presents the results of the performance evaluation to each sub-Committee to consider the results of their performance during the past year. The Company Secretary Office also reports the results of the performance evaluation of the sub-Committees and the results of the Board performance to the Board of Directors for consideration.

Self-Assessment of the Board of Directors Includes:

- Structure and qualifications of the Board of Directors that have an impact on the Board's performance and effectiveness, i.e., the number of directors is appropriate for the size, nature and complexity of the business; the Board is composed of members with diverse qualifications such as skills, gender, age, etc. to support the Company's long-term goals and sustainable development; the proportion of various types of Board Members is appropriate; the definition of Independent Directors is appropriate to the context of the Company; the term of office of Independent Directors is clearly defined and appropriate; the Board of Directors appoints sub-committees to support the Board's responsibilities in various matters sufficiently and appropriately; the criteria for holding positions in other companies by Board Members have been clearly defined; the Chairman of the Board has appropriate qualifications and promotes the performance of duties of the Board of Directors; the Company Secretary has appropriate qualifications, knowledge and experience that supports the overall performance of the Board.
- The role, duties and responsibilities of the Board of Directors in giving importance to and allocating sufficient time in considering, reviewing and undertaking the Company's matters are appropriate, i.e., the Board of Directors Charter clearly defines the authority, roles and responsibilities of the Board of Directors in a complete, comprehensive and up-to-date manner; the Board of Directors Charter is regularly considered and reviewed; the Board of Directors has allocated sufficient time to consider the vision, mission and the main objectives of the business for sustained development; the Board gives importance and allocates sufficient time to oversee the selection process of directors, ensuring it is transparent and clearly defined; the Board gives importance and allocates sufficient time to consider/review the structure and compensation of directors to ensure appropriateness; the Board allocates sufficient time to consider strategies and annual plans that align with the vision, mission, and main objectives of the business; the Board gives importance and allocates sufficient time to assess the appropriateness of resource allocation in various areas to implement strategies and annual plans; the Board understands key risks of the business and can consider appropriate risk appetite to align with the Company's objectives, strategies and changing business environment; the Board gives importance and allocates sufficient time to consider and approve the risk management framework/policy that aligns with the main objectives and strategies of the business; the Board gives importance and allocates sufficient time to review the Risk Management Policy and assess the effectiveness of risk management regularly; the Board gives importance and allocates sufficient time to review and ensure that the Company has an adequate and effective internal control system; the Board establishes procedures to consider any transaction with conflict of interests on an arm's

length basis; any transaction with conflict of interests is managed in accordance with established procedures and there is disclosure of information in accordance with legal requirements; the Board gives importance and allocates sufficient time to ensure that the financial statements follow the accounting standards; the Board gives importance and allocates sufficient time to ensure that the Company complies with disclosure requirements and regulations; the Board gives importance and allocates sufficient time to consider, review and oversee compliance with the Company's Corporate Governance Policy/ Business Ethics and Code of Conduct/ Sustainable Development Policy; the Board regularly monitors the progress of the performance of duties of the management team to ensure that actions are in line with policies, objectives and resolutions of the Board of Directors.

- The Board of Directors will be informed of the schedule of meetings in advance throughout a year to facilitate the directors for time allocation; the number/ frequency of meetings is appropriate, helping the Board effectively perform their duties and oversee various matters; the duration of each Board Meeting is appropriate; meeting documents are sent to the directors at least 7 days in advance to allow sufficient time for the directors to study the information and prepare for the meeting; the information in the meeting documents is correct, complete, sufficient and relevant to support decision making in the meeting; duration of the meetings is appropriate, allowing the directors to fully express their views and opinions; an atmosphere during the meetings is not influenced by any individual or party; there is a policy that requires the directors to inform and abstain from participating in the decision-making or attending meetings on matters in which they have a conflict of interest or potential benefit; the directors understand and strictly follow the meeting's regulations, such as quorum requirements, Board resolutions, etc.; the minutes of the Board Meeting is correct, complete, can be used for reference, and is verified for accuracy by the Board of Directors.
- The duties of the Board of Directors, i.e., each director attends the Board Meetings regularly; each director prepares and studies information sufficiently prior to the meeting; each director prioritizes various issues and spends appropriate time on each issue; each director expresses opinions freely, asks challenging questions that are beneficial to the business operations; each director is impartial in considering or making decisions on various matters, and has an open-minded attitude towards different opinions in order to create diverse perspectives without personal conflicts.
- Relationship with the management team, i.e., the Board of Directors does not interfere with the performance of duties of the management team, expressing trust and giving respect and confidence in the performance of duties of the management team.
- Director development, i.e., directors understand their role, duties and responsibilities in accordance with both legal and fiduciary duties; directors have sufficient knowledge and understanding of the Company's business to effectively perform their duties; the Board encourages ongoing training and development of directors to improve their knowledge, skills, and understanding of their responsibilities and to stay abreast of changes in the business environment.

Self-Assessment of Directors on an Individual Basis

- Personal qualifications, i.e., the director has suitable qualifications that are beneficial to governing the business, has knowledge, expertise, experience, age, physical fitness, image, morality and ethics, and credibility. In the event of appointment as a sub-committee member, the director has qualifications, knowledge, and experience that align with the responsibilities of the sub-committee.

- Readiness to perform duties, i.e., the director has sufficient knowledge and understanding of his/ her role, duties and responsibilities (both legal and fiduciary duties); the director has sufficient knowledge and understanding of the business such as the main objectives of the business, nature of the business, main products, stakeholder groups, etc.; the director regularly monitors and keeps abreast of developments and trends within the industry to be aware of any changes that may impact the business.
- Participation in the meeting, i.e., (1.) Before the meeting, the director spends sufficient time to study documents and information before the meeting; (2.) During the meeting, the director regularly provides views and opinions that are constructive, challenging and beneficial for the meeting. The director could vote independently and fairly in the meeting without being influenced by any individual. The director has an open-minded attitude, professionalism, and respect for diverse opinions. The director gives importance to informing and abstaining from attending meetings and voting on matters in which he/ she has a conflict of interest. The director understands and strictly follows the meeting regulations such as quorum requirements, Board resolutions, etc.; and (3.) After the meeting, the director considers the Minutes of the Board Meeting every time to ensure accuracy and correctness of the content and that it can be referenced.
- Role, duties and responsibilities, i.e., the director strictly performs his/ her duties in accordance with the Board of Directors Charter and other relevant regulations; the director appropriately monitors and oversees the management's operations; the director offers constructive suggestions without interfering with the management's work; the director has a strong commitment and dedicates time to perform his/ her duties, and actively participates in important company activities such as shareholders' meetings; the director expresses his/ her determination to continuously develop and learn new things to improve his/ her skills in performing his/ her duties.
- Relationship with the Board of Directors and management, i.e., the director has good relationships with other Board members and has good relationships with management.

Self-evaluation form to assess the performance of the member of the Board of Directors on an individual basis contains 5 scoring choices for each aspect,

- 0 = Definitely do not agree or no activity undertaken in this matter.
- 1 = Do not agree or minimal activity undertaken in the matter.
- 2 = Agree or some degree of activity undertaken in this matter.
- 3 = Agree to a great extent and positive level of activity undertaken in this matter.
- 4 = Definitely agree and excellent degree of activity undertaken in this matter.

Additionally, there is space for Board Directors to make additional comments or to express opinions freely.

Summary of the Performance Self-Evaluation of the Board of Directors as a Group

There was a high degree of agreement and a very good level of activity undertaken, with the achieved overall score of 96%; whereby there was only a good degree of agreement and only a good level of activity undertaken with an achieved overall score of 4%.

Summary of Performance Self-Evaluation of Board Directors on an Individual Basis

There was a high degree of agreement and a very good level of activity undertaken, with the achieved overall average score of 96%; whereby there was only a good degree of agreement or only a good level of activity undertaken with an achieved overall average score of 4%.

8.1.2. Board Members Attendance and Remuneration of Individual Director

1. Board Members Attendance

Names of the Board of Directors and Board Members Attendance for the Year 2022.

Name List	Positions	Board of Directors (8 times)	Non-Executive Directors Meeting (1 time)	Shareholders' Annual General Meeting (1 time)
1. Adj. Pro. Prasobsook Boondech	Independent Director	8/8	1/1	1/1
2. Pol. Gen. Phatcharavat Wongsuwan	Independent Director	8/8	1/1	1/1
3. Mr. Padoong Techasarintr	Independent Director	8/8	1/1	1/1
4. Mr. Pridi Boonyoung	Independent Director	7/8	1/1	1/1
5. Mrs. Nampung Wongsmith	Independent Director	8/8	1/1	1/1
6. Pro. Dr. Kittipong Kittayarak	Independent Director	7/8	1/1	1/1
7. Mr. Soopakij Chearavanont	Chairman	6/8	1/1	1/1
8. Mr. Korsak Chairasmisak*	Vice Chairman	8/8	-	1/1
9. Mr. Suphachai Chearavanont	Vice Chairman	7/8	1/1	1/1
10. Mr. Tanin Buranamanit *	Vice Chairman	7/8	-	1/1
11. Mr. Adirek Sripratak	Director	8/8	1/1	1/1
12. Mr. Umroong Sanphasitvong*	Director	7/8	-	1/1
13. Mr. Narong Chearavanont	Director	8/8	1/1	1/1
14. Mr. Prasert Jarupanich	Director	8/8	1/1	1/1
15. Mr. Pittaya Jearavisitkul*	Director	8/8	-	1/1
16. Mr. Piyawat Titasattavorakul*	Director	8/8	-	1/1

Remark: *Executive Director

2. Remuneration of Individual Director

The Remuneration and Nomination Committee considers payment criteria and forms of director compensation before presenting to the Board of Directors and the shareholders' meeting for approval every year. The remuneration of directors is adjusted to be comparable to other companies in the same industry and appealing enough to attract and retain quality directors.

(1) Cash Remuneration

The 2022 Annual General Meeting of Shareholders dated 22 April 2022 approved the remuneration for directors at the same rate as approved in the Annual General Meeting of Shareholders Year 2021 dated 23 April 2021, which is also the same rate as approved in the Annual General Meeting of Shareholders dated 21 April 2016 as follows:

	Baht/person
1. Independent Director who is the Chairman of the sub-committee	120,000
2. Independent Director who is the member of the sub-committee	100,000
3. Independent Director who is not a member of the sub-committee	80,000
4. Chairman	120,000
5. Vice Chairman	100,000
6. Director	60,000

The Independent Director who is the member of several sub-committees shall receive only the highest rate of only one sub-committee.

In addition, the shareholders' meeting approved the bonus for directors at the rate of 0.50% of the dividend paid to the shareholders. The Chairman of the Board will allocate the appropriate amount of bonus to each director.

Remuneration for Directors from 1 January to 31 December 2022

(Unit: Baht)

Name and Surname	Positions	Remuneration	Bonus	Total
1. Adj. Pro. Prasobsook Boondech	Chairman of Sustainability and Corporate Governance Committee, and Independent Director	1,440,000	2,454,000	3,894,000
2. Pol. Gen. Phatcharavat Wongsuwan	Chairman of Remuneration and Nomination Committee, Sustainability and Corporate Governance Committee, and Independent Director	1,440,000	2,454,000	3,894,000
3. Mr. Padoong Techasarintr	Chairman of Audit Committee, Sustainability and Corporate Governance Committee, Remuneration and Nomination Committee, and Independent Director	1,440,000	2,454,000	3,894,000
4. Mr. Pridi Boonyoung	Audit Committee and Independent Director	1,200,000	2,045,000	3,245,000
5. Mrs. Nampung Wongsmitth	Audit committee and Independent director	1,200,000	2,045,000	3,245,000

Name and Surname	Positions	Remuneration	Bonus	Total
6. Pro. Dr. Kittipong Kittayarak*	Independent Director	960,000	363,000	1,323,000
7. Mr. Soopakij Chearavanont	Chairman	1,440,000	2,454,000	3,894,000
8. Mr. Korsak Chairasmisak	Vice Chairman	1,200,000	2,045,000	3,245,000
9. Mr. Suphachai Chearavanont	Vice Chairman, and Remuneration and Nomination Committee	1,200,000	2,045,000	3,245,000
10. Mr. Tanin Buranamanit	Vice Chairman	1,200,000	1,227,000	2,427,000
11. Mr. Adirek Sripratak	Director	720,000	1,227,000	1,947,000
12. Mr. Umroong Sanphasitvong	Director, and Sustainability and Corporate Governance Committee	720,000	1,227,000	1,947,000
13. Mr. Narong Chearavanont	Director	720,000	1,227,000	1,947,000
14. Mr. Prasert Jarupanich	Director	720,000	1,227,000	1,947,000
15. Mr. Pittaya Jearavisitkul	Director	720,000	1,227,000	1,947,000
16. Mr. Piyawat Titasattavorakul	Director	720,000	1,227,000	1,947,000
Total		17,040,000	26,948,000	43,988,000

*Pro. Dr. Kittipong Kittayarak has been appointed as an Independent Director since 12 October 2021.

In addition, the Company's Audit Committee received remuneration of Baht 38,000 from a subsidiary company (Panyapiwat Institute of Management) for being their Audit Committee in 2022.

Remuneration for Directors of Subsidiaries' Company (Siam Makro Public Co., Ltd.) from January 1 to December 31, 2022

(Unit: Baht)

Name and Surname	Positions	Remuneration	Bonus	Total
1. Mr. Supachai Chearavanont	Chairman	1,860,000	2,445,000	4,315,000
2. Adj. Pro. Prasobsook Boondech ⁽¹⁾	Independent director / Chairman of the Nomination and Remuneration Committee	1,322,333	1,663,100	2,985,433
3. Mr. Korsak Chairasmisak	First Vice Chairman/ Member of the Nomination and Remuneration Committee	1,260,000	1,663,100	2,923,100
4. Mr. Tanin Buranamanit ⁽²⁾	Second Vice Chairman	836,667	-	836,667
5. Mr. Umroong Sanphasitvong	Director and Member of the Corporate Governance Committee	1,260,000	1,663,100	2,923,100
6. Mr. Adirek Sripratak	Director	1,200,000	1,583,900	2,783,900
7. Mr. Narong Chearavanont	Director	1,200,000	1,583,900	2,783,900

	Name and Surname	Positions	Remuneration	Bonus	Total
8.	Mr. Prasert Jarupanich	Director	1,200,000	1,583,900	2,783,900
9.	Mr. Pittaya Jearavisitkul	Director	1,200,000	1,583,900	2,783,900
10.	Mr. Piyawat Titasattavorakul	Director	1,200,000	1,583,900	2,783,900

Remark: (1) There was remuneration adjustment for Adj. Pro. Prasobsook Boondech after the appointment to be the Chairman of the Nomination and Remuneration Committee on 5 July 2022.

(2) Mr. Tanin Buranamanit has been appointed as a director on 20 April 2022.

(2) Other Remuneration

The Company has USD 40 Million of the Directors' and Officer's Liabilities Insurance, which the premium is approximately THB 2.7 Million per year.

8.1.3. Corporate Governance of Subsidiary Companies and Associated Companies

The Company's Board of Directors has determined that an associated mechanism and operating framework be established for the corporate governance of the policies and operations of Subsidiary Companies, Associated Companies and other businesses in which the Company has made joint investments, both of are to be significant in natural manner and at an appropriate level. This is to achieve positive oversight and to protect the overall interests of the Company's financial investments through:

1. Assigning persons as representatives of the Company to be Board Directors, senior Management or a party with controlling power over the various abovementioned types of companies. This will be based on the percentage shareholding held by the Company and with the concurrence of the Executive Committee as defined in Charter of the Company's Board of Directors.
2. Determining the scope of authority, duties and responsibility of the Directors or senior Management member who have be assigned to be representatives of the Company in accordance with and as defined by the operating handbook of those respective Subsidiary Companies etc. with regards to the separation of power and authority.
3. Establishing various operating mechanisms to oversee the required disclosures of information relating to the financial status and operating performance results of these organizations, the related transactions with connected parties, the acquisition or disposal of assets, or any other important transactions undertaken by these companies. This is so that these transactions are undertaken in a correct and comprehensive manner, based on the same principles of information disclosures of the Company that are to be made through a central unit involving the finance and accounting, and legal departments as well as the office of the Company Secretary, so as to enable using the relevant information in preparing the financial statements of the Company in accordance with the established standards and required time frame. Additionally, the Regulations of the Subsidiary also specify the procedures in undertaking any inter-related transactions together with the acquisition and disposal of assets, and that these transactions must be undertaken in accordance with the applicable laws on securities.
4. Further, appropriate internal controls system have been established that are adequate and comprehensive with various transactions undertaken in accordance with the applicable laws and including with the Handbook in the Separation of Operating Power and Authority; whereby these internal controls system have been reviewed and tested by the Internal Audit Unit of the Company/ Group.

8.1.4. Monitoring to Ensure Compliance with Corporate Governance Policy and Guidelines on Good Corporate Governance

The Company gives importance to the corporate governance. Thus, it has included in the Company's Policy on Corporate Governance, the Handbook on Business Ethics and Code of Business Conducts as well as training, testing, communication and organizing various activities to encourage action to build confidence among all stakeholders.

In 2022, the Company monitors to ensure compliance with corporate governance covers 1) human rights and labor practice 2) leadership and human capital development 3) stakeholders engagement 4) anti-corruption 5) social impact, health and well-being 6) education 7) innovation management 8) occupational safety, health and environment 9) climate change management 10) water stewardship 11) ecosystem and biodiversity protection 12) responsible supply chain management 13) local conflict management and community acceptance. Thus, it shown that the Company has fully complied with the framework and objectives of each issue.

In addition, the Company monitors to ensure compliance with corporate governance in other 4 issues as follows:

(1) Preventing Conflict of Interest

The Board of Directors of the Company has the duty and responsibilities to oversee and manage any conflict of interest transactions that may occur between the Company and Management, the Board of Directors, or Shareholders and the taking advantage of the Company by gaining benefits from making use of the assets, information and business opportunities of the Company in an improper manner, together with the undertaking any business transactions with those with a relationship with the Company in an improper manner. As such, the Company has established a clear policy on undertaking transactions that may cause a conflict of interest, whereby these must be undertaken for the overall maximum benefits of the Company and the Shareholders, through considering all such transactions in a careful manner by having to be reviewed and concurred by the Audit Committee and then being proposed for approval by the Board of Directors of the Company. Further, those Directors with a vested interest must not participate in the consideration and approval process. And after being approved, the Board resolution for the related transactions are to be reported to SET for disseminating the relevant information to the Shareholders within the same day as the Board resolution to approve is made or at the latest by 09:00 hours of the following working day, so that Shareholders are informed in an accurate, fast and timely manner.

Additionally, the Board of Directors considers it to be an important duty and responsibility to prevent any activities that may cause situations of conflict of interest from occurring; whereby Board Directors, Executives/ Management, and Staff together with their families and close relatives or friends must not undertake any transactions that will result in a conflict of interest with the Company, whether directly or indirectly as well as whether it is undertaken by the person alone or jointly with family members or close relatives and friends. Thus, in order to avoid any inappropriateness that may result; whereby these actions have been undertaken.

- Establishing a system to protect and keep safe information; as well as established policies on together with operating procedures for maintaining the confidentiality of the information, maintaining the credibility of and the preparedness to use the information. The policies and associate operating procedures are for strict adherence by Board Directors, Executives and Staff as well as by those other involved persons or business units, in order to prevent the use of such information to gain benefits through trading in the shares of the Company in an improper manner
- Requiring Board Directors and Executives of the Company and of the Subsidiary Companies to submit a report every year of their vested interests, as well as to update these reports every time there are

any changes; whereby the report is kept by the Company Secretary. Additionally, copies of the report are also to be submitted to the Chairman of the Board and the Chairman of the Audit Committee. This ‘vested interests’ report also includes information on the vested interest of and relationships with their immediate family members and close associates that may also result in situations of conflict of interest. However, in the event that a related business transaction must be undertaken, it must be done in a fully transparent and equitable manner as if undertaking a transaction with an external third-party, as well as must be to the maximum benefits of the Company. Further, those Board Directors and Management members with a vested interest must not participate in the discussions, consideration and approval process.

- The Company has established the policy and guidelines on conflict of interest so that directors, executives, and employees have guidelines to follow in performing their duties with honesty and transparency, not seeking personal benefits and/ or benefits for related persons, and preventing possible conflict of interests with the Company. The Company has set the roles and responsibilities of the Board of Directors, executives, responsible units, and employees as well as operating guidelines. Furthermore, the Company has given examples of situations that may cause conflict of interests to ensure clear understanding.
- Providing knowledge and understanding to the management and employees at all levels regarding the meaning of conflicts of interests in online media, including arranging a test of understanding, and require all management and employees to declare themselves through electronic platform in case of suspected of conflicts of interests.
- Approving the agreements for business transactions that contain normal terms and conditions for use by Management in undertaking related transactions between the Company or Subsidiary Companies and Board Directors, Executives and other related parties, in the event that such related transactions are based on business transactions terms and conditions similar in nature to those agreements in general situations that reasonable persons might use with their co-parties for which the negotiations do not involve one party exerting under influence in the position as an involved Board Director, Executive or a co-party to the business agreement. Additionally, the Company is required to prepare a summary report of all related transactions every Quarter for submitting to the Board of Directors, which must be reviewed by the Audit Committee.

In 2022, the Company had no related party transaction. There were only transactions between the Company and its subsidiaries with related persons with general business negotiation that the management is authorized to enter into under the criteria set by the Board of Directors.

(2) The Misuse of Inside Confidential Information for Personal Gain

The Company gives importance to the misuse of inside confidential information for personal gain. Thus, it has included in the Company’s Policy on Corporate Governance as well as in the Handbook on Business Ethics and Code of Business Conducts that it is prohibited to make use of confidential information that is known to them and that may be for the purpose of gaining personal benefits prior to such confidential information is disclosed to the general public. As such, a policy has been established the Policy on Protecting the Misuse of Inside Confidential Information together with associated operating guidelines on the buying and selling

of the shares of the Company for use by Board Directors, Executives and employees. This is aimed to be measured to prevent the misuse of inside confidential information (or insider trading) by any involved parties, such as Board Directors, Executives and employees working in the Business Units that deal with confidential Company information, and includes those share of the Company owned by their spouses as well as children and adopted children who are not yet of legal age, as follows:

- Whenever there is any trading (acquisition or disposal) of securities of the Company by directors and executives of the Company, they are required to file a report at least one (1) business day prior to the actual trading of such securities are made, through using the Pre-59 Form “Advance Notice of Trading of the Securities of the Company”, to the Company Secretary who will keep the Pre-59 Form on file and will make a summary report of all the reported planned trading to the Board of Directors on an annual basis. Thereafter, once the actual trading of the securities of the Company is completed, then a report on the changes in securities holding, Form 59, must be submitted electronically to the SEC within 3 business days after the actual trade has been made; whereby the SEC will disclose this information on the changes in securities holding on its website. This will enable investors to monitor such changes in securities holding by the said persons who are in the position or situation that might have access to inside information of the Company and might make use of such information for their own personal benefit prior to the information being disclosed to the general public.
- Directors, executives and employees who have access to or possess internal information shall receive detailed information and knowledge on the definition of internal information, prohibitions on the use of internal information for their own and others’ benefit, and penalties for violations. They shall also be notified to refrain from conducting transactions on the purchase or sale of the Company’s securities prior to the official announcement of the Company’s financial statements. The Company has compiled a list of names of such persons who are able to access to or have in their possession any confidential inside information (Insider List); namely Board Directors, Executives and employees or other people, who may have the opportunity to gain access to such confidential information and then seek to gain personal benefits from such information in an improper manner prior to the information is disclosed to the general public. As such, all these persons are prohibited from trading any shares of the Company during the “Blackout period”, the period of having access to or possessing inside confidential information or other sensitive information that may affect the share price, as well as for a period of 30 days prior to the disclosure of financial information to SET and general public and for 1 day after the disclosure. The Company Secretary will send an email 1 week in advance every time to remind and warn such persons of the prohibited period for trading the shares of the Company as stated above.
- It is prohibited to make improper use of inside confidential information that have not yet been disclosed to the general public or to SET for the sake of gaining personal benefit or for the benefit of any other involved parties, which is considered to be a means of taking unfair advantage of other Shareholders
- Reports are required to be submitted every Quarter regarding the ownership of any shares of the Company by the Board Directors, and by their spouses, as well as children and adopted children who are not yet of legal age.

As such, during 2022, there was no incidents relating to any breach of inside information on the part of Board Directors, Executive Directors, high-level Executives and employees of the Company.

Shareholdings of the Company by Directors as at December 31, 2022

Name	2022		2021	Increase/ Decrease (Shares)
	% to paid-up 8,983,101,348	No. of share (Shares)	No. of share (Shares)	
Adjunct Professor Prasobsook Boondech	-	-	-	-
Spouse and minor child	-	-	-	-
Police General Phatcharavat Wongsuwan	-	-	-	-
Spouse and minor child	-	-	-	-
Mr. Padoong Techasarintr	0.00011	9,824	9,824	0
Spouse and minor child	-	-	-	-
Mr. Pridi Boonyoung	0.00759	681,478	681,478	0
Spouse and minor child	-	-	-	-
Mrs. Nampung Wongsmith	-	-	-	-
Spouse and minor child	-	-	-	-
Prof. Dr. Kittipong Kittayarak				
Spouse and minor child				
Mr. Soopakij Chearavanont	0.00248	222,396	222,396	0
Spouse and minor child	-	-	-	-
Mr. Korsak Chairasmisak	0.10094	9,067,580	9,067,580	0
Spouse and minor child	-	-	-	-
Mr. Suphachai Chearavanont	-	-	-	-
Spouse and minor child	0.00027	24,000	24,000	0
Mr. Tanin Buranamanit	0.00576	517,366	517,366	0
Spouse and minor child	-	-	-	-
Mr. Adirek Sripratak	-	-	-	-
Spouse and minor child	-	-	-	-
Mr. Umroong Sanphasitvong	-	-	-	-
Spouse and minor child	-	-	-	-
Mr. Narong Chearavanont	0.00339	304,802	304,802	0
Spouse and minor child	-	-	-	-
Mr. Prasert Jarupanich	-	-	-	-
Spouse and minor child	-	-	-	-

Name		2022		2021	Increase/ Decrease (Shares)
		% to paid-up 8,983,101,348	No. of share (Shares)	No. of share (Shares)	
Mr. Pittaya	Jearavisitkul	0.02189	1,966,209	1,966,209	0
Spouse and minor child		-	-	-	-
Mr. Piyawat	Titasattavorakul	0.00102	91,256	91,256	0
Spouse and minor child		0.00002	2,000	2,000	-
Total Shareholding by Directors		0.14346	12,886,911	12,886,911	0

Shareholdings of the Company by Managements as at December 31, 2022

Name		2022		2021	Increase/ Decrease (Shares)
		% to paid-up 8,983,101,348	no. of share (shares)	no. of share (shares)	
Mr. Yuthasak	Poomsurakul	0.00167	150,348	150,348	0
Spouse and minor child		-	-	-	-
Mr. Wisade	Wisidwinyoo	0.00066	59,055	59,055	0
Spouse and minor child		0.00256	230,000	230,000	0
Mr. Vichien	Chuengviroj	0.00044	39,236	39,236	0
Spouse and minor child		-	-	-	-
Mr. Vichai	Janjariyakun	0.00183	164,491	164,491	0
Spouse and minor child		0.00002	1,600	1,600	0
Mr. Taweesak	Kaewrathtanapattama	0.00118	105,679	105,679	0
Spouse and minor child		0.00537	482,103	482,103	0
Ms. Lawan	Tienghongsakul	0.00371	333,183	333,183	0
Spouse and minor child		0.00004	3,500	3,500	0
Mr. Kriengchai	Boonpoapichart	0.00384	345,078	345,078	0
Spouse and minor child		-	-	-	-
Mrs. Nipaporn	Ackarapolpanich	0.00038	34,562	34,562	0
Spouse and minor child		-	-	-	-
Mr. Thupthep	Jiraadisawong	0.00050	45,171	45,171	0
Spouse and minor child		-	-	-	-
Mr. Wiwat	Pongritsakda	0.00037	33,223	33,223	0
Spouse and minor child		-	-	-	-

Name	2022		2021	Increase/ Decrease (Shares)
	% to paid-up 8,983,101,348	no. of share (shares)	no. of share (shares)	
Mrs. Phaphatsorn Thanasorn	0.00127	114,277	114,277	0
Spouse and minor child	-	-	-	-
Mr. Ronnakitt Pojamarnpornchai	0.00119	106,831	103,831	3,000
Spouse and minor child	0.00043	39,067	37,867	1,200
Total Shareholding by Management	0.02546	2,287,404	2,283,204	4,200
Total Shareholding by Directors and Management	0.16892	15,174,315	15,170,115	4,200

(3) Anti-corruption

The Company's Board of Directors is aware of and emphasizes good corporate governance, conducting business with fairness, transparency and responsibility to all stakeholders, which will lead to sustainable business growth by providing support to the Company in joining the declaration of intent and consequently, the Company became a certified member of 3-year membership of the Collective Action Coalition Against Corruption (CAC) in 2017. On June 30, 2020, the Company received the first renewed certification of Thailand's Private Sector Collective Action Coalition Against Corruption with another 3-year term. The Company is also a member of the United Nations Global Compact (UNGC). The Board of Directors approved the resolution of the Anti-corruption Policy and practices on Anti-Corruption including No Gift Policy, Entertainment Expenses, Sponsorship and Donation. The Company has regulated that all directors, executives and employees must comply with the Anti-Corruption Measure, by having no direct nor indirect involvement in any corruption matters. They shall not be indifferent nor ignore any corruption cases arisen in the Company. In addition, the Company does not tolerate or overlook corruption related to the Company, regularly audits compliance with the Anti-Corruption Policy, reviews related practices to comply with changes in the business, regulations, laws and requirements, and provides knowledge and understanding of Anti-Corruption Measure. The Company disseminates information on anti-corruption through various communication channels and conducts orientation for new employees on the policy and practices. Every year, the Company provides training and tests the knowledge and understanding of all employees at every level to ensure that they can implement the policy correctly. If an employee violates the policy and practices, they will be subject to disciplinary action in accordance with the Company's regulations.

The Company truly believes that sustainable success is based on responsible business operations throughout the supply chain, such as respect for human rights, good corporate governance, and caring for the environment. Thus, the Company has formulated the Supplier Code of Conduct and Guideline that is in line with the principles of the UN Global Compact and related laws and regulations, as a guide for business partners to conduct business together responsibly in the supply chain. The Company organizes seminars for business partners to expand the clean business network in combating corruption to the Company's partners and encourages participation in the CAC SMEs Certification Program. In 2022, 36 SMEs joined the program and submitted ratification documents to the Collective Action Coalition Against Corruption (CAC) and the Thai Institute of Directors (IOD). Following such success, the Company received the CAC Change Agent Awards 2022 from the CAC for the second year in the row as its commitment in transparency and encouraging SMEs suppliers to participate in the Thai business sector's efforts to combat corruption.

The Company's Implementation in Accordance with Preventive Anti-Corruption Policy

The Company has stipulated anti-corruption policy and practices for the management and employees to strictly uphold. Roles and responsibilities of the Risk Management Department have been defined as follows:

1. Coordinate and give recommendations on work process and other matters related to anti-corruption.
 2. Give advices to the executives on assessing anti-corruption risks and collect such risk outcomes to further develop the corporate anti-corruption risk documents.
 3. Present data on the occurrence of corruption-related risks at the corporate level or when new emerging risks have arisen.
 4. Assign each department to gain sufficient prevention and management against corruption risks as well as to acknowledge significant corruption risk events in order to efficiently handle a situation.
- In 2022, the Company implemented projects to enhance the management of corruption risks, namely, "Mister & Miss Good Governance: Empowering New Generation Leaders with Good Governance Hearts" Project, "CP ALL Joining to Fight Corruption with Government Networks" Project; the project to evaluate the effectiveness of internal controls to prevent risks; and the project to improve surveillance through CCTV to reduce the risk of corruption.

The Company has provided the executives and employees with training to emphasize and cultivate the awareness of corruption-prone actions. Indicator analysis and corruption risk assessment have been conducted on a regular basis. The corruption risk, as one of the mandatory risks, must be assessed and monitored by every business unit in the Group to quarterly review the control measures to keep up with the change. With the following;

1. The Risk Management Department has monitored and summarized the Company's revision of corporate risk management. The Department also coordinates with the Internal Audit Office to review and evaluate the risk management outcomes as practice guidelines for employees in preventing corruption from occurring.
2. The Internal Audit Office serves as an inspector to monitor good corporate governance practices and compliance with business ethics and the Anti-Corruption Policy. When the inspection is finished, the result will be sent to the inspected department every time. In 2022, the Company expanded its training program on anti-corruption to operational level employees and developed and improved the content on good corporate governance and anti-corruption, which is now a standardized course available through the Company's E-learning system. Online training and testing are provided annually to employees at all levels to enhance their knowledge, understanding, and ability to apply the knowledge correctly.

(4) Whistleblowing

Besides fraud prevention measures that can help reduce the opportunity for corruption, the Company has established fraud detection measures to detect and report potential fraud cases in a timely manner. The Company has established communication channels for stakeholders and related parties including directors, executives and employees to report their concerns or suspicions of fraud or cases of unfair treatment (whistleblowing). The Company has given importance to protecting the anonymity of the whistleblower and confidentiality of the complaint to protect the whistleblower against any impacts from whistleblowing. Only authorized persons

and related persons are privy to the reporting. Complaints, suspicious fraudulent activities, unethical behavior, illegal acts or inappropriate acts of directors, executives or employees of the Company and its subsidiaries, the Company will investigate any fraudulent cases, punish the wrongdoer, and determine corrective procedures to ensure that the case will not occur again.

1. By Email, Please Send to any of the Following Parties:
 - Audit Committee : AuditCommittee@cpall.co.th
 - Sustainability and Corporate Governance Committee : CGcommittee@cpall.co.th
 - Board of Directors : BOD@cpall.co.th
2. By Postal Mail, Please Send to
The Internal Audit Office of CP ALL Public Company Limited
119, 16th Floor, Tara Sathorn, Soi Sathorn 5, South Sathorn Rd.,
Thung Mahamaek, Sathorn, Bangkok 10120
3. Company's Call Center
Telephone : 02-071-2770 and 02-826-7744
Fax : 02-071-8623
4. Company's Online Channel
 - Website: www.cpall.co.th/whistleblowing
 - Website: www.facebook.com/CPALL7 (Inbox)
5. By CP ALL Connect Application>Portal>Whistleblowing (Internal Use Only)

8.2 Report of Audit Committee during the past year

8.2.1. Number of Audit Committee Meetings

During 2022, the Audit Committee held a total of 12 meetings, with the Members attending every meeting as follows:

Name		Position	Number of Attendance
1. Mr. Padoong	Techasarintr*	Chairman, Audit Committee	12
2. Mr. Pridi	Boonyoung*	Member of Audit Committee	12
3. Mrs. Nampung	Wongsmith*	Member of Audit Committee	12

* Independent Director

8.2.2. Report of Audit Committee

(Shown in Attachment 6 Report of the Audit Committee)

8.3 Report of Other Sub-Committees

8.3.1. Number of Sub-Committee Meetings

Sustainability and Corporate Governance Committee

During 2022, the Sustainability and Corporate Governance Committee held 4 meetings, with the Members attending every meeting, as shown below.

Name	Position	Number of Attendance
1. Adj. Prof. Prasobsook Boondech*	Chairman, Sustainability and Corporate Governance Committee	4
2. Pol. Gen. Phatcharavat Wongsuwan*	Member of Sustainability and Corporate Governance Committee	4
3. Mr. Padoong Techasarintr*	Member of Sustainability and Corporate Governance Committee	4
4. Mr. Umroong Sanphasitvong	Member of Sustainability and Corporate Governance Committee	4

* Independent Director

Remuneration and Nomination Committee

During 2022, the Remuneration and Nomination Committee held 3 meetings, with the Members attending every meeting, as shown below.

Name	Position	Number of Attendance
1. Pol. Gen. Phatcharavat Wongsuwan*	Chairman of Remuneration and Nomination Committee	3
2. Mr. Padoong Techasarintr*	Member of Remuneration and Nomination Committee	3
3. Mr. Suphachai Chearavanont	Member of Remuneration and Nomination Committee	3

* Independent Director

Executive Committee

During 2022, the Executive Committee held 12 meetings, as shown below.

Name	Position	Number of Attendance
1. Mr. Korsak Chairasmisak	Chairman of Executive Committee	12
2. Mr. Pittaya Jearavisitkul	Vice Chairman of Executive Committee	12
3. Mr. Piyawat Titasattavorakul	Vice Chairman of Executive Committee	12
4. Mr. Tanin Buranamanit	Vice Chairman of Executive Committee	12
5. Mr. Umroong Sanphasitvong	Member of Executive Committee	9
6. Mr. Yuthasak Poomsurakul	Member of Executive Committee	11

Name		Position	Number of Attendance
7. Mr. Wisade	Wisidwinyoo	Member of Executive Committee	11
8. Mr. Taweesak	Kaewrathtanapattama	Member of Executive Committee	10
9. Mr. Vichien	Chuengviroj	Member of Executive Committee	12
10. Ms. Lawan	Tienghongsakul	Member of Executive Committee	12

Risk Committee

During 2022, the Risk Committee held 2 meetings, as shown below.

Name		Position	Number of Attendance
1. Mr. Korsak	Chairasmisak	Chairman of Risk Committee	2
2. Mr. Pittaya	Jearavisitkul	Vice Chairman of Risk Committee	2
3. Mr. Piyawat	Titasattavorakul	Vice Chairman of Risk Committee	2
4. Mr. Tanin	Buranamanit	Vice Chairman of Risk Committee	2
5. Mr. Umroong	Sanphasitvong	Member of Risk Committee	2
6. Mr. Yuthasak	Poomsurakul	Member of Risk Committee	2
7. Mr. Wisade	Wisidwinyoo	Member of Risk Committee	2
8. Mr. Taweesak	Kaewrathtanapattama	Member of Risk Committee	1
9. Mr. Vichien	Chuengviroj	Member of Risk Committee	2
10. Ms. Lawan	Tienghongsakul	Member of Risk Committee	2

8.3.2. Report of other Sub-committee

- Sustainability and Corporate Governance Committee
(Shown in report of the Sustainability and Corporate Governance Committee).
- Remuneration and Nomination Committee
(Shown in the report of Remuneration and Nomination Committee).
- Executive Committee
(Shown in the report of Executive Committee).
- Risk Committee
(Shown in the report of Risk Committee).

Internal Control and Related Transactions



9. Internal Control and Related Transactions

9.1 Internal Control

The Company has a strategy to promote growth, sustainable streams of revenue and innovate new products and services that add value for customers and society which is implemented through work processes that emphasize quality and flexibility. In addition, the Company develops technologies and quality innovations in accordance with a corporate governance framework that reflects the principles of good governance and risk management. The Company also has an efficient and effective internal control system, as well as reliable communications technologies, which enable it to conduct transparent and accountable business operations, and reduce or prevent any potential damages. All of these measures help to ensure that the Company's shareholders and stakeholders are confident in its internal controls.

The Board of Directors has appointed an Audit Committee comprised of 3 independent directors, all of whom possess the full qualifications as required by the Notification of the Capital Market Supervisory Board and the Notification of the Stock Exchange of Thailand. The Committee assumes the responsibility of reviewing the Company's financial reports to ensure accuracy and reliability; and reviewing connected transactions or transactions that may lead to conflicts of interest, to ensure that they are reasonable and of the highest benefit to the business. Moreover, the Committee reviews the adequacy of the Company's risk management system and corporate governance in accordance with the Securities and Exchange Act and all other relevant laws, including review the compliance with the Anti-Corruption Policy and guidelines related to the policy. In turn, the Internal Audit Office is responsible for assessing the appropriateness, adequacy, and effectiveness of the Company's overall internal control system in compliance with various laws and regulations, as well as for overseeing the Company's assets and the efficient use of its resources.

The Company has instilled its employees at all levels the awareness of good risk management and internal controls. It has put in place self-auditing processes to prevent risks in a flexible manner and ensure that all units comply with principles of good corporate governance according to the internal control framework of the Committee of Sponsoring Organizations of Treadway Commission (COSO), as follows:

1. Control Environment

The Company promotes a good internal control environment by establishing an ongoing policy on good corporate governance and ethics in conducting business, which executives and employees at all levels must be aware of and sign. There are regular communications to inform employees about such policies as well as a CG Quiz, an exam on these policies, once annually. This exam helps to ensure that all personnel understand and realizes the importance of conducting themselves properly under the framework of good governance. In addition, a cognitive assessment test was conducted in line with guidelines for the security of the Company's insider information and communicated to executives and employees at all levels via e-mail and website under Personal Data Protection Act (PDPA). Cyber Security Awareness policy is communicated to create cyber security awareness to ensure that employees at all levels understand and realize about the importance of preventing the use of insider information along with being able to conduct themselves correctly under the policy. The organizational structure has been set to correspond with the business plan and is regularly adjusted to be appropriate with operations. The lines of command are divided according to different fields corresponding to operation strategies and corporate governance. This ensures that management and employee performance is

effective and can be clearly monitored, inspected and evaluated. In addition, the Company recognizes the importance of continuous human resource development and provides trainings in order to enhance knowledge and skills required for the assigned task. Furthermore, the succession plan is established in order to ensure business continuity.

2. Risk Assessment

The Company has set up a good risk management system throughout the organization. The Risk Management Committee is responsible for establishing the policy framework in order to managing the risks that impact the Company's business objectives, comprising of corporate risk management, operational risk management as well as communicating to employee. Risk Champion is assigned in each unit in order to give advice and support risk assessment within their own unit. Every unit assesses risk factors in various areas, impacts, possibility of occurrence, and risk management plan in line with changes in internal and external risks including corruption risk. Monitoring and action plan are employed to manage risk consistently. Key Risk Indicator (KRI) is also set as a warning tool. Consequently, each unit also determines clear measures to manage risks at acceptable levels; as well as manages existing risks promptly and effectively. The Company has established a Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP) to prepare for risks and crises which may occur to ensure that the Company's major operations will have continuity and not be halted. The work performed by the Risk Management Committee is reported to the Audit Committee and the Board of Directors every 6 months. The Internal Audit Office also monitors whether various units have followed the risk management measures in order to ensure that the Company's risks are at acceptable and manageable levels.

3. Control Activities

The Company has clear and appropriate control activities to risk and business types. Also, the company has reviewed operation to be as regulations. The Business Ethics and Code of Conduct and the Company's corporate governance policy provide in written guidelines for performance of duties. Employee performances are evaluated by Key Performance Indicators or KPIs, which are tools for planning, control, monitoring and tracking with a guide to business ethics and recommendations in work practice. All employees are made aware of the Code of Conduct since the orientation for new employees. The Company has clearly defined the duties and responsibilities of various work functions. Correctness can be cross-checked to reduce risks in corruption or inappropriate actions. The authority and approval limit of various types of transactions of executives are clearly written in the "Authority Handbook". Furthermore, the IT system classifies the roles as well as control and access to information at various levels. The IT system has set access codes and an information database which can be later retrieved for verification. The policy regarding information security and information system has been announced and disseminated among employees at all levels to be aware of and strictly comply with information security. Procedures regarding connected transactions and the transactions that may lead to conflicts of interest are clearly stated to ensure transparency and the greatest benefits of the Company. The Internal Audit Office regularly reviews the adequacy and appropriateness of the control system, with the audit plan also covering important work processes.

4. Information and Communication

The Company recognizes the significance of information systems and communication. There are both internal and external communication channels to ensure that the decision-making of the Company's shareholders,

stakeholders, directors, and executives are based on information that is correct, adequate, reliable and up-to-date. Important and general information is disclosed in the 56-1 One Report Annual Report through the Company's website www.cpall.co.th and the Stock Exchange of Thailand. The Company's has the disclosure policy and guidelines on disclosure of insider information. The Company's policies, regulations, announcements and important news are clearly communicated to all employees via various channels. In addition, safe compliant communication channel is available, which the complaint's investigation guidelines are clearly established and will take action in a timely manner. Complaints can be filed through company's website or direct to Audit Committee at AuditCommittee@cpall.co.th or other channels as stated in the Annual Report under Anti-Corruption Policy in the Corporate Governance Section. With regards to the Board of Directors Meeting, the Company will send the invitation to the meeting, agenda, and related meeting documents which provide important, necessary, and adequate information to make a decision in advance within the regulated time period so that directors have sufficient time to consider the information before attending the meeting. Meantime, the Company secretary is assigned to be a coordinator between the Company and Board of Directors, as well as convene the Board of Directors meeting without the Company's executives. The minutes of the Board of Directors Meeting is prepared for every meeting, recording the inquiries of directors and the opinions or observations of directors for each agenda item.

The Company has a clear policy on information governance and data security that covers issues such as confidentiality, integrity, and availability. Additionally, there are guidelines for information classification labeling and handling by applying international principles to manage cyber security (NIST Cybersecurity Framework) and certified by international standards ISO 27001, ISO27701. The Company has appointed Chief Security Officer/Data Protection Officer responsible in cybersecurity governance. The IT TASK GROUP working group has also been appointed to supervise the use of information systems and ensure safety and efficiency with regards to business practices. There is also a Cyber Security Operation team working to protect, detect, and respond to ensure that the cybersecurity system is operating and alerting as it should. There are trainings to educate employees at all levels continuously and test how to handle cyberattacks with phishing mail techniques four times a year, as well as rehearsing plans to respond to cyber crises for senior executives two times a year. By rehearsing as if the actual event occurred according to the plan to know the response in each step, decision and process so that any further issues can be rectified in a timely manner.

5. Monitoring

The Company's monitoring and evaluation process is designed to assess the adequacy of its internal control system. The Internal Audit Office, which is independent from management, assumes the role of validating the system, providing recommendations, auditing and reviewing the compliance of the Company's internal control, risk management, and corporate governance systems, the Code of Business Ethics and anti-corruption measures, in accordance with its audit plan. Additionally, the Office is responsible for following up with audited departments to make sure that all issues and recommendations are fully resolved, following which the Audit Committee will present the audit results to the Board of Directors on a quarterly basis. Finally, the Committee will also meet with external auditors to evaluate the adequacy and effectiveness of the Company's internal control system.

In 2022, the Audit Committee has established that there are no significant flaws in the Company's internal control system; it is adequate and appropriate to enable effective monitoring and control of Company operations. The internal control system is assessed as capable of protecting the assets of the Company and its subsidiaries from being used by directors or executives inappropriately or without authority. Previously, the Company has also had no flaws detected in its internal control system.

Internal Audit

The Audit Committee ensures that its operations are independent, fair, ethical, and in line with the professional standards of internal auditing, in accordance with the charter of the Audit Committee and the Audit Office which defines the mission, scope of work, authority, and responsibilities as well as clear guidelines for conducting audits. This charter is reviewed annually. The appointment, removal, and transfer of any persons holding the position as the head of internal audit must be approved by the Audit Committee.

The Internal Audit office has a risk-based Internal Audit plan that emphasizes the creation of various preventive work systems to optimize the Company efficiency and maintain the Company value. This plan helps to raise the quality of assurances and advice given and can be summarized as follows:

1. The Internal Audit Office has developed its processes to ensure sustainable and continuous added value by bringing technology into the auditing process. It is using data analytics to inspect its business operations for any irregularities. This makes audit planning more effective; the results of the analysis can be used to create a preventive work system or reduce risks. The audit office has also integrated the use of Robotics Process Automation (RPA) to help in repetitive work inspections to save time in inspection work.
2. The Internal Audit Office recognizes the importance of the Company's plans on digital transformation. Thus, its information technology system auditors are vigilant about verifying the Company's compliance with IT policies, maintaining information technology security, and processing of operational data in critical systems. Such secure systems ensure that users can access the system correctly. In addition, the Internal Audit Office aims to have an integrated auditing process; this means they set up an operational audit team and an information system audit team to conduct joint audits to improve work processes and pre-empt any abnormalities that may occur.
3. The Internal Audit Office pushes for good internal control guidelines in accordance with the "Three Lines of Defense" guidelines. They communicate these guidelines to supervisors and operators so that they can comprehensively understand their roles and responsibilities and apply them in self-audits to create sustainable and continuous added value for the Company.
4. The Internal Audit Office is responsible for auditing, evaluating, and giving advice to first line operators and their supporting units (second line) to assure the Board of Directors and the Audit Committee that the supervision of risk management and internal controls are effective.
5. The Internal Audit Office attaches great importance to the development of professional auditors fully equipped with business knowledge. To develop such personnel, they:
 - 1) Representatives of each business are invited to provide knowledge so that auditors can assess risks and the information in audit planning. The meetings provide for an interesting exchange of knowledge and yields significant findings.
 - 2) The Internal Audit Office encourages auditors to adapt to the digital era by giving presentations about how to apply technology in auditing processes and use tools to analyze data and monitor abnormalities in a speedy manner.
 - 3) The Internal Audit Office promotes the development of their auditors by holding training in audit knowledge

9.2 Related Transaction

In 2022, the Company and its subsidiaries did transactions with related parties which these transactions have prices and returns that are commercial in the same way that a person of ordinary prudence would act with a general counterparty in the same situation. The Company possessed bargaining power without influence as directors, executives or related persons under reasonable conditions that can be examined and do not cause a transfer of benefits. The Company shall normally proceed a related transaction under the principles approved by the Board of Directors, as well as prepare a summary report to be reported to the Board of Directors every quarter. Meantime, details are provided in Note of the Company's financial statements for the year ended December 31, 2022 which as audited by the Company's auditor, the disclosure of aforementioned also provided in 56-1 One Report/ Annual Report. The Audit Committee has reviewed that all transactions in FY2022 were reasonable and transparent and complied with the rules and regulations under the Notification of the Stock Exchange of Thailand regarding Related Transactions of a Listed Company.

Procedures for the Approval of Related Transactions

In the case of transactions for the purchase and sale of goods and services under the ordinary course of business, the Company has procedures to protect investors and prevent the transfer of interests. The Internal Audit Unit reviews the necessity of inter-company transactions and ensures that the prices of the transactions for goods and services are at the prevailing market rates. The Internal Audit Unit provides reports of related transactions to the Audit Committee every month and the Audit Committee further reports to the Board of Directors every quarter.

In reference to transactions with possible conflicts of interests or related transactions, the Audit Committee will review and ensure that transactions comply with the regulations of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, 2003 and the notification of the Capital Market Supervisory Board No. TorChor. 21/2008 Re: Rules on Connected Transactions. The Audit committee will comply with the Securities and Securities Exchange laws, regulations and announcement from the Stock Exchange of Thailand, as well as the disclosure rule of the connected transaction. The policy on conflicts of interests is clearly stated in the Company's Code of Business Ethics for the directors and employees to correctly follow. In addition, the Related Transactions Review Committee has been established to monitor that these transactions are in accordance with the notification of the Capital Market Supervisory Board.

In the case of the purchases and sales of important assets of the Company and its subsidiaries, which are transactions that occur infrequently, the Company has a policy to engage external independent experts such as professional appraisers and independent financial advisors to provide counsel to the Audit Committee for further proposal to the Board of Directors.

Connected transactions for normal business transactions or supporting normal business transaction were engaged in the normal course of business and complied with Rules on Connected Transactions by virtue of Section 89/12(1) of the Securities and Exchange Act (No.4) B.E. 2551. The Board of Directors has approved in the Board of Directors Meeting No.1/2010 held on 18 February 2010.

The Company's policy on the rates of revenue and expenses with connected parties are as follows:

Revenue from sale of goods	: The rates are in line with normal business practice and general commercial conditions and standardized with revenue collection from general customers.
Revenue from rendering of services and other income	: The rates are in line with normal business practice and general commercial conditions.
Cost of sales of goods and rendering of services	: The rates are in line with normal business practice and general commercial conditions and standardized with purchases made general customers.
Cost of rendering of services and other expenses	: The rates are in line with normal business practice and general commercial conditions.
Acquisition of assets	: The rates are in line with normal business practice and general commercial conditions and standardized with acquisitions made with general customers.

In 2022, the Company and its subsidiaries conducted transactions with connected parties, which the Audit Committee has reviewed and approved the rationale for connected transactions as details below.

(The details of related transactions in 2021 and 2020 has been disclosed in 56-1 One Report and Annual Report, historical data can be reviewed for comparison on the Company's website).

Unit: Million Baht

Connected Party	Type of Connected Transactions	Type of Connected Transactions	Total Transaction Value 2022	Outstanding Value as 31 Dec 2022
C.P. Tower Growth Leasehold Property Fund	Majority share held by the CP Group	Cost of sales of goods and rendering of services and other expenses	225	
		Other accounts receivable		7
		Other accounts payable		2
KASETPHAND INDUSTRY CO., LTD.	Majority share held by the CP Group	Revenue from sale of goods and rendering of services	2	
		Cost of sales of goods and other expenses	3	
		Trade accounts receivable		1
		Other accounts payable		2
KHAO C.P. COMPANY LIMITED	Majority share held by Mr. Suphachai Chearavanont, Mr. Soopakij Chearavanont and their father, Mr. Dhanin Chearavanont	Revenue from sale of goods and rendering of services and other income	4	
K.S.P. EQUIPMENT COMPANY LIMITED	Majority share held by the CP Group and have one common Director who is Mr. Prasert Jarupanich	Revenue from sale of goods and rendering of services	1	
		Trade and other accounts receivable		1

Unit: Million Baht

Connected Party	Type of Connected Transactions	Type of Connected Transactions	Total Transaction Value 2022	Outstanding Value as 31 Dec 2022
CHAROEN POKPHAND GROUP COMPANY LIMITED	Majority share held by Mr. Suphachai Chearavanont, Mr. Soopakij Chearavanont and their father, Mr. Dhanin Chearavanont and have two common Directors who are Mr. Soopakij Chearavanont and Mr. Suphachai Chearavanont	Revenue from sale of goods and rendering of services and other income	40	
		Other expenses	27	
		Trade and other accounts receivable		2
		Other accounts payable		5
CHIA TAI GROUP COMPANY LIMITED	Majority share held by Mr. Suphachai Chearavanont, Mr. Soopakij Chearavanont and their father, Mr. Dhanin Chearavanont	Rendering of services	2	
		Trade accounts receivable		2
GCB (THAILAND) COMPANY LIMITED	Majority share held by the CP Group	Revenue from sale of goods	1	
		Cost of sales of goods	1	
CHAROEN POKPHAND AGRICULTURE COMPANY LIMITED	Majority share held by the CP Group	Revenue from sale of goods	1	
		Cost of sales of goods and other expenses	6	
		Other accounts payable		1
CHAROEN POKPHAND PRODUCE CO., LTD.	Majority share held by the CP Group	Revenue from sale of goods and rendering of services	10	
		Trade accounts receivable		1
CHAROEN POKPHAND ENGINEERING CO., LTD.	Majority share held by the CP Group	Revenue from sale of goods and rendering of services and other income	4	
		Assets and cost of sales of goods and other expenses	33	
		Other accounts payable		10
CHAROEN POKPHAND FOODS PUBLIC COMPANY LIMITED	Majority share held by the CP Group and have four common Directors who are Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont, Mr. Adirek Sripratak and Police General Phatcharavat Wongsuwan	Revenue from sale of goods and rendering of services and other income	65	
		Cost of sales of goods and other expenses	472	
		Trade and other accounts receivable		9
		Trade and other accounts payable		29

Unit: Million Baht

Connected Party	Type of Connected Transactions	Type of Connected Transactions	Total Transaction Value 2022	Outstanding Value as 31 Dec 2022
CHIA TAI COMPANY LIMITED	Majority share held by Mr. Dhanin Chearavanont who is Mr. Soopakij Chearavanont's father who is Chairman of CP ALL	Revenue from sale of goods and rendering of services and other income	3	
CHIA TAI PRODUCE COMPANY LIMITED	Majority share held by Mr. Dhanin Chearavanont who is Mr. Soopakij Chearavanont's father who is Chairman of CP ALL	Revenue from sale of goods and rendering of services	3	
		Cost of sales of goods and other expenses	9	
		Trade accounts payable		2
CHEF CARES PROJECT COMPANY LIMITED	Majority share indirectly held Mr. Soopakij Chearavanont's wife who is Chairman of CP ALL 98%	Revenue from sale of goods and rendering of services and other income	3	
		Cost of sales of goods and other expenses	165	
		Trade accounts payable		45
CHESTER FOOD CO., LTD.	Majority share held by the CP Group	Revenue from sale of goods and rendering of services and other income	29	
		Trade and other accounts receivable		4
		Trade and other accounts payable		6
C. P. CONSUMER PRODUCTS CO., LTD.	Majority share held by the CP Group and have one common Directors who is Mr. Prasert Jarupanich	Revenue from sale of goods and rendering of services and other income	113	
		Cost of sales of goods and other expenses	936	
		Trade and other accounts receivable		26
		Trade accounts payable		195
C.P.FACILITY MANAGEMENT COMPANY LIMITED	Majority share held by the CP Group	Cost of rendering of services and other expenses	27	
		Trade accounts payable		3

Unit: Million Baht

Connected Party	Type of Connected Transactions	Type of Connected Transactions	Total Transaction Value 2022	Outstanding Value as 31 Dec 2022
C. P. FOOD STORE COMPANY LIMITED	Majority share held by Mr. Suphachai Chearavanont, Mr. Soopakij Chearavanont and their father, Mr. Dhanin Chearavanont	Revenue from sale of goods and rendering of services and other income	94	
		Cost of sales of goods and other expenses	2,190	
		Trade and other accounts receivable		13
		Trade accounts payable		460
C.P. MERCHANDISING COMPANY LIMITED	Majority share held by the CP Group and have three common Directors who are Mr. Soopakij Chearavanont , Mr. Suphachai Chearavanont and Mr. Adirek Sripratak	Revenue from sale of goods and rendering of services	134	
		Cost of sales of goods	1,032	
		Trade accounts receivable		9
		Trade accounts payable		82
C.P.LAND PUBLIC COMPANY LIMITED	Majority share held by the CP Group and have two common Directors who are Mr. Soopakij Chearavanont and Mr. Narong Chearavanont	Revenue from sale of goods and rendering of services and other income	44	
		Cost of rendering of services and other expenses	5	
		Trade and other accounts receivable		7
		Trade and other accounts payable		1
C.P INTERTRADE CO., LTD.	Majority share held by Mr. Suphachai Chearavanont, Mr. Soopakij Chearavanont and their father, Mr. Dhanin Chearavanont	Revenue from sale of goods and rendering of services	5	
		Assets and cost of sales of goods and rendering of services and other expenses	2	
		Trade accounts receivable		1
		Other accounts payable		1
C.P. PACKAGING INDUSTRY CO., LTD.	Majority share held by the CP Group	Revenue from sale of goods and rendering of services and other income	26	
		Cost of sales of goods and other expenses	967	
		Trade and other accounts receivable		1
		Trade accounts payable		217

Unit: Million Baht

Connected Party	Type of Connected Transactions	Type of Connected Transactions	Total Transaction Value 2022	Outstanding Value as 31 Dec 2022
CT FRESH COMPANY LIMITED	Majority share held by Mr. Dhanin Chearavanont who is Mr. Soopakij Chearavanont's father who is Chairman of CP ALL	Revenue from sale of goods and rendering of services and other income	1	
		Cost of sales of goods	66	
		Trade accounts payable		2
CINEPLEX CO., LTD.	Majority share held by the CP Group and have three common Directors who are Mr. Soopakij Chearavanont, Mr. Narong Chearavanont, Mr. Suphachai Chearavanont	Other expenses	1	
		Trade accounts payable		1
CP SALES & SERVICE CO., LTD.	Majority share held by the CP Group and Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont, Mr. Narong Chearavanont and their father as the major shareholders	Revenue from sale of goods and rendering of services	13	
		Assets and cost of sales of goods and rendering of services and other expenses	111	
		Trade and other accounts receivable		4
		Trade accounts payable		49
CP SOCIAL IMPACT COMPANY LIMITED	Majority share held by the CP Group and have three common Directors who are Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont, Mr. Narong Chearavanont	Other expenses	2	
CP NATURE COMPANY LIMITED	Majority share held by the CP Group	Cost of sales of goods	17	
CP B&F (THAILAND) COMPANY LIMITED	Majority share held by the CP Group	Revenue from sale of goods and rendering of services and other income	155	
		Assets and cost of sales of goods and other expenses	1,492	
		Trade and other accounts receivable		68
		Trade and other accounts payable		312
CP MEDICAL CENTER COMPANY LIMITED	Majority share held by the CP Group	Other income	2	

Unit: Million Baht

Connected Party	Type of Connected Transactions	Type of Connected Transactions	Total Transaction Value 2022	Outstanding Value as 31 Dec 2022
CP MATCH CO., LTD.	Majority share held by the CP Group and Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont, Mr. Narong Chearavanont and their father and close relatives as the major shareholders	Cost of rendering of services and other expenses	46	
CP HILAI HARBOUR COMPANY LIMITED	Majority share held by the CP Group	Revenue from sale of goods	15	
		Trade accounts receivable		3
CP-MEIJ I CO., LTD.	Majority share held by the CP Group and have one common Directors who is Mr. Adirek Sripratak	Revenue from sale of goods and rendering of services and other income	76	
		Cost of sales of goods and other expenses	4,569	
		Trade and other accounts receivable		28
		Trade and other accounts payable		857
CPF (THAILAND) PUBLIC COMPANY LIMITED	Majority share held by the CP Group and have one common Directors who is Mr. Adirek Sripratak	Revenue from sale of goods and rendering of services and other income	389	
		Cost of sales of goods and other expenses	41	
		Trade and other accounts receivable		48
		Trade and other accounts payable		74
CPF TRADING CO., LTD.	Majority share held by the CP Group	Revenue from sale of goods and rendering of services and other income	249	
		Cost of sales of goods and other expenses	44,087	
		Trade and other accounts receivable		56
		Trade and other accounts payable		7,372

Unit: Million Baht

Connected Party	Type of Connected Transactions	Type of Connected Transactions	Total Transaction Value 2022	Outstanding Value as 31 Dec 2022
CPF FOOD AND BEVERAGE COMPANY LIMITED	Majority share held by the CP Group	Revenue from sale of goods and rendering of services and other income	36	
		Trade and other accounts receivable		5
CPF RESTAURANT AND FOOD CHAIN COMPANY LIMITED	Majority share held by the CP Group	Revenue from sale of goods and rendering of services and other income	100	
		Cost of sales of goods and other expenses	126	
		Trade and other accounts receivable		10
		Trade and other accounts payable		1
CPF IT CENTER CO., LTD.	Majority share held by the CP Group and have one common Directors who is Mr. Adirek Sripratak	Revenue from sale of goods and rendering of services	76	
		Assets and cost of sales of goods and other expenses	39	
		Trade and other accounts receivable		64
		Other accounts payable		15
DAK GALBI GROUP COMPANY LIMITED	Majority share held by the CP Group	Revenue from sale of goods and rendering of services	2	
DEES SUPREME COMPANY LIMITED	Majority share held by Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont, Mr. Narong Chearavanont and close relatives	Revenue from sale of goods and rendering of services and other income	1	
		Assets and cost of sales of goods and other expenses	241	
		Trade accounts payable		50
DUSIT THANI PUBLIC COMPANY LIMITED	One common Directors who is Mr. Kittipong Kittayarak	Revenue from sale of goods	5	
		Trade accounts receivable		1
DYNAMIC TRANSPORT COMPANY LIMITED	Majority share held by Mr. Suphachai Chearavanont, Mr. Soopakij Chearavanont and their father, Mr. Dhanin Chearavanont	Rendering of services	1	
		Cost of sales of goods	277	
		Other accounts payable		22

Unit: Million Baht

Connected Party	Type of Connected Transactions	Type of Connected Transactions	Total Transaction Value 2022	Outstanding Value as 31 Dec 2022
TRUE CORPORATION PUBLIC COMPANY LIMITED	Majority share held by the CP Group and have four common Directors who are Mr. Suphachai Chearavanont, Mr. Narong Chearavanont, Mr. Umroong Sanphasitvong and Mr. Kittipong Kittayarak	Revenue from sale of goods and rendering of services and other income	4	
		Other expenses	1	
		Other accounts payable		1
TRUE GS CO., LTD.	A related company since CP ALL Plc. holds 10 percent of the shares, it is not considered a connected person since there is no connected person holding the shares.	Revenue from sale of goods and rendering of services and other income	4	
		Cost of sales of goods and other expenses	53	
		Trade and other accounts receivable		1
		Trade and other accounts receivable		11
TRUE DIGITAL GROUP CO., LTD.	Majority share held by the CP Group	Revenue from sale of goods and rendering of services and other income	95	
		Assets and cost of sales of goods and other expenses	70	
		Trade and other accounts receivable		25
		Trade and other accounts payable		20
TRUE DISTRIBUTION & SALES CO., LTD.	Majority share held by the CP Group	Revenue from sale of goods and rendering of services and other income	75	
		Assets and cost of sales of goods and other expenses	105	
		Trade and other accounts receivable		3
		Trade and other accounts payable		18
TRUE PROPERTIES CO., LTD.	Majority share held by the CP Group and Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont, Mr. Narong Chearavanont and close relatives as the major shareholder and have one common Directors who is Mr. Suphachai Chearavanont	Revenue from sale of goods and rendering of services	6	
		Other expenses	1	
		Trade accounts receivable		1

Unit: Million Baht

Connected Party	Type of Connected Transactions	Type of Connected Transactions	Total Transaction Value 2022	Outstanding Value as 31 Dec 2022
TRUE MONEY COMPANY LIMITED	Majority share held by the CP Group and Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont, Mr. Narong Chearavanont and close relatives	Revenue from sale of goods and rendering of services and other income	608	
		Cost of sales of goods and rendering of services and other expenses	3,194	
		Trade and other accounts receivable		1,034
		Trade and other accounts payable		125
TRUE MOVE H UNIVERSAL COMMUNICATION CO., LTD.	Majority share held by the CP Group and have one common Directors who is Mr. Suphachai Chearavanont	Revenue from sale of goods and rendering of services and other income	698	
		Cost of sales of goods and rendering of services and other expenses	331	
		Trade and other accounts receivable		433
		Trade and other accounts payable		241
TRUE LEASING CO., LTD.	Majority share held by the CP Group and Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont, Mr. Narong Chearavanont and father and close relatives	Cost of sales of goods and rendering of services and other expenses	339	
		Trade and other accounts payable		137
TRUE LIFESTYLE RETAIL COMPANY LIMITED	Majority share held by the CP Group and Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont, Mr. Narong Chearavanont and father and close relatives	Revenue from sale of goods and rendering of services and other income	9	
		Trade and other accounts receivable		2
TRUE VISIONS GROUP CO., LTD.	Majority share held by the CP Group and have three common Directors who are Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont and Mr. Narong Chearavanont	Revenue from sale of goods and rendering of services and other income	1	
		Cost of sales of goods and other expenses	12	
		Trade and other accounts payable		4

Unit: Million Baht

Connected Party	Type of Connected Transactions	Type of Connected Transactions	Total Transaction Value 2022	Outstanding Value as 31 Dec 2022
TRUE INTERNET CORPORATION CO., LTD.	Majority share held by the CP Group	Revenue from sale of goods and rendering of services and other income	8	
		Assets and cost of sales of goods and cost of rendering of services and other expenses	541	
		Trade and other accounts receivable		7
		Trade and other accounts payable		114
TRUE INTERNET DATA CENTER COMPANY LIMITED	Majority share held by the CP Group and Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont, Mr. Narong Chearavanont and close relatives	Rendering of services	17	
		Other expenses	37	
		Other accounts receivable		2
		Other accounts payable		12
TRUE E-LOGISTICS COMPANY LIMITED	Majority share held by the CP Group	Rendering of services	3	
		Cost of sales of goods and other expenses	29	
TACHARM AGRICULTURAL INDUSTRY CO., LTD.	Majority share held by the CP Group and have one common Directors who is Mr. Adirek Sripratak	Revenue from sale of goods	3	
THAI KODAMA COMPANY LIMITED	Majority share held by Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont, Mr. Narong Chearavanont and close relatives	Cost of sales of goods	67	
		Trade accounts payable		13
THAI NEWS NETWORK (INN) CO., LTD.	Majority share held by the CP Group	Other expenses	9	
		Other accounts payable		1
KRUNG THAI BANK PUBLIC COMPANY LIMITED	One common Directors who is Mr. Kittipong Kittayarak	Revenue from sale of goods and rendering of services	41	
		Trade and other accounts receivable		1
BFKT (THAILAND) CO., LTD.	Majority share held by the CP Group	Revenue from sale of goods and rendering of services and other income	11	
		Other accounts payable		6

Unit: Million Baht

Connected Party	Type of Connected Transactions	Type of Connected Transactions	Total Transaction Value 2022	Outstanding Value as 31 Dec 2022
B&F COFFEE COMPANY LIMITED	Majority share held by the CP Group	Revenue from sale of goods and rendering of services	2	
		Cost of sales of goods and other expenses	13	
		Trade and other accounts payable		3
BAKEHOUSE COMPANY LIMITED	Majority share held by Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont, Mr. Narong Chearavanont and close relatives	Revenue from sale of goods and rendering of services	4	
		Trade accounts receivable		1
LEADERSHIP DEVELOPMENT CHAROEN POLPHAND GROUP CO., LTD.	Majority share held by the CP Group and have two common Directors who are Mr. Narong Chearavanont and Mr. Prasert Jarupanich	Revenue from sale of goods and rendering of services and other income	2	
		Cost of sales of goods and other expenses	446	
		Trade and other accounts receivable		24
		Other accounts payable		107
PANTAVANIJ COMPANY LIMITED	Majority share held by the CP Group and Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont, Mr. Narong Chearavanont and close relatives and have two common Directors who are Mr. Suphachai Chearavanont and Mr. Umroong Sanphasitvong	Revenue from sale of goods	5	
		Assets and cost of sales of goods and other expenses	17	
		Trade accounts receivable		1
		Other accounts payable		2
PERFECT COMPANION GROUP COMPANY LIMITED	Majority share held by the CP Group and have one common Director who is Mr. Prasert Jarupanich	Revenue from sale of goods and rendering of services and other income	128	
		Assets and cost of sales of goods and other expenses	2,192	
		Trade and other accounts receivable		31
		Trade and other accounts payable		587

Unit: Million Baht

Connected Party	Type of Connected Transactions	Type of Connected Transactions	Total Transaction Value 2022	Outstanding Value as 31 Dec 2022
FREEWILL SOLUTIONS CO., LTD.	Majority share held by the CP Group and Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont, Mr. Narong Chearavanont and close relatives and have two common Director who are Mr. Suphachai Chearavanont and Mr. Prasert Jarupanich	Assets and other expenses	27	
		Other accounts payable		4
POKPHAND ENTERPRISE COMPANY LIMITED	Majority share held by the CP Group and have one common Director who is Mr. Prasert Jarupanich	Other expenses	6	
MAGNOLIA QUALITY DEVELOPMENT CORPORATION CO., LTD.	Majority share held by Mr. Suphachai Chearavanont, Mr. Soopakij Chearavanont, Mr. Narong Chearavanont and close relatives	Revenue from sale of goods and rendering of services	6	
		Trade accounts receivable		3
MAGNOLIA FIMEST CORPORATION CO., LTD.	Majority share held by the CP Group and Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont, Mr. Narong Chearavanont and close relatives and have one common Director who is Mr. Suphachai Chearavanont	Revenue from sale of goods	4	
		Trade accounts receivable		1
MAGNOLIA HOTELS & RESORTS CO., LTD.	Majority share held by Mr. Suphachai Chearavanont, Mr. Soopakij Chearavanont, Mr. Narong Chearavanont and close relatives	Revenue from sale of goods	4	
ROSS BREEDERS SIAM COMPANY LIMITED	Majority share held by the CP Group and have two common Director who are Mr. Suphachai Chearavanont and Mr. Adirek Sripratak	Revenue from sale of goods	2	
WHIZDOM LANDMARK CORPORATION COMPANY LIMITED	Majority share held by the CP Group and Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont, Mr. Narong Chearavanont and close relatives	Other expenses	4	

Unit: Million Baht

Connected Party	Type of Connected Transactions	Type of Connected Transactions	Total Transaction Value 2022	Outstanding Value as 31 Dec 2022
WIRE AND WIRGLESS CO., LTD.	Majority share held by the CP Group and Mr. Suphachai Chearavanont, Mr. Soopakij Chearavanont, Mr. Narong Chearavanont and close relatives and Mr. Dhanin Chearavanont	Revenue from sale of goods and rendering of services and other income	191	
		Cost of sales of goods and other expenses	1,263	
		Trade and other accounts receivable		77
		Trade accounts payable		125
CPF FOOD RESEARCH & DEVELOPMENT CENTER COMPANY LIMITED	Majority share held by the CP Group	Revenue from sale of goods	4	
SIAM LAND FLYING CO., LTD.	Majority share held by the CP Group and have one common Directors who is Mr. Prasert Jarupanich	Rendering of services	5	
		Trade and other accounts receivable		1
All Now Management Co., Ltd.	Three common Directors who are Mr. Suphachai Chearavanont, Mr. Narong Chearavanont, Mr. Umroong Sanphasitvong	Revenue from sale of goods and rendering of services and other income	36	
		Assets, cost of sales of goods and rendering of services and other expenses	480	
		Trade and other accounts receivable		3
		Trade and other accounts payable		220
ALL Now Logistics Co., Ltd.	Three common Directors who are Mr. Suphachai Chearavanont, Mr. Narong Chearavanont, Mr. Umroong Sanphasitvong	Revenue from sale of goods and rendering of services and other income	59	
		Cost of sales of goods and rendering of services and other expenses	2,914	
		Trade and other accounts receivable		14
		Trade and other accounts payable		556

Unit: Million Baht

Connected Party	Type of Connected Transactions	Type of Connected Transactions	Total Transaction Value 2022	Outstanding Value as 31 Dec 2022
ALTER VIM COMPANY LIMITED	Majority share held by the CP Group and Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont and their father as the major shareholders and have one common Director who is Mr. Suphachai Chearavanont	Other expenses	79	
		Other accounts payable		7
ARBER ACERS THAILAND CO., LTD.	Majority share held by the CP Group and have two common Director who are Mr. Suphachai Chearavanont and Mr. Adirek Sripratak	Revenue from sale of goods	3	
INTERNATIONAL PET FOOD COMPANY LIMITED	Majority share held by the CP Group	Revenue from sale of goods and rendering of services and other income	7	
		Cost of sales of goods and other expenses	189	
		Trade and other accounts receivable		2
		Trade accounts payable		48
THE THAI DAIRY INDUSTRY CO., LTD.	One common Directors who is Police General Phatcharavat Wongsuwan	Revenue from sale of goods and rendering of services	15	
		Cost of sales of goods	445	
		Other accounts receivable		1
		Trade accounts payable		84
EGG DIGITAL COMPANY LIMITED	Majority share held by the CP Group and Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont, Mr. Narong Chearavanont and close relatives	Other income	96	
		Cost of sales of goods and other expenses	200	
		Other accounts receivable		101
		Other accounts payable		87
EKO CORPORATION COMPANY LIMITED	Majority share held by Mr. Korawad Chearavanont who is Mr. Suphachai Chearavanont's son (CP ALL's Board of Director) who EKO 's committee	Other expenses	12	
SM TRUE CO., LTD.	Two common Directors who are Mr. Soopakij Chearavanont and Mr. Narong Chearavanont	Rendering of services	11	
		Cost of sales of goods and other expenses	3	
		Trade accounts payable		5

Unit: Million Baht

Connected Party	Type of Connected Transactions	Type of Connected Transactions	Total Transaction Value 2022	Outstanding Value as 31 Dec 2022
ADVANCE TRANSPORT CO., LTD.	Majority share held by Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont and their father, Mr. Dhanin Chearavanont	Cost of sales of goods and other expenses	120	
		Other accounts payable		54
ADVANCE PHARMA CO., LTD.	Majority share held by the CP Group	Revenue from sale of goods and rendering of services and other income	1	
		Cost of sales of goods and other expenses	11	
		Trade accounts receivable		1
		Trade and other accounts payable		2
ASCEND COMMERCE COMPANY LIMITED	Majority share held by the CP Group and Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont, Mr. Narong Chearavanont and close relatives	Revenue of sales of goods and other income	3	
		Assets and cost of sales of goods and rendering of services and other expenses	103	
		Trade and other accounts payable		41
ASCEND DIGITAL COMMERCE GROUP CO., LTD.	Majority share held by the CP Group	Other expenses	3	
ASCEND TRAVEL COMPANY LIMITED	Majority share held by the CP Group and Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont, Mr. Narong Chearavanont and close relatives	Cost of sales of goods and cost of rendering of services and other expenses	21	
		Other accounts payable		13
ASCEND NANO COMPANY LIMITED	Majority share held by the CP Group and Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont, Mr. Narong Chearavanont and close relatives	Revenue from sale of goods and rendering of services	2	
ICONSIAM COMPANY LIMITED	Majority share held by the CP Group and Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont, Mr. Narong Chearavanont and close relatives and have three common Director who are Mr. Umroong Sanphasitvong, Mr. Piyawat Titasattavorakul, Mr. Narong Chearavanont	Other expenses	11	

Unit: Million Baht

Connected Party	Type of Connected Transactions	Type of Connected Transactions	Total Transaction Value 2022	Outstanding Value as 31 Dec 2022
Asia Aquaculture (M) Sdn. Bhd.	Majority share held by the CP Group Indirectly through related parties	Rendering of services	4	
		Cost of sales of goods	366	
		Trade accounts payable		55
C.P. Food Products, Inc	Majority share held by the CP Group	Cost of sales of goods	7	
C.P. Laos Co., Ltd.	Majority share held by the CP Group Indirectly through related parties	Rendering of services	1	
		Other accounts payable		1
C.P. Cambodia Co., Ltd.	Majority share held by the CP Group	Revenue from sale of goods and rendering of services	7	
		Cost of sales of goods and other expenses	52	
		Trade and other accounts receivable		2
		Trade and other accounts payable		6
C.P. Vietnam Corporation	Majority share held by the CP Group	Revenue from sale of goods and rendering of services	22	
		Cost of sales of goods	183	
		Trade and other accounts receivable		2
		Trade and other accounts payable		2
Chia Tai Trading Development (Shenzhen) Co., Ltd.	Majority share held by the CP Group and have one common Director who is Mr. Umroong Sanphasitvong	Cost of sales of goods	8	
CP B&F (Cambodia) Co., Ltd.	Majority share held by the CP Group	Revenue from sale of goods and rendering of services and other income	1	
		Trade and other accounts receivable		4
PERFECT COMPANION (M) SDN. BHD.	Majority share held by the CP Group Indirectly through related parties	Rendering of services	2	
		Cost of sales of goods	18	
		Trade accounts payable		34

Unit: Million Baht

Connected Party	Type of Connected Transactions	Type of Connected Transactions	Total Transaction Value 2022	Outstanding Value as 31 Dec 2022
Pk Agro-industrial Product (MALAYSIA) Sdn. Bhd	Majority share held by the CP Group Indirectly through related parties	Rendering of services and other income	34	
		Cost of sales of goods	750	
		Other accounts receivable		2
		Trade and other accounts payable		57
Tip Top Meat Sdn. Bhd.	Majority share held by the CP Group Indirectly through related parties	Cost of sales of goods	45	
		Trade accounts payable		10
Westbridge Foods Ltd.	Majority share held by the CP Group	Cost of sales of goods	9	
Others		Revenue from sale of goods and rendering of services and other income	31	
		Assets and cost of sales of goods and other expenses	35	
		Trade and other accounts receivable		333
		Trade and other accounts payable		82

Policy on Related Transactions in the Future

The Board of Directors has a policy that clearly states that related transactions may occur under the ordinary course of business but these transactions must be necessary and have prices comparable to prevailing market rates for the best interests of the Company. There shall be no transfer of benefits between the Company and related companies or persons. As the Company and its subsidiaries operate a retail business and must purchase and sell goods and services with other companies as well as related companies, the Company expects related transactions for the purchase and sale of goods and services will still exist in line with the Company and its subsidiaries' business expansion. Other types of transactions will depend on business necessity. In case of related party transactions, they must be approved by the Board of Directors' meeting or the shareholders' meeting, thereafter, the Company shall arrange the Audit Committee Meeting in order to consider and provide opinions on the necessity of the transaction and the reasonableness of such transaction before proposing to the Board of Directors or shareholders for approval to ensure that entering into the proposed transaction is for the best interest of all stakeholders.

Part 3

Financial Statements



Board of Directors' Statement of Responsibility for Financial Reports

The Board of Directors is responsible for the separate and consolidated financial statement of CP ALL Public Company Limited and its subsidiaries including financial information presented in the annual report and the annual financial statements for the year ended December 31, 2022, which are prepared according to Accounting Standards and Financial Reporting Standards as announced by Thailand Federation of Accounting Professions and correspond with the Generally Accepted Accounting Standards of Thailand. The Board of Directors has selected and consistently followed an appropriate accounting policy. The aforementioned financial statements are prepared using careful judgment and the best estimation. In addition, important information is adequately disclosed in the notes to the financial statements. The financial statements have been examined by an independent external auditor and the auditor has expressed an unqualified opinion. Therefore, the financial statements accurately and transparently reflect the Company's financial status and operating performance in the past year and can be used for the benefit of shareholders and investors.

The Board of Directors has appointed the Audit Committee, which comprises of independent directors, to review the quality of the financial reports and to evaluate the internal control system, risk management system, and various systems to support effective financial documentation to ensure that accounting records are correct, complete, timely, adequate to protect its asset, as well as able to prevent fraud or materially irregular operations. The Audit Committee's opinion is presented in the Audit Committee's report which is a part of this annual report.

The Board of Directors believes that the effectiveness of the Company's overall internal control system is satisfactory and able to create credibility and reliability for the separate and consolidated financial statements of CP ALL Public Company Limited and its subsidiaries for the period ended December 31, 2022.



(Mr. Soopakij Chearavanont)
Chairman



(Mr. Korsak Chairasmisak)
Chairman of Executive Committee

Annual Financial Statements and Independent Auditor's Report of Certified Public Accountant

CP ALL Public Company Limited and its Subsidiaries
Financial Statements for the year ended 31 December 2022



Independent Auditor's Report

To the Shareholders of CP ALL Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of CP ALL Public Company Limited and its subsidiaries (the “Group”) and of CP ALL Public Company Limited (the “Company”), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2022, the consolidated and separate statements of income and comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2022 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (“TSAs”). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of my report. I am independent of the Group and the Company in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Valuation of inventories	
Refer to notes 3(g) and 8 to the financial statements	
The key audit matter	How the matter was addressed in the audit
<p>The valuation of inventories was focused on because the estimation of net realisable value of inventories involves management's judgment relating to estimate quantity and valuation for deteriorated, damaged, obsolete and slow-moving and shrinkage inventories. I considered this to be a key audit matter.</p>	<p>My audit procedures included the following:</p> <ul style="list-style-type: none"> • Understood the inventory control and management policy and the estimation of net realisable value of inventories. • Tested a sample of the aging of inventory and the reasonableness of assumptions used to set the percentage of deteriorated, damaged, obsolete, slow-moving and shrinkage inventories determined by management and compared that percentage with information for destruction and shrinkage inventories. • Tested a sample of selling prices post year-end and the estimated costs to make the sale with related documents including recalculation of net realisable value. • Considered the adequacy of the Group's disclosures in accordance with Thai Financial Reporting Standards.

Impairment of goodwill and other intangible assets	
Refer to notes 3(j), 3(k), 3(m), 15 and 16 to the financial statements	
The key audit matter	How the matter was addressed in the audit
<p>The Group has significant goodwill and other intangible assets with indefinite useful life which was mainly arising from a business acquisition.</p> <p>The management normally assesses the impairment from the estimated recoverable amount at the end of the period. The recoverable amount was based on its value in use, determined by discounting future cash flows to be generated from the continuing use of assets and related assumptions.</p> <p>The judgments of management required to be applied over assumptions and the inherent uncertainty involved in forecasting and discounting future cash flows. I considered this to be a key audit matter.</p>	<p>My audit procedures included the following:</p> <ul style="list-style-type: none"> • Understood the process of the estimated recoverable amount to assess the impairment. • Considered the key assumptions in the estimated recoverable amount reports, which were approved by management, by comparing the actual operation results, industry trends and information derived from external and internal sources and assessed financial methodologies used by the Group and discount rate and performed sensitivity analysis around the key assumptions. • Considered the adequacy of the Group's disclosures in accordance with Thai Financial Reporting Standards.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon.

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 above 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. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to communicate the matter to those charged with governance and request that the correction be made. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

(Munchupa Singsuksawat)
Certified Public Accountant
Registration No. 6112

KPMG Phoomchai Audit Ltd.
Bangkok
23 February 2023

Statement of financial position

CP ALL Public Company Limited and its Subsidiaries

Assets	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2022	2021	2022	2021
(in Baht)					
Current assets					
Cash and cash equivalents	6	71,424,271,699	96,322,566,825	20,995,196,036	19,457,191,000
Current investments		466,263,102	811,039,471	1,800,000	-
Trade accounts receivable	5, 7	3,620,461,343	3,340,619,443	243,996,787	161,694,336
Other current receivables	5, 7	15,012,287,051	13,744,697,837	9,698,980,933	8,782,826,158
Short-term loans to subsidiaries	5	-	-	7,229,149,000	7,654,964,500
Inventories	8	58,183,063,377	50,534,771,233	18,006,590,778	16,316,273,366
Derivatives assets	32	6,514,028	608,936,805	-	-
Other current assets		242,628,469	410,481,036	143,433,699	168,922,690
Total current assets		148,955,489,069	165,773,112,650	56,319,147,233	52,541,872,050
Non-current assets					
Investments in subsidiaries	10	-	-	281,921,124,084	281,356,774,084
Investment in associate	9	9,053,162,399	9,139,468,357	-	-
Investments in joint ventures	9	5,334,543,334	4,875,371,520	-	-
Investments in related companies	5, 32	1,567,675,228	820,820,832	994,818,675	526,070,832
Other long-term investments		2,041,800	2,041,800	-	-
Other non-current receivables		49,527,493	224,077,941	-	-
Investment properties	12	44,130,349,761	45,488,687,686	-	-
Property, plant and equipment	5, 13	213,409,809,274	211,533,291,450	43,453,844,986	40,782,361,168
Right-of-use assets	14	82,245,538,560	77,266,393,792	43,559,987,056	38,726,575,504
Goodwill	15	360,641,443,961	360,641,443,961	-	-
Intangible assets other than goodwill	5, 16	53,802,949,433	51,115,273,741	2,382,974,406	2,310,531,960
Deferred tax assets	29	2,273,143,361	2,598,613,704	1,507,936,376	1,842,702,912
Other non-current assets	5	2,595,816,781	2,413,966,984	1,104,852,804	1,096,923,169
Total non-current assets		775,106,001,385	766,119,451,768	374,925,538,387	366,641,939,629
Total assets		924,061,490,454	931,892,564,418	431,244,685,620	419,183,811,679

The accompanying notes form an integral part of the financial statements.

Statement of financial position

CP ALL Public Company Limited and its Subsidiaries

Liabilities and equity	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
		2022	2021	2022	2021
(in Baht)					
Current liabilities					
Short-term borrowings from					
financial institutions	17, 32	16,810,210,256	42,690,844,508	15,173,370,724	13,492,976,226
Trade accounts payable	5, 18, 32	115,963,186,762	106,863,249,856	45,998,480,480	38,701,165,419
Other payables	5, 19, 32	31,718,701,002	31,987,192,216	16,587,411,329	14,596,201,492
Contract liabilities	24	530,001,766	815,803,105	-	-
Short-term borrowings from					
subsidiaries	5, 17	-	-	60,000,000	1,400,000,000
Short-term borrowings from					
other party	17	45,500,000	-	-	-
Current portion of debentures	17, 32	25,554,629,608	16,997,834,499	25,554,629,608	16,997,834,499
Current portion of long-term					
borrowings from financial institutions	17, 32	347,766,826	2,368,606,438	-	-
Current portion of lease liabilities	5, 17, 32	10,252,437,674	9,942,875,276	6,965,524,648	6,709,803,060
Income tax payable		1,212,480,658	1,338,574,635	-	-
Current derivatives liabilities	32	2,761,705,425	831,727,942	76,923,871	118,111,175
Other current liabilities		2,246,449,648	1,235,700,633	646,224,091	695,346,672
Total current liabilities		207,443,069,625	215,072,409,108	111,062,564,751	92,711,438,543
Non-current liabilities					
Debentures	17, 32	221,706,722,897	205,351,363,635	198,241,199,616	205,351,363,635
Long-term borrowings from					
financial institutions	17, 32	87,353,858,388	106,327,990,554	-	-
Lease liabilities	5, 17, 32	84,810,926,758	78,597,183,378	38,895,631,160	33,408,291,712
Provisions for employee benefits	20	6,655,441,341	6,643,514,241	2,972,032,320	2,880,459,809
Other non-current provisions	21	2,532,775,757	2,574,938,243	191,191,200	180,000,000
Rental deposits from tenants	5, 32	1,820,665,481	2,474,694,825	-	-
Accrued guarantee deposits	32	3,578,455,670	3,518,951,986	3,563,295,505	3,529,805,025
Deferred tax liabilities	29	17,173,144,478	17,848,389,315	-	-
Non-current derivatives liabilities	32	208,676,667	172,710,535	-	-
Other non-current liabilities		476,456,883	503,191,541	-	-
Total non-current liabilities		426,317,124,320	424,012,928,253	243,863,349,801	245,349,920,181
Total liabilities		633,760,193,945	639,085,337,361	354,925,914,552	338,061,358,724

The accompanying notes form an integral part of the financial statements.

Statement of financial position

CP ALL Public Company Limited and its Subsidiaries

Liabilities and equity (Continued)	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2022	2021	2022	2021
(in Baht)					
Equity					
Share capital					
Authorised share capital					
(8,986 million ordinary shares, par value at Baht 1 per share)		8,986,296,048	8,986,296,048	8,986,296,048	8,986,296,048
Issued and paid-up share capital					
(8,983 million ordinary shares, par value at Baht 1 per share)		8,983,101,348	8,983,101,348	8,983,101,348	8,983,101,348
Additional paid-in capital	22				
Premium on ordinary shares		1,684,316,879	1,684,316,879	1,684,316,879	1,684,316,879
Surplus from changes in ownership interests in subsidiaries and associate	22	288,832,931	288,832,931	-	-
Retained earnings					
Appropriated					
Legal reserve	22	900,000,000	900,000,000	900,000,000	900,000,000
Unappropriated		79,417,515,000	72,342,210,355	54,437,857,900	49,384,148,362
Perpetual subordinated debentures	23	9,955,000,000	19,911,229,700	9,955,000,000	19,911,229,700
Other components of equity	22	(504,570,815)	24,435,462	358,494,941	259,656,666
Equity attributable to equity holders of the Company					
		100,724,195,343	104,134,126,675	76,318,771,068	81,122,452,955
Non-controlling interests	11	189,577,101,166	188,673,100,382	-	-
Total equity		290,301,296,509	292,807,227,057	76,318,771,068	81,122,452,955
Total liabilities and equity					
		924,061,490,454	931,892,564,418	431,244,685,620	419,183,811,679

The accompanying notes form an integral part of the financial statements.

Statement of income

CP ALL Public Company Limited and its Subsidiaries

		Consolidated financial statements		Separate financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
	Note	2022	2021	2022	2021
		(in Baht)			
Revenues	5				
Revenue from sale of goods and rendering of services		829,098,775,483	565,060,274,088	354,973,268,800	290,228,104,650
Interest income		283,129,808	128,881,597	224,507,239	266,982,122
Dividend income		431,680	336,633	5,380,192,752	7,064,481,560
Net foreign exchange gain		-	407,191,807	33,393,844	359,448,769
Gain from sale of investments in subsidiaries	10	-	1,317,482,006	-	1,710,600,000
Other income	26	23,222,881,871	20,615,552,662	21,879,084,169	20,805,744,385
Total revenues		852,605,218,842	587,529,718,793	382,490,446,804	320,435,361,486
Expenses	5				
Cost of sale of goods and rendering of services		651,099,714,363	444,771,211,595	257,815,564,006	210,777,774,677
Distribution costs		136,751,074,557	97,680,470,375	88,438,966,209	77,326,834,550
Administrative expenses		28,662,804,428	19,186,391,197	14,872,903,694	13,109,431,577
Net foreign exchange loss		9,315,704	-	-	-
Impairment loss on intangible assets other than goodwill	16	-	7,159,086,365	-	-
Total expenses		816,522,909,052	568,797,159,532	361,127,433,909	301,214,040,804
Profit from operating activities		36,082,309,790	18,732,559,261	21,363,012,895	19,221,320,682
Gain on step acquisition		-	6,714,300,702	-	-
Share of gain (loss) of associate and joint ventures accounted for using equity method	9	831,423,391	(226,474,305)	-	-
Profit before finance costs and income tax expense (income)		36,913,733,181	25,220,385,658	21,363,012,895	19,221,320,682
Finance costs	5, 28	16,831,829,624	12,643,003,583	9,664,777,322	11,008,736,186
Profit before income tax expense (income)		20,081,903,557	12,577,382,075	11,698,235,573	8,212,584,496
Income tax expense (income)	29	3,861,000,139	524,889,499	298,224,558	(819,095,505)
Profit for the year		16,220,903,418	12,052,492,576	11,400,011,015	9,031,680,001
Profit attributable to:					
Equity holders of the Company		13,271,707,922	12,985,479,957	11,400,011,015	9,031,680,001
Non-controlling interests	11	2,949,195,496	(932,987,381)	-	-
Profit for the year		16,220,903,418	12,052,492,576	11,400,011,015	9,031,680,001
Basic earnings per share (in Baht)	30	1.39	1.33	1.18	0.89

The accompanying notes form an integral part of the financial statements.

Statement of comprehensive income

CP ALL Public Company Limited and its Subsidiaries

		Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
	Note	2022	2021	2022	2021
		(in Baht)			
Profit for the year		16,220,903,418	12,052,492,576	11,400,011,015	9,031,680,001
Other comprehensive income					
Items that will be reclassified subsequently to profit or loss					
Exchange differences on translating financial statements		(1,025,944,811)	1,522,000,516	-	-
Loss on cash flow hedges	29, 32	-	(66,468,535)	-	-
Gain on cash flow hedges	29, 32	1,459,114,335	2,563,874,518	-	2,563,874,518
Income tax relating to components of other comprehensive income on gain (loss) on cash flow hedges	29, 32	(57,974,725)	13,293,707	-	-
Cash flow hedges reserve reclassified to profit or loss	29, 32	(1,169,240,711)	(2,632,109,509)	-	(2,563,874,518)
Share of other comprehensive income of investments accounted for using equity method	9	-	364,271,376	-	-
Share of other comprehensive income of investments accounted for using equity method reclassified to profit or loss		-	(345,243,405)	-	-
		(794,045,912)	1,419,618,668	-	-
Items that will not be reclassified subsequently to profit or loss					
Gain on investments in equity instruments designated at FVOCI	29, 32	275,654,396	324,570,832	123,547,843	324,570,832
Income tax relating to gain on investments in equity instruments designated at FVOCI	29	(55,130,879)	(64,914,166)	(24,709,568)	(64,914,166)
Gain on remeasurements of defined benefit plans	20, 29	277,345,114	276,107,066	59,162,048	150,734,759
Income tax relating to components of other comprehensive income on gain on remeasurements of defined benefit plans	29	(48,686,943)	(54,591,259)	(11,832,410)	(30,146,952)
		449,181,688	481,172,473	146,167,913	380,244,473
Other comprehensive income for the year					
- net of income tax		(344,864,224)	1,900,791,141	146,167,913	380,244,473
Total comprehensive income for the year		15,876,039,194	13,953,283,717	11,546,178,928	9,411,924,474

The accompanying notes form an integral part of the financial statements.

Statement of comprehensive income

CP ALL Public Company Limited and its Subsidiaries

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
		2022	2021	2022	2021
<i>(in Baht)</i>					
Total comprehensive income attributable to:					
Equity holders of the Company		12,939,929,483	14,819,668,002	11,546,178,928	9,411,924,474
Non-controlling interests	11	2,936,109,711	(866,384,285)	-	-
Total comprehensive income for the year		15,876,039,194	13,953,283,717	11,546,178,928	9,411,924,474

The accompanying notes form an integral part of the financial statements.

Statement of changes in equity

CP ALL Public Company Limited and its Subsidiaries

	Consolidated financial statements												
	Surplus from changes in ownership interests in subsidiaries and associate	Other components of equity											
		Issued and paid-up share capital	Premium on ordinary shares	Legal reserve	Unappropriated	Perpetual subordinated debentures	Translation reserve (in Baht)	Cash flow hedges reserve	Fair value reserve	Total other components of equity	Equity attributable to equity holders of the Company	Non-controlling interests	Total equity
Note													
For the year ended 31 December 2022													
Balance at 1 January 2022													
Transactions with equity holders, recorded directly in equity													
Distributions to equity holders													
Dividends													
31	-	-	-	-	(5,389,860,809)	-	-	-	-	(5,389,860,809)	(2,120,150,528)	(7,510,011,337)	
Total distributions to equity holders													
Changes in ownership interests in subsidiaries and associate													
Called for paid-up share capital from subsidiaries													
	-	-	-	-	-	-	-	-	-	-	88,041,601	88,041,601	
Total changes in ownership interests in subsidiaries and associate													
	-	-	-	-	-	-	-	-	-	-	88,041,601	88,041,601	
Total transactions with equity holders, recorded directly in equity													
Comprehensive income for the year													
Profit													
	-	-	-	-	13,271,707,922	-	-	-	-	13,271,707,922	2,949,195,496	16,220,903,418	
Other comprehensive income													
	-	-	-	-	197,227,838	-	(839,722,246)	138,960,429	171,755,540	(529,006,277)	(331,778,439)	(344,864,234)	
	-	-	-	-	13,468,935,760	-	(839,722,246)	138,960,429	171,755,540	(529,006,277)	12,939,929,483	2,936,109,711	15,876,039,194
Total comprehensive income for the year													
Redemption of perpetual subordinated debentures													
23	-	-	-	-	(43,770,300)	(9,956,229,700)	-	-	-	(10,000,000,000)	-	(10,000,000,000)	
Interest payment on perpetual subordinated debentures													
23	-	-	-	-	(960,000,000)	-	-	-	-	(960,000,000)	-	(960,000,000)	
Balance at 31 December 2022													
	8,983,101,348	1,684,316,879	288,832,931	900,000,000	79,417,515,809	9,955,000,000	(1,002,191,281)	66,260,260	431,412,206	(504,570,815)	100,724,195,343	189,577,101,166	290,301,296,509

The accompanying notes form an integral part of the financial statements.

Statement of changes in equity

CP ALL Public Company Limited and its Subsidiaries

For the year ended 31 December 2021															
Balance at 1 January 2021															
Transactions with equity holders, recorded directly in equity															
Distributions to equity holders															
Dividends															
Total distributions to equity holders															
Changes in ownership interests in subsidiaries and associate															
Called for paid-up share capital from subsidiaries															
Loss in control over a subsidiary															
Changes in ownership interest in subsidiary without a change in control															
Change in ownership interest in associate															
Total changes in ownership interests in subsidiaries and associate															
Total transactions with equity holders, recorded directly in equity															
Comprehensive income for the year															
Profit															
Other comprehensive income															
Total comprehensive income for the year															
Issuance of perpetual subordinated debentures															
Redemption of perpetual subordinated debentures															
Interest payment on perpetual subordinated debentures															
Balance at 31 December 2021															
31	-	-	-	-	-	(8,084,791,213)	-	-	-	-	-	-	(8,084,791,213)	(332,105,588)	(8,416,896,801)
	-	-	-	-	-	(8,084,791,213)	-	-	-	-	-	-	(8,084,791,213)	(332,105,588)	(8,416,896,801)
10	-	-	-	-	-	-	-	-	-	-	-	-	-	2,797,012	2,797,012
	-	-	-	-	-	-	-	-	-	-	-	-	-	(50)	(50)
10	-	-	1,751,546,199	-	-	-	-	-	-	-	-	-	1,751,546,199	175,032,507,337	176,784,053,536
9	-	-	-	-	-	(66,040,292)	-	-	-	-	-	-	(66,040,292)	-	(66,040,292)
	-	-	1,751,546,199	-	-	(66,040,292)	-	-	-	-	-	-	1,685,505,907	175,035,304,299	176,720,810,206
	-	-	1,751,546,199	-	-	(8,159,831,505)	-	-	-	-	-	-	(6,399,285,306)	174,701,108,711	168,303,913,405
-	-	-	-	-	-	12,985,479,957	-	-	-	-	-	-	12,985,479,957	(932,987,381)	12,052,492,576
-	-	-	-	-	-	196,804,394	-	1,431,451,183	(72,752,169)	259,656,666	19,027,971	1,637,383,651	1,834,188,045	66,603,096	1,900,791,141
-	-	-	-	-	-	13,182,284,351	-	1,431,451,183	(72,752,169)	259,656,666	19,027,971	1,637,383,651	14,819,668,002	(866,384,285)	13,953,283,717
23	-	-	-	-	-	-	9,955,000,000	-	-	-	-	-	9,955,000,000	-	9,955,000,000
23	-	-	-	-	-	-	(47,075,500)	-	-	-	-	-	(10,000,000,000)	-	(10,000,000,000)
23	-	-	-	-	-	-	(1,000,000,000)	-	-	-	-	-	(1,000,000,000)	-	(1,000,000,000)
	8,983,101,348	1,684,316,879	288,632,931	900,000,000	72,342,210,355	19,911,229,700	(152,469,035)	(72,752,169)	259,656,666	-	24,435,462	104,134,126,675	188,673,100,382	292,807,227,057	

The accompanying notes form an integral part of the financial statements.

Statement of changes in equity

CP ALL Public Company Limited and its Subsidiaries

	Note	Separate financial statements						Total equity			
		Issued and paid-up share capital	Premium on ordinary shares	Retained earnings			Perpetual subordinated debentures		Fair value reserve		
				Legal reserve	Unappropriated						
										(in Baht)	
For the year ended 31 December 2022											
Balance at 1 January 2022		8,983,101,348	1,684,316,879	900,000,000	49,384,148,362		19,911,229,700	259,656,666	81,122,452,955		
Transactions with equity holders, recorded directly in equity											
Distributions to equity holders											
Dividends	31	-	-	-	(5,389,860,809)		-	-	(5,389,860,809)		
Total distributions to equity holders		-	-	-	(5,389,860,809)		-	-	(5,389,860,809)		
Total transactions with equity holders, recorded directly in equity		-	-	-	(5,389,860,809)		-	-	(5,389,860,809)		
Comprehensive income for the year											
Profit		-	-	-	11,400,011,015		-	-	11,400,011,015		
Other comprehensive income		-	-	-	47,329,638		-	98,838,275	146,167,913		
Total comprehensive income for the year		-	-	-	11,447,340,653		-	98,838,275	11,546,178,928		
Redemption of perpetual subordinated debentures	23	-	-	-	(43,770,300)		(9,956,229,700)	-	(10,000,000,000)		
Interest payment on perpetual subordinated											
Interest payment on perpetual subordinated debentures	23	-	-	-	(960,000,006)		-	-	(960,000,006)		
Balance at 31 December 2022		8,983,101,348	1,684,316,879	900,000,000	54,437,857,900		9,955,000,000	358,494,941	76,318,771,068		

The accompanying notes form an integral part of the financial statements.

Statement of changes in equity

CP ALL Public Company Limited and its Subsidiaries

		Separate financial statements					Other component of equity
		Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Perpetual subordinated debentures	Total equity
	Note			Legal reserve	Unappropriated reserve		
(in Baht)							
For the year ended 31 December 2021							
Balance at 1 January 2021		8,983,101,348	1,684,316,879	900,000,000	49,363,747,267	19,909,154,200	- 80,840,319,694
Transactions with equity holders, recorded directly in equity							
Distributions to equity holders							
Dividends	31	-	-	-	(8,084,791,213)	-	(8,084,791,213)
Total distributions to equity holders		-	-	-	(8,084,791,213)	-	(8,084,791,213)
Total transactions with equity holders, recorded directly in equity							
Comprehensive income for the year		-	-	-	(8,084,791,213)	-	(8,084,791,213)
Profit		-	-	-	9,031,680,001	-	9,031,680,001
Other comprehensive income		-	-	-	120,587,807	-	380,244,473
Total comprehensive income for the year		-	-	-	9,152,267,808	-	9,411,924,474
Issuance of perpetual subordinated debentures	23	-	-	-	-	9,955,000,000	9,955,000,000
Redemption of perpetual subordinated debentures	23	-	-	-	(47,075,500)	(9,952,924,500)	(10,000,000,000)
Interest payment on perpetual subordinated debentures	23	-	-	-	(1,000,000,000)	-	(1,000,000,000)
Balance at 31 December 2021		8,983,101,348	1,684,316,879	900,000,000	49,384,148,362	19,911,229,700	81,122,452,955

The accompanying notes form an integral part of the financial statements.

Statement of cash flows

CP ALL Public Company Limited and its Subsidiaries

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
		2022	2021	2022	2021
<i>(in Baht)</i>					
<i>Cash flows from operating activities</i>					
Profit for the year		16,220,903,418	12,052,492,576	11,400,011,015	9,031,680,001
<i>Adjustments to reconcile profit to cash receipts</i>					
Depreciation of investment properties	12	2,084,257,472	748,587,692	-	-
Depreciation of property, plant and equipment	13	19,644,438,811	12,386,127,286	7,545,215,102	7,165,993,582
Depreciation of right-of-use assets	14	13,036,416,838	10,460,698,642	8,527,458,155	8,681,426,114
Amortisation of intangible assets					
other than goodwill	16	1,779,123,269	890,625,540	414,458,418	329,277,194
Interest income		(283,129,808)	(128,881,597)	(224,507,239)	(266,982,122)
Dividend income		(431,680)	(336,633)	(5,380,192,752)	(7,064,481,560)
(Gain) loss from sale of investments in subsidiaries	10	-	(1,317,482,006)	16,200,000	(1,710,600,000)
Finance costs	28	16,831,829,624	12,643,003,583	9,664,777,322	11,008,736,186
Income tax expense (income)	29	3,861,000,139	524,889,499	298,224,558	(819,095,505)
Provisions for employee benefits	20	590,403,844	468,557,582	210,785,326	211,920,196
(Reversal of allowance) loss					
on decline in value of inventories	8	(35,062,631)	2,311,092,989	(3,960,445)	(62,554)
(Reversal) impairment loss on investment properties	12	2,014,150	(1,302,869)	-	-
Impairment loss on					
property, plant and equipment	13	95,417,791	79,556,019	-	-
(Reversal) impairment loss on right-of-use assets	14	(12,663,800)	79,950,427	-	-
Impairment loss on intangible assets					
other than goodwill	16	2,315,058	7,159,086,365	-	-
(Reversal) allowance for expected credit loss on					
trade accounts receivable and other receivables		(85,038,243)	365,631,399	4,121,548	1,953,594
Unrealised gain on exchange		(85,794,653)	(109,198,593)	(74,184,500)	(125,214,500)
Share of (gain) loss of associate and joint ventures					
accounted for using equity method	9	(831,423,391)	226,474,305	-	-
Loss on disposal and write-off of					
investment properties		17,304,775	4,795,198	-	-
Loss on disposal and write-off of					
property, plant and equipment		234,962,672	192,528,585	183,412,321	67,941,574
Gain on disposal and write-off of					
right-of-use assets		(358,328,817)	(147,266,512)	(147,682,178)	(123,610,949)

The accompanying notes form an integral part of the financial statements.

Statement of cash flows (continued)

CP ALL Public Company Limited and its Subsidiaries

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
		2022	2021	2022	2021
		<i>(in Baht)</i>			
Loss on write-off of intangible assets					
other than goodwill		18,500,524	19,093,327	14,514,034	19,090,382
Differences on a granted rent concession	17	(166,301,356)	(577,695,910)	(166,301,356)	(577,695,910)
Share of other comprehensive income					
of investments accounted					
for using equity method	9	-	(345,243,405)	-	-
Gain on step acquisition		-	(6,714,300,702)	-	-
		72,560,714,006	51,271,482,787	32,282,349,329	25,830,275,723
Changes in operating assets and liabilities					
Trade accounts receivable		(179,802,773)	(901,120,426)	(82,302,451)	90,032,857
Other receivables		(417,342,792)	(2,696,146,082)	(198,198,934)	(1,499,511,250)
Inventories		(7,718,281,004)	(6,619,480,446)	(1,686,356,967)	(1,209,174,395)
Derivatives assets		412,393,823	(102,810,823)	-	(77,188,831)
Other current assets		192,626,339	(226,524,934)	25,488,991	(6,092,784)
Other non-current assets		(161,537,102)	648,722,968	(7,929,635)	193,887,595
Trade accounts payable		9,263,663,457	11,796,367,116	7,297,315,061	2,208,637,525
Other payables		1,386,596,027	(3,674,374,907)	2,559,187,165	(1,694,778,804)
Contract liabilities		(285,801,339)	(141,993,604)	-	-
Derivatives liabilities		(31,103,367)	(22,316,128)	(41,187,304)	68,984,035
Other current liabilities		530,120,751	373,771,043	(49,122,581)	54,338,851
Provisions for employee benefits paid	20	(289,021,718)	(160,697,173)	(61,829,406)	(50,873,273)
Transferred (out) in of provisions for					
employee benefits	20	(11,560,123)	5,250,133	1,778,639	4,008,420
Payment for other non-current provisions		(71,645,274)	(36,022,058)	-	-
Other non-current provisions		(14,946,638)	368,067,190	-	-
Rental deposits from tenants		(161,358,223)	4,722,953	-	-
Accrued guarantee deposits		59,503,684	156,513,052	33,490,480	(92,038,256)
Other non-current liabilities		(26,440,858)	157,356,753	11,191,200	180,000,000
Net cash generated from operating		75,036,776,876	50,200,767,414	40,083,873,587	24,000,507,413
Income tax paid		(5,163,543,410)	(3,881,946,684)	(686,506,599)	(663,352,614)
Net cash from operating activities		69,873,233,466	46,318,820,730	39,397,366,988	23,337,154,799

The accompanying notes form an integral part of the financial statements.

Statement of cash flows (continued)

CP ALL Public Company Limited and its Subsidiaries

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
		2022	2021	2022	2021
<i>(in Baht)</i>					
<i>Cash flows from investing activities</i>					
Interest received		222,412,521	103,300,820	192,650,644	260,090,937
Dividends received		431,680	336,633	5,380,192,752	7,064,481,560
Dividends received from associate and joint ventures	9	458,557,535	81,162,222	-	-
Payment for current investments		(1,102,092,602)	(809,039,471)	(1,800,000)	-
Proceeds from sale of current investments		1,418,017,623	36,554,700	-	-
Payment for short-term loans to subsidiaries	5	-	-	(200,000,000)	(3,799,750,000)
Proceeds from repayment of short-term loans to subsidiaries	5	-	-	700,000,000	1,770,000,000
Payment for acquisition of investments in subsidiaries	10	-	-	(813,050,000)	(1,182,830,020)
Proceeds from sale of investments in subsidiaries	10	-	-	232,500,000	988,000,000
Proceeds from sale of investments in related companies		-	1,014,099,217	-	-
Payment for acquisition of investments in related companies		(471,200,000)	(362,250,000)	(345,200,000)	(67,500,000)
Payment for acquisition of investment properties		(1,263,844,795)	(65,825,162)	-	-
Proceeds from sale of investment properties		1,183,989	222,796	-	-
Payment for acquisition of property, plant and equipment		(25,697,719,524)	(14,071,553,335)	(11,084,545,846)	(8,526,763,356)
Proceeds from sale of property, plant and equipment		473,289,071	263,450,634	233,905,477	137,799,914
Payment for acquisition of right-of-use assets		(495,636,786)	(1,341,208,768)	(306,803,437)	(839,749,496)
Proceeds from sale of right-of-use assets		-	8,079,851	-	8,079,851
Payment for acquisition of intangible assets other than goodwill		(4,062,895,802)	(2,278,332,314)	(762,844,701)	(681,586,415)
Proceeds from sale of intangible assets other than goodwill		13,517,736	159,122,137	7,479,534	158,320,151
Cash inflow on entire business transfer		-	19,139,959,377	-	-
Net cash (used in) from investing activities		(30,505,979,354)	1,878,079,337	(6,767,515,577)	(4,711,406,874)

The accompanying notes form an integral part of the financial statements.

Statement of cash flows (continued)

CP ALL Public Company Limited and its Subsidiaries

		Consolidated financial statements		Separate financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
	Note	2022	2021	2022	2021
		(in Baht)			
Cash flows from financing activities					
Proceeds from issue of ordinary shares of the subsidiary		-	33,006,631,348	-	-
Interest paid		(12,262,787,175)	(8,616,802,578)	(8,278,032,174)	(8,213,841,279)
Interest paid on perpetual subordinated debentures	23	(960,000,006)	(1,000,000,000)	(960,000,006)	(1,000,000,000)
Dividends paid to equity holders of the Company	31	(5,389,648,055)	(8,084,778,526)	(5,389,648,055)	(8,084,778,526)
Dividends paid to non-controlling interests		(2,120,150,528)	(332,105,588)	-	-
Payment of lease liabilities	17	(13,853,562,517)	(9,853,735,115)	(8,139,011,570)	(7,745,303,824)
Short-term borrowings					
from financial institutions (decrease) increase	17	(26,104,000,059)	13,272,275,699	1,608,114,910	13,428,442,000
Proceeds from short-term borrowings					
from subsidiaries	5	-	-	60,000,000	1,400,000,000
Repayment from short-term borrowings					
from subsidiary	5	-	-	(1,400,000,000)	-
Proceeds from short-term borrowings					
from other party		45,500,000	-	-	-
Repayment of short-term borrowings					
from other party	17	-	(6,007,420)	-	-
Proceeds from forward exchange contracts		5,175,350,000	-	-	-
Payment for forward exchange contracts		(1,529,159,729)	(1,696,225,638)	-	(1,696,225,638)
Proceeds from issue of debentures	17	47,870,023,971	87,822,880,000	24,406,730,520	87,822,880,000
Repayment of debentures	17	(23,000,000,000)	(18,502,100,000)	(23,000,000,000)	(18,502,100,000)
Proceeds from long-term borrowings					
from financial institutions	17	2,364,770,270	5,000,000,000	-	-
Repayment of long-term borrowings					
from financial institutions	17	(24,636,305,382)	(89,187,803,367)	-	(83,852,175,954)
Payment of front-end fees		-	(5,508,147)	-	-
Proceeds from issue of perpetual subordinated debentures	23	-	9,955,000,000	-	9,955,000,000
Repayment of perpetual subordinated debentures	23	(10,000,000,000)	(10,000,000,000)	(10,000,000,000)	(10,000,000,000)
Proceeds from called for paid-up share capital from subsidiaries		88,041,601	2,797,012	-	-
Proceeds from changes in ownership interests in subsidiaries without a change in control	10	-	5,735,628,000	-	5,742,000,000
Net cash (used in) from financing activities		(64,311,927,609)	7,510,145,680	(31,091,846,375)	(20,746,103,221)

The accompanying notes form an integral part of the financial statements.

Statement of cash flows (continued)

CP ALL Public Company Limited and its Subsidiaries

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
		2022	2021	2022	2021
(in Baht)					
Net (decrease) increase in cash and cash equivalents, before exchange differences on translating financial statements		(24,944,673,497)	55,707,045,747	1,538,005,036	(2,120,355,296)
Exchange differences on translating financial statements		46,378,371	26,440,032	-	-
Net (decrease) increase in cash and cash equivalents		(24,898,295,126)	55,733,485,779	1,538,005,036	(2,120,355,296)
Cash and cash equivalents at 1 January		96,322,566,825	40,589,081,046	19,457,191,000	21,577,546,296
Cash and cash equivalents at 31 December	6	71,424,271,699	96,322,566,825	20,995,196,036	19,457,191,000
<i>Supplemental disclosures of cash flows information:</i>					
Investment properties purchased during the year are detailed as follows:					
Increases during the year	12	1,503,054,579	65,825,162	-	-
Less - lease liabilities		(239,209,784)	-	-	-
Paid by cash		1,263,844,795	65,825,162	-	-
Property, plant and equipment purchased during the year are detailed as follows:					
Increases during the year	13	23,216,113,821	20,187,043,449	10,634,016,718	9,107,114,337
Add (less) - changes in payables		2,481,605,703	(6,093,648,037)	450,529,128	(558,508,904)
(Less) - changes in other current assets		-	(21,842,077)	-	(21,842,077)
Paid by cash		25,697,719,524	14,071,553,335	11,084,545,846	8,526,763,356
Right-of-use assets acquired during the year are detailed as follows:					
Increases during the year	14	21,617,716,210	10,804,087,392	16,056,664,911	8,873,396,015
Less - lease liabilities		(21,122,079,424)	(9,462,878,624)	(15,749,861,474)	(8,033,646,519)
Paid by cash		495,636,786	1,341,208,768	306,803,437	839,749,496
Other intangible assets other than goodwill purchased during the year are detailed as follows:					
Increases during the year	16	4,328,804,371	2,287,217,917	508,894,432	843,625,007
(Less) Add - changes in payables		(265,908,569)	(8,885,603)	253,950,269	(162,038,592)
Paid by cash		4,062,895,802	2,278,332,314	762,844,701	681,586,415

The accompanying notes form an integral part of the financial statements.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

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Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 23 February 2023.

1 General information

CP ALL Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand on 14 October 2003. The company has its registered office at 313 C.P. Tower, 24th Floor, Silom Road, Kwang Silom, Khet Bangrak, Bangkok 10500, Thailand.

The major shareholder of the Company and its subsidiaries (together referred to as the “Group”) during the financial year was Charoen Pokphand Group of companies.

The principal businesses of the Group are operating convenience stores, wholesale business, retail business and mall, payment centers, and the related supporting services.

The Company operates convenience stores under the “7-Eleven” trademark and franchises to other retailers in the territory of Thailand. The number of 7-Eleven convenience stores as at 31 December 2022 was 13,838 stores (2021: 13,134 stores).

	2022	2021
	(number of stores)	
The Company owns and manages convenience stores	6,839	6,280
The Company franchises the license to other retailers		
- under management agreements	6,144	6,020
- under sub-license agreements	855	834
Total	13,838	13,134

Details of the Company’s subsidiaries as at 31 December 2022 and 2021 are given in note 10 to the financial statements.

2 Basis of preparation of the financial statements

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The financial statements are presented in Thai Baht, which is the Company’s functional currency. The accounting policies, described in note 3, have been applied consistently to all periods presented in these financial statements.

The 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.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

3 Significant accounting policies

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associate and joint ventures.

Business combinations

The Group applies the acquisition method when the Group assess that the acquired set of activities and assets include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. The acquisition date is the date on which control is transferred to the Group, other than business combinations with entities under common control. Expenses in connection with a business combination are recognised as incurred.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less net fair value of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred is measured as the fair value of assets transferred, liabilities incurred by the Group to the previous equity holders of the acquiree and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration.

Any contingent consideration is measured at fair value at the date of acquisition, and remeasured at fair value at each reporting date. Subsequent changes in the fair value are recognised in profit or loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group 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.

When a business combination is achieved in stages, the Group’s previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

Business combination under common control are accounted for using a method similar to the pooling of interest method, by recognising assets and liabilities of the acquired businesses at their carrying amounts in the consolidated financial statements of the ultimate parent company at the transaction date. The difference between the carrying amount of the acquired net assets and the consideration transferred is recognised as surplus or deficit from business combinations under common control in shareholder’s equity. The surplus or deficit will be written off upon divestment of the businesses acquired. The results from operations of the acquired businesses will be included in the consolidated financial statements of the acquirer from the beginning of the comparative period or the moment the businesses came under common control, whichever date is later, until control ceases.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

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. In addition, when there is a change in the Group's interest in a subsidiary that does not result in a loss of control, any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received from the acquisition or disposal of the non-controlling interests with no change in control is accounted for as transactions in shareholders' equity.

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.

Associate and joint ventures

Associate is the entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

The Group recognised investments in the associate and joint ventures using the equity method in the consolidated financial statements. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's dividend income and share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any income and expenses are eliminated in full in preparing the consolidated financial statements. Unrealised gains or losses arising from associate and joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Investments in subsidiaries and associate

Investments in subsidiaries and associate in the separate financial statements of the Company are measured at cost less accumulated allowance for impairment losses.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

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 including non-monetary assets and liabilities measured at cost 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 rates at the reporting date.

Non-monetary assets and liabilities measured at fair value in foreign currencies are translated at the exchange rates at the dates that fair value was determined.

Foreign currency differences arising on translation are generally recognised in profit or loss. However, foreign currency differences arising from the translation of qualifying cash flow hedges to the extent the hedge that is effective are recognised in other comprehensive income.

Foreign entities

The assets and liabilities of foreign entities including goodwill and fair value adjustments arising on the acquisition of foreign entities are translated to Thai Baht at the exchange rates at the reporting date.

The revenues and expenses of foreign entities are translated to Thai Baht at rates approximating the exchange rates ruling at the dates of the transactions.

Foreign exchange differences arising on translating are recognised in other comprehensive income and presented in the translation reserve in equity until disposal of the investment, except to the extent that the translation difference is allocated to non-controlling interests.

When a foreign entity 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 entity 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 associate or joint ventures 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 entity is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign entity and are recognised in other comprehensive income and presented in the translation reserve in equity until disposal of the investment.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

(d) Financial instruments

(d.1) Classification and measurement

Debt securities issued by the Group are initially recognised when they are originated. Other financial assets and financial liabilities (except trade and other accounts receivables (see note 3(f) to the financial statements)) are initially recognised when the Group becomes a party to the contractual provisions of the instrument, measured at fair value plus or minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income ("FVOCI"); or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method or FVTPL. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit losses, and any gain or loss on derecognition are recognised in profit or loss.

Equity investments measured at FVOCI are subsequently measured at fair value. Dividend income is recognised as income in profit or loss on the date on which the Group's right to receive payment is established, unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income ("OCI") and are never reclassified to profit or loss.

(d.2) Derecognition and offset

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and the Group intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

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CP ALL Public Company Limited and its Subsidiaries

(d.3) Derivatives

Derivatives are recognised at fair value and remeasured at fair value at each reporting date. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where the derivatives qualify for cash flow hedge accounting, in which case recognition of any resultant gain or loss depends on nature of the item being hedged (see note 3(d.4) to the financial statements).

(d.4) Hedging

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the risk, the economic relationship between the hedged item and the hedging instrument, including consideration of the hedge effectiveness at the inception of the hedging relationship and throughout the remaining period to determine the existence of economic relationship between the hedged item and the hedging instrument.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the cash flow hedges reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts (forward points) is recognised in a cash flow hedges 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 cash flow hedges 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 cash flow hedges reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the cash flow hedges reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the cash flow hedges reserve are immediately reclassified to profit or loss.

(d.5) Impairment of financial assets other than trade and other accounts receivable

The Group recognises allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

The Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

The Group considers a financial asset to have low credit risk when its credit rating is equivalent to the globally understood definition of 'investment grade'. The Group recognises ECLs for low credit risk financial assets as 12-month ECLs.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group take action such as realising security; or
- the financial asset is more than 90 days past due

(d.6) 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.

(d.7) Interest

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(e) Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows comprise cash balances, call deposits and highly liquid short-term investments which have a maturities of three months or less from the date of acquisition.

(f) Trade and other accounts receivable

A receivable is recognised when the Group has an unconditional right to receive consideration. A receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

The Group estimates lifetime expected credit losses (“ECLs”), using a provision matrix to find the ECLs rates. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

(g) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost principle. Cost includes direct costs incurred in acquiring the inventories. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

(h) Investment properties

Investment properties are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the investment property and includes the cost of self-constructed assets.

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 calculated on a straight-line basis over the estimated useful lives of investment properties of 6 years to 99 years or according to lease term and recognised in profit or loss. No depreciation is charged on freehold land under investment properties.

(i) Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes capitalised borrowing costs, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Any gains or losses on disposal of an 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.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item when the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

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Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land and assets under construction.

The estimated useful lives are as follows:

Buildings and building improvements	3 - 50 years
Right-of-use asset improvements	over the lease period
Machinery and equipment	3 - 15 years
Furniture, fixtures and office equipment	1 - 15 years
Others	
- Electricity and water systems	5 - 20 years
- Vehicles	4 - 10 years
- Library book	5 years

(j) Goodwill

Goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investee, the carrying amount of goodwill is included in the carrying amount of the investment.

(k) Intangible assets

Intangible assets that are acquired by the Group and have indefinite useful lives are measured at cost less accumulated impairment losses. Other intangible assets that are acquired by the Group and have definite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure is capitalised only when it will generate the future economic benefits.

Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss. No amortisation is provided on computer software under development.

The estimated useful lives are as follows:

Computer software	1 - 10 years
Intellectual property	indefinite useful lives
Business license	3, 10, 30 years and indefinite useful lives
Customer base and other	10 years

(l) Leases

At inception of a contract, the Group assesses that a contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases of property, the Group has elected not to separate non-lease components and accounted for the lease and non-lease components wholly as a single lease component.

Notes to the financial statements

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The Group recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which are recognised as expenses on a straight-line basis over the respective lease terms.

Right-of-use asset is measured at cost, less accumulated depreciation and accumulated impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Group uses the Group's incremental borrowing rate to discount the lease payments to the present value. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification, or a change in options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

At inception or on modification of a contract, the Group allocates the consideration in the contract to each component on the basis of their relative stand-alone selling prices.

At lease inception, the Group considers to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

When the Group is an intermediate lessor, the Group classifies the sub-lease either as a finance lease or an operating lease with reference to the right-of-use asset arising from the head lease. In case of a head lease is a short-term lease, the sub-lease is classified as an operating lease. Those right-of-use assets are presented as investment properties.

The Group recognises lease payments received under operating leases in profit or loss on a straight-line basis over the lease term as part of other income. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as rental income in the accounting period in which they are earned

The Group estimates lifetime expected credit losses ("ECLs"), using a provision matrix to find ECLs rate. This method groups the lease receivables based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date. The Group derecognises the lease receivables as disclosed in note 3(f) to the financial statements.

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CP ALL Public Company Limited and its Subsidiaries

(m) Impairment of non-financial assets

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

Calculation of recoverable amount

The recoverable amount is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversal of impairment

An impairment loss in respect of goodwill is not reversed. Impairment losses recognised in prior periods in respect of other non-financial assets 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) Contract liabilities

A contract liability is the obligation to transfer goods or services to the customer. A contract liability is recognised when the Group receives or has an unconditional right to receive non-refundable consideration from the customer before the Group recognises the related revenue.

(o) Employee benefits

Post-employment benefit - defined contribution plans

Obligations for contributions to the Group's provident funds are expensed as the related service is provided.

Post-employment benefit - 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. The defined benefit obligations is discounted to the present value, which is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in other comprehensive income. 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.

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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.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

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.

(p) 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.

(q) Perpetual subordinated debentures

Perpetual subordinated debentures which are payable upon dissolution are recognised as equity as the Company has the sole right and discretion to early redemption as stipulated in terms and conditions of debentures, and the interest and cumulative interest payment are unconditionally deferred without time and number limitation and payable at the Company's discretion. Accordingly, any interest payments are recognised similar as dividends and directly in equity when payment obligation arises. Interest payments are presented in the statement of cash flows at the same way as dividends paid to ordinary shareholders.

(r) Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Group uses observable market data as many as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price 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.

(s) *Revenues*

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax or other sales taxes and is after deduction of any trade discounts and volume rebates.

Sales of goods and rendering of services

Revenue from sales of goods is recognised on the date on which the goods are delivered to the customers. For the sales that permit the customers to return the goods, the Group estimates the returns based on the historical return data, does not recognise revenue and cost of sales for the estimated products to be returned. 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.

Initial fees, royalties and exclusivity fees

The Company recognises the initial fee obtained under the Management Agreements of the 7-Eleven convenience stores upon completion of the required services for the franchisees.

The Company recognises the royalty fee arising from the license for operating its 7-Eleven convenience stores over the period of the Management Agreements.

The Company has agreements with the merchandise suppliers to purchase their products to distribute in the 7-Eleven convenience stores. Under the terms of the agreements, the Company is entitled to charge exclusivity fees for the goods as specified in the agreements. In case of violation or cancellation of the agreements by the Company without reasonable cause, the suppliers have rights to a refund of such exclusivity fees according to the valuation of remaining period. But in case of cancellation of the agreements by the merchandise suppliers, such exclusivity fees are non-refundable. The Company recognises the exclusivity fees as income over the periods of agreements.

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Customer loyalty programmes

For customer loyalty programmes that the Group offers to customers, the consideration received is allocated based on the relative stand-alone selling price of the products and, the loyalty points or discount from accumulated purchased volume. The amount allocated to the loyalty points or discount from accumulated purchased volume is recognised as contract liabilities and revenue is recognised when the customers redeem or when the likelihood of the customer redeeming becomes remote. The stand-alone selling prices of the loyalty points or discount from accumulated purchased volume is estimated based on the discount provided to customers and the likelihood that the customers will redeem the points. The estimate is reviewed at the end of the reporting period.

Commission revenue

For the contracts that the Group is arranging for the provision of the goods or services on behalf of its customers and does not control the goods or services before the primary sellers or service providers will provide the goods or services to the customers. The Group acts in the capacity of an agent and recognises the net amount of consideration as commission revenue when its obligation to arrange for the provision of the specified good or service is fulfilled.

(t) Other income

Other operating income is recognised in profit or loss on an accrual basis.

(u) Income tax

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in separate financial statements.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(v) Earnings per share

The Group presents basic earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss for the year attributable to ordinary shareholders of the Company less cumulative interest for the year on perpetual subordinated debentures whether it has been accrued or not by the weighted average number of ordinary shares outstanding during the year.

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(w) *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.

(x) *Segment reporting*

Segment results that are reported to the chairman of executive committee of the Group (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

4 Business combination by entire business transfer

At the Company's Extraordinary General Meeting of Shareholders held on 12 October 2021, the Company's shareholders approved a local subsidiary (Siam Makro Public Company Limited) to accept the transfer of the entire business ("EBT Transaction") of C.P. Retail Holding Company Limited ("CPRH") to reinforce the business and support the Group's long-term strategies to become the leader in the retail and wholesale businesses and to expand the coverage of their business operations to be at a regional level, pursuant to which the subsidiary will accept the EBT Transaction of CPRH, including all assets, debts, rights, obligations and liabilities of CPRH existing at present and in the future as at the entire business transfer date.

On 25 October 2021, the subsidiary complete the entire business transfer transaction of CPRH. As part of the EBT Transaction, all assets and liabilities of CPRH were transferred to the subsidiary at the closing date. CPRH's main assets and liabilities included cash and cash equivalents, accrued expenses and 99.99% of C.P. Retail Development Company Limited ("CPRD")'s ordinary shares. CPRD holds (a) 99.99% of Lotus's Stores (Thailand) Co., Ltd.'s ordinary share which holds 99.99% of Ek-Chai Distribution System Co., Ltd.'s ordinary share, an operator of a retail business under the name Lotus's in Thailand; and (b) 100.00% of Lotuss Stores (Malaysia) Sdn. Bhd.'s ordinary share which operates a retail business under the name Lotus's in Malaysia. The business of Lotus's Group is divided into two main groups which are the retail business and the business of leasing space in shopping malls. The Lotus's Group is a leading operator in the retail business of groceries and consumer products with multi-store formats comprising hypermarkets, supermarkets and mini-supermarkets, and operates the business of leasing space in shopping malls in Thailand and Malaysia.

Under the EBT Transaction, the subsidiary issued and allocated 5,010,323,500 new ordinary shares with a par value of Baht 0.50 each at the offering price of Baht 43.50 per share, totaling Baht 217,949,072,250 to CPRH in consideration of the EBT Transaction from CPRH as payment in kind through the private placement offering.

After the completion of the EBT Transaction, CPRH proceeded with dissolution and completed liquidation within the same fiscal year in order to be in accordance with the rules, procedures and conditions stipulated under the Revenue Department for the purpose of tax exemption for such transaction, as well as, allocated the issued ordinary shares of the subsidiary to the existing shareholders of CPRH i.e. (a) the Company, (b) Charoen Pokphand Holding Company Limited ("CPH") and (c) C.P. Merchandising Company Limited ("CPM"), in proportion to their respective shareholding. CPRH allocated the issued ordinary shares of the subsidiary to the Company in the amount of 2,004,129,400 shares, totaling Baht 85,635 million, reducing the subsidiary's ownership interest from 93.08% to 65.97% whilst retaining control over the subsidiary as a result of the issuance and allocation of new ordinary shares of the subsidiary. The Group recognised an increase in non-controlling interests of Baht 135,066 million and surplus from changes in ownership interest in subsidiary of Baht 3,219 million.

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As the EBT Transaction of CPRH in which the Company holds 40% part, the subsidiary accounts for business restructuring and acquisition of interests under common control. As a result, they have been accounted for using a method similar to pooling of interests method, to reflect the economic substances of the subsidiary in the Group which were under common control throughout the related period for the benefit of comparison, although the legal form of the relationship of the subsidiary and the CPRH was effective subsequently.

As the EBT Transaction of CPRH for the remaining 60% part, the subsidiary accounts for business combination achieved in stages (“step acquisition”) pursuant to the provisions of Thai Financing Reporting Standards No. 3, *Business Combinations*, which requires, among other things, that the previously held equity interests in CPRH be remeasured to fair value at the date of business combination with any resulting gain or loss recognised in profit or loss and identifiable assets acquired and liabilities assumed in a business combination be recognised at their fair values as of the acquisition date.

The gain recognised as a result of remeasuring to fair value of the previously held equity interests is determined as follows:

	Consolidated financial statements <i>(in million Baht)</i>
Fair value of previously held equity interests	92,190
Carrying amount of previously held equity interests	85,476
Gain recognised as a result of remeasuring to fair value of the previously held equity interests	6,714

During the first quarter of 2022, the Group has completed the assessment of the fair value of identifiable assets acquired and liabilities assumed from business combination including the allocation of the consideration transferred. In this regard, the Group recorded goodwill amounting to Baht 232,545 million. Goodwill has been allocated to C.P. Retail Development Company Limited and its subsidiaries (“Lotus’s group”) which are the group of cash generating units of the Group.

Identifiable assets acquired and liabilities assumed

	Fair values <i>(in million Baht)</i>
CPRH	
Cash and cash equivalents	4
Other payables	(2)
CPRD	
Cash and cash equivalents	19,136
Trade accounts receivable	1,284
Other current receivables	2,979
Inventories	14,478
Derivatives assets	583
Investment in associate	9,174
Investments in joint ventures	4,774
Investment properties	51,017
Property, plant and equipment	77,943
Right-of-use assets	26,028
Intangible assets other than goodwill	5,221
Deferred tax assets	2,157

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

	Fair values <i>(in million Baht)</i>
CPRD (Continued)	
Other non-current assets	1,054
Short-term borrowings from financial institutions	(28,220)
Trade accounts payable	(22,479)
Other payables	(13,870)
Current portion of lease liabilities	(1,907)
Income tax payable	(496)
Derivatives liabilities	(809)
Long-term borrowings from financial institutions	(100,093)
Lease liabilities	(36,982)
Provisions for employee benefits	(1,487)
Other non-current provisions	(2,166)
Rental deposits from tenants	(2,439)
Deferred tax liabilities	(6,447)
Other non-current liabilities	(505)
Total identifiable net assets received	(2,070)
Goodwill	232,545
Consideration transferred	230,475

Business combination-related costs

The Group had business combination-related costs, totaling Baht 197 million, which were recorded in the administrative expenses account in the consolidated statement of income for the year ended 31 December 2021.

Operations of new subsidiaries after business combination

In the preparation of the consolidated statement of income for the year ended 31 December 2021, the Group included the operation results of new subsidiaries for the period from 25 October 2021 to 31 December 2021. Significant details are as follows:

	For the period from 25 October 2021 to 31 December 2021 <i>(in million Baht)</i>
Total revenues	40,197
Profit for the period attributable to equity holders of the Company	238

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

5 Related parties

Relationships with subsidiaries, associate and joint ventures are described in note 9 and 10 to the financial statements. Relationships with key management and other related parties that the Group had significant transactions with during the year were as follows:

Name of parties	Country of incorporation/ nationality	Nature of relationships
Charoen Pokphand Group Company Limited (“CPG”)	Thailand	Shareholder of the Company, Company under CPG Group
All Now Logistics Co., Ltd.	Thailand	Company under CPG Group
All Now Management Co., Ltd.	Thailand	Company under CPG Group
Alter Vim Company Limited	Thailand	Company under CPG Group
Ascend Commerce Company Limited	Thailand	Company under CPG Group
Ascend Food Company Limited	Thailand	Company under CPG Group
C.P. Consumer Products Co., Ltd.	Thailand	Company under CPG Group
C.P. Merchandising Co., Ltd.	Thailand	Company under CPG Group
C.P. Packaging Industry Co., Ltd.	Thailand	Company under CPG Group
C.P. Venture Capital Co., Ltd.	Thailand	Company under CPG Group
C.P. Facility Management Company Limited	Thailand	Company under CPG Group
CP Land Public Company Limited	Thailand	Company under CPG Group
C.P. Tower Growth Leasehold Property Fund	Thailand	Company under CPG Group
Charoen Pokphand Engineering Co., Ltd.	Thailand	Company under CPG Group
Charoen Pokphand Foods Public Company Limited	Thailand	Company under CPG Group
Chester Food Co., Ltd.	Thailand	Company under CPG Group
Chonburi Transportation Company Limited	Thailand	Company under CPG Group
CP B&F (Thailand) Company Limited	Thailand	Company under CPG Group
CP Match Co., Ltd.	Thailand	Company under CPG Group
CP Sales & Service Company Limited	Thailand	Company under CPG Group
CPF (Thailand) Public Company Limited	Thailand	Company under CPG Group
CPF Food and Beverage Company Limited	Thailand	Company under CPG Group
CPF IT Center Co., Ltd.	Thailand	Company under CPG Group
CPF Restaurant and Food Chain Company Limited	Thailand	Company under CPG Group
CPF Trading Co., Ltd.	Thailand	Company under CPG Group
CP-Meiji Co., Ltd.	Thailand	Company under CPG Group
EGG Digital Co., Ltd.	Thailand	Company under CPG Group

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Name of parties	Country of incorporation/ nationality	Nature of relationships
International Pet Food Co., Ltd.	Thailand	Company under CPG Group
Leadership Development Charoen Pokphand Group Co., Ltd.	Thailand	Company under CPG Group
Perfect Companion Group Co., Ltd.	Thailand	Company under CPG Group
Pokphand Enterprise Co., Ltd.	Thailand	Company under CPG Group
SM True Co., Ltd.	Thailand	Company under CPG Group
True Digital Group Co., Ltd.	Thailand	Company under CPG Group
True Distribution and Sales Co., Ltd.	Thailand	Company under CPG Group
True E-Logistics Company Limited	Thailand	Company under CPG Group
True GS Co., Ltd.	Thailand	Company under CPG Group
True Internet Corporation Co., Ltd.	Thailand	Company under CPG Group
True Internet Data Center Company Limited	Thailand	Company under CPG Group
True Leasing Co., Ltd.	Thailand	Company under CPG Group
True Money Co., Ltd.	Thailand	Company under CPG Group
True Move H Universal Communication Co., Ltd.	Thailand	Company under CPG Group
True United Football Club Co., Ltd.	Thailand	Company under CPG Group
Wire & Wireless Co., Ltd.	Thailand	Company under CPG Group
Asia Aquaculture (M) Sdn. Bhd.	Malaysia	Company under CPG Group
Perfect Companion (MALAYSIA) Sdn. Bhd.	Malaysia	Company under CPG Group
Pk Agro-industrial Product (MALAYSIA) Sdn. Bhd.	Malaysia	Company under CPG Group
Tip Top Meat Sdn. Bhd.	Malaysia	Company under CPG Group
C.P. Cambodia Co., Ltd.	Cambodia	Company under CPG Group
C.P. Vietnam Corporation	Vietnam	Company under CPG Group
Charoen Pokphand Foods Canada Inc.	Canada	Company under CPG Group
Advance Transport Co., Ltd.	Thailand	Chearavanont family is major shareholders
C.P. Food Store Co., Ltd.	Thailand	Chearavanont family is major shareholders
Chef Cares Project Co., Ltd.	Thailand	Chearavanont family is major shareholders
CT Fresh Company Limited	Thailand	Chearavanont family is major shareholders
Dynamic Transport Company Limited	Thailand	Chearavanont family is major shareholders
Dees Supreme Co., Ltd.	Thailand	Chearavanont family is major shareholders
Thai Kodama Company Limited	Thailand	Chearavanont family is major shareholders
Key management personnel	Thai/ Foreigners	Persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director of the Group (whether executive or otherwise)

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

<i>Significant transactions with related parties</i> <i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in million Baht)</i>			
<i>Subsidiaries</i>				
Revenue from sale of goods and rendering of services	-	-	5,419	5,053
Interest income	-	-	193	237
Dividend income	-	-	5,380	7,064
Other income	-	-	2,269	2,115
Distribution costs	-	-	3,135	1,649
Administrative expenses	-	-	3,366	4,918
Finance costs	-	-	41	21
Purchases of goods and services	-	-	30,932	25,417
Purchases of property, plant and equipment and intangible assets other than goodwill	-	-	2,969	2,785
<i>Associate</i>				
Revenue from sale of goods and rendering of services	349	104	-	-
Dividend income	448	81	-	-
Other income	1	1	-	-
Distribution costs	586	116	-	-
Administrative expenses	-	2	-	1
Finance costs	252	32	-	-
Purchases of goods and services	123	38	-	-
<i>Joint ventures</i>				
Revenue from sale of goods and rendering of services	67	10	-	-
Dividend income	10	-	-	-
Other income	51	9	-	-
Distribution costs	97	24	-	-
Administrative expenses	2	1	-	-
Purchases of goods and services	10	1	-	-
Finance costs	1	-	-	-
<i>Related companies</i>				
Revenue from sale of goods and rendering of services	2,304	2,557	398	416
Gain from sale of investment in subsidiaries	-	1,317	-	1,440
Other income	1,676	1,160	1,491	1,104
Distribution costs	2,687	1,083	1,516	723
Administrative expenses	1,213	686	343	377
Finance costs	36	8	-	-
Purchases of goods and services	67,819	51,652	26,084	29,877
Purchases of property, plant and equipment and intangible assets other than goodwill	317	173	6	139
<i>Key management personnel</i>				
Key management benefit expenses				
Short-term employee benefits	807	759	528	494
Severance pay for employees	46	10	6	2
Total key management benefit expenses	853	769	534	496

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

<i>Balances with related parties</i> <i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in million Baht)</i>			
<i>Trade accounts receivable</i>				
Associate	13	12	-	-
Joint ventures	1	2	-	-
Related companies	329	631	-	-
Total	343	645	-	-
<i>Less allowance for expected credit loss</i>	<i>(10)</i>	<i>-</i>	<i>-</i>	<i>-</i>
Net	333	645	-	-
Expected credit losses for the year	10	-	-	-
<i>Other current receivables</i>				
Subsidiaries	-	-	2,619	2,295
Associate	25	26	-	-
Joint ventures	56	21	-	-
Related companies	2,155	2,278	1,560	2,154
Total	2,236	2,325	4,179	4,449
<i>Less allowance for expected credit loss</i>	<i>(2)</i>	<i>-</i>	<i>-</i>	<i>-</i>
Net	2,234	2,325	4,179	4,449
Expected credit losses for the year	2	-	-	-

Short-term loans to subsidiaries

Movements during the years ended 31 December 2022 and 2021 were as follows:

	Separate financial statements	
	2022	2021
	<i>(in million Baht)</i>	
At 1 January	7,655	5,500
Increases	200	3,800
Decreases	(700)	(1,770)
Unrealised gain on exchange	74	125
Total	7,229	7,655
<i>Less allowance for expected credit loss</i>	<i>-</i>	<i>-</i>
At 31 December	7,229	7,655
Interest rate at 31 December (% per annum)	1.50 - 3.00	1.50 - 3.00
Expected credit losses for the year	-	-

As at 31 December 2022 the outstanding balance of short-term loans to the subsidiaries was unsecured and at call.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Balances with related parties At 31 December

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in million Baht)</i>			
<i>Investments in related companies</i>				
True GS Co., Ltd.	138	199	138	199
ALL Now Management Co., Ltd.	959	494	512	260
EGG Digital Co., Ltd.	266	128	140	67
C.P. Venture Capital Co., Ltd.	205	-	205	-
Total	1,568	821	995	526
<i>Other non-current assets</i>				
Subsidiaries	-	-	4	3
Related companies	36	2	35	-
Total	36	2	39	3
<i>Trade accounts payable</i>				
Subsidiaries	-	-	2,892	2,505
Joint ventures	14	20	-	-
Related companies	10,774	9,491	4,256	3,524
Total	10,788	9,511	7,148	6,029
<i>Other payables</i>				
Subsidiaries	-	-	7,359	7,131
Associate	1	-	-	-
Joint ventures	70	-	-	-
Related companies	1,921	775	140	134
Total	1,992	775	7,499	7,265

Short-term borrowings from subsidiaries

Movements during the years ended 31 December 2022 and 2021 were as follows:

Balances with related parties At 31 December

	Separate financial statements	
	2022	2021
	<i>(in million Baht)</i>	
At 1 January	1,400	-
Increases	60	1,400
Decreases	(1,400)	-
At 31 December	60	1,400
Interest rate at 31 December (% per annum)	1.00	3.00

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

<i>Balances with related parties</i> <i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in million Baht)</i>			
<i>Lease liabilities</i>				
Associate	6,547	6,758	-	-
Joint ventures	20	21	-	-
Related companies	1,507	581	-	-
Total	8,074	7,360	-	-
<i>Rental deposits from tenants</i>				
Related companies	-	7	-	-
Total	-	7	-	-

Significant agreements with related parties

As at 31 December 2022 the Group had the following significant agreements with related parties:

- (a) The Company has a service agreement with Charoen Pokphand Group Company Limited, a shareholder of the Company, covering technical advisory, management, technical assistances and right to use the trademark and services of the shareholder for a period of 1 year ending in December 2023. In consideration thereof, the Company agreed to pay a monthly service fee to the shareholder totaling Baht 1.58 million.
- (b) The Company has a cash management agreement with Counter Service Co., Ltd., a local subsidiary. Under the terms of the agreement, the Company agreed to provide cash management services under conditions stipulated in the agreement to the subsidiary. In consideration thereof, the subsidiary agreed to pay a cash management service fee to the Company at the rates stipulated in the agreement, and the Company agreed to pay benefits for cash management to the subsidiary at the rate stipulated in the agreement. If either party has intention to terminate the agreement, a written notification must be made to the other party at least 60 days before the expiry date of the agreement.
- (c) The Company has service agreements with Counter Service Co., Ltd., a local subsidiary. Under the terms of the agreements, the Company agreed to provide and install the computer system to support bill payment services. In consideration thereof, the subsidiary agreed to pay monthly service fees to the Company in accordance with the types of service stipulated in the agreements.
- (d) The Company has a service agreement with Counter Service Co., Ltd., a local subsidiary. Under the terms of the agreement, the Company agreed to be appointed as the agent of the subsidiary for bill payment services under conditions stipulated in the agreement. In consideration thereof, the subsidiary agreed to pay a service fee to the Company at the amount stipulated in the agreement. If either party has intention to terminate the agreement, a written notification must be made to the other party at least 60 days before the expiry date of the agreement.
- (e) The Company has a maintenance service agreement with CP Retailink Co., Ltd., a local subsidiary. Under the terms of the agreement, the subsidiary agreed to provide maintenance of computer hardware and equipment services to the Company for a period of 3 years ending in December 2025. In consideration thereof, the Company agreed to pay an annual service fee to the subsidiary at the amount stipulated in the agreement.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

- (f) The Company and certain local subsidiaries have lease and service agreements with C.P. Tower Growth Leasehold Property Fund, a related company, to lease space in its buildings for offices of the Company and the subsidiaries. In consideration thereof, the Company and the subsidiaries agreed to pay monthly rental and services fees totaling Baht 15.4 million, and placed guarantee deposits with the related company totaling Baht 32.1 million. The guarantee deposits will be refunded to the Company and the subsidiaries upon the termination of the lease. These agreements are effective for a period of 3 years, and will expire on various dates until September 2025.
- (g) The Company and certain local subsidiaries have information system services agreements with Gosoft (Thailand) Co., Ltd. (“the service provider”), a local subsidiary. Under the terms of these agreements, the service provider agreed to provide consulting, advisory, development, design, installation, maintenance and supporting services to the Company and its subsidiaries for a period of 1 year ending in December 2023. In consideration thereof, the Company and its subsidiaries agreed to pay service fees to the service provider at the amounts stipulated in the agreements. If either party has intention to terminate the agreement, a written notification must be made to the other party at least 90 days before the expiry date of the agreement.
- (h) The Company has a service agreement with Thai Smart Card Co., Ltd., a local subsidiary. Under the terms of the agreement, the subsidiary agreed to manage customer loyalty programme. In consideration thereof, the Company agreed to pay monthly service fees to the subsidiary totaling Baht 0.3 million. If either party has intention to terminate the agreement, a written notification must be made to the other party at least 30 days before the expiry date of the agreement.
- (i) The Company has a service agreement with Counter Service Co., Ltd., a local subsidiary. Under the terms of the agreement, the subsidiary agreed to manage points for customer loyalty programme. In consideration thereof, the Company agreed to pay a monthly service fee to the subsidiary of Baht 0.3 million. The agreement is for a period of 3 years and are renewable for additional periods of 3 years. If either party has no intention to renew the agreement, a written notification must be made to the other party at least 60 days before the expiry date of the agreement.
- (j) The Company has service agreements with Siam Makro Public Company Limited, a local subsidiary, as well as, Makro (Cambodia) Company Limited, ARO Commercial Company Limited, Guangzhou Huadu Makro Food Supermarket Company Limited and Makro (Guangzhou) Food Company Limited, foreign subsidiaries. Under the terms of these agreements, the Company agreed to grant the right to use certain trademarks under conditions stipulated in the agreements. In consideration thereof, the subsidiaries are committed to pay a fee, calculated as a percentage of their sales, to the Company as stipulated in the agreements. These agreements are effective for periods of 1 year to 5 years, and will expire on various dates until December 2026.
- (k) A local subsidiary (Siam Makro Public Company Limited) has lease and service agreements with CP Retailink Co., Ltd., a local subsidiary (“the party”). Under the terms of these agreements, the subsidiary agreed to provide space for trading and related services to the party. In consideration thereof, the party agreed to pay monthly rental and services fees, and placed guarantee deposits with the subsidiary as stipulated in the agreement. The guarantee deposits will be refunded to the party upon the termination of the lease. These agreements are effective for a period of 1 year and 3 years, and will expire on various dates until January 2025.
- (l) A local indirect subsidiary (EK-Chai Distribution System Co., Ltd.) and a foreign indirect subsidiary (Lotuss Stores (Malaysia) Sdn. Bhd.) have service agreements with Charoen Pokphand Group Company Limited, a shareholder of the company (“the party”). Under the terms of these agreements, the subsidiaries obtain the right to use of trademark and services under conditions stipulated in the agreements. In consideration thereof, the subsidiaries are committed to pay to the party fees calculated as a percentage of their sales as stipulated in the agreements. These agreements are effective for a period of 2 years and will expire in December 2023.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

- (m) A local indirect subsidiary (Ek-Chai Distribution System Company Limited (“ECDS”)) has a service agreement with Egg Digital Co., Ltd., a related company. Under the terms of the agreement, the related company agrees to provide advertising and data analytics services to ECDS. In consideration thereof, ECDS agrees to pay a service fee to the related company and entitle to receive revenue sharing from advertising and data analytics services to ECDS’s business partner at the rate stipulated in the agreement. This agreement is effective for a period of 3 year and will expire in February 2025.

6 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in million Baht)</i>			
Cash on hand	14,141	14,891	9,195	9,282
Cash at financial institutions	45,019	81,017	11,800	10,175
Highly liquid short-term investments	12,264	415	-	-
Total	71,424	96,323	20,995	19,457

7 Trade accounts receivable and other current receivables

		Consolidated financial statements		Separate financial statements	
<i>Trade accounts receivable</i>	<i>Note</i>	2022	2021	2022	2021
		<i>(in million Baht)</i>			
<i>Related parties</i>					
Within credit terms		241	467	-	-
Overdue:					
Less than 3 months		84	148	-	-
3 - 6 months		9	16	-	-
6 - 12 months		5	5	-	-
Over 12 months		4	9	-	-
Total		343	645	-	-
Less allowance for expected credit loss		(10)	-	-	-
Net	5	333	645	-	-
<i>Other parties</i>					
Within credit terms		2,522	1,801	244	162
Overdue:					
Less than 3 months		744	828	-	-
3 - 6 months		73	160	-	-
6 - 12 months		71	97	-	-
Over 12 months		176	208	-	-
Total		3,586	3,094	244	162
Less allowance for expected credit loss		(299)	(398)	-	-
Net		3,287	2,696	244	162
Grand total		3,620	3,341	244	162

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

<i>Other current receivables</i>	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
		<i>(in million Baht)</i>			
<i>Related parties</i>					
Within credit terms		1,766	2,021	3,724	4,190
Overdue:					
Less than 3 months		298	275	294	184
3 - 6 months		131	17	130	63
6 - 12 months		34	11	30	11
Over 12 months		7	1	1	1
Total		2,236	2,325	4,179	4,449
Less allowance for expected credit loss		(2)	-	-	-
Net	5	2,234	2,325	4,179	4,449
<i>Other parties</i>					
Within credit terms		11,689	10,332	4,568	3,523
Overdue:					
Less than 3 months		1,049	928	947	800
3 - 6 months		32	105	8	9
6 - 12 months		13	64	3	3
Over 12 months		89	81	18	18
Total		12,872	11,510	5,544	4,353
Less allowance for expected credit loss		(94)	(90)	(24)	(19)
Net		12,778	11,420	5,520	4,334
Grand Total		15,012	13,745	9,699	8,783

<i>Allowance for expected credit loss</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in million Baht)</i>			
At 1 January	488	125	19	18
Addition	126	36	5	2
Acquisition through business combination	-	355	-	-
Reversal	(136)	(67)	-	-
Write-off	(68)	(16)	-	(1)
Exchange differences on translating financial statements	(5)	55	-	-
At 31 December	405	488	24	19

Information of credit risk is disclosed in note 32 (b.1) to the financial statements.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

8 Inventories

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in million Baht)</i>			
Finished goods	58,791	51,623	18,223	16,536
Work in progress	153	130	-	-
Raw materials	832	667	-	-
Goods in transit	898	641	-	-
Total	60,674	53,061	18,223	16,536
Less allowance for losses on decline in value of inventories	(2,491)	(2,526)	(216)	(220)
Net	58,183	50,535	18,007	16,316

The cost of inventories which is recognised as an expense and presented as part of the account “Cost of sale of goods and rendering of services” consisted of:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in million Baht)</i>			
Cost of inventories	639,380	436,190	257,799	210,765
(Reversal of) allowance for losses on decline in value of inventories	(35)	1,991	4	-
Total	639,345	438,181	257,803	210,765

The cost of inventories which is recognised as an expense and presented as part of the account “Distribution costs” in the statements of income for the year ended 31 December 2022 amounted to Baht 2,247 million (2021: Baht 2,341 million) in the consolidated financial statements, and Baht 2,244 million (2021: Baht 2,331 million) in the separate financial statements.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

9 Investments in associate and joint ventures

Movements during the years ended 31 December 2022 and 2021 were as follows:

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
		(in million Baht)			
Associate					
At 1 January		9,139	85,552	-	85,635
Decrease		-	(85,476)	-	(85,635)
Acquisition through business combination	4	-	9,174	-	-
Change in ownership interest in associate		-	(66)	-	-
Add (Less) Share of gain (loss) of investment accounted for using equity method		362	(328)	-	-
Add Share of other comprehensive income of investment accounted for using equity method		-	364	-	-
Less Dividend income		(448)	(81)	-	-
At 31 December		9,053	9,139	-	-
Joint ventures					
At 1 January		4,876	-	-	-
Acquisition through business combination	4	-	4,774	-	-
Add Share of profit of investment accounted for using equity method		469	102	-	-
Less Dividend income		(10)	-	-	-
At 31 December		5,335	4,876	-	-

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Investments in associate and joint ventures as at 31 December 2022 and 2021, and dividend income for the years then ended were as follows:

Consolidated financial statements											
Name of parties	Type of business	Ownership interest		Paid-up capital		At cost		Equity		Dividend income for the year	
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
(in million Baht)											
Indirect associate	Lotus's Retail Growth Freehold and Leasehold Property Fund	14.98	14.98	23,828	23,828	6,373	6,373	9,053	9,319	448	81
Total						6,373	6,373	9,053	9,319	448	81
Indirect joint ventures	Lotus's Money Services Limited	29.95	29.95	2,080	2,080	1,040	1,040	4,512	4,053	-	-
	Retail Properties Co., Ltd.	29.95	29.95	210	210	248	248	504	504	10	-
Synergistic Property Development Co., Ltd.	Property development	29.94	29.94	465	465	256	256	319	319	-	-
Total						1,544	1,544	5,335	4,876	10	-

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

All associate and joint ventures were incorporated and operated in Thailand.

Lotus's Retail Growth Freehold and Leasehold Property Fund is listed in the Stock Exchange of Thailand. The fair value of investment as at 30 December 2022 totaled Baht 7,421 million (2021: Baht 8,823 million).

The Group has considered that none of associate and joint ventures is regarded as individually material to the Group.

Immaterial associate and joint ventures

The following table summarises the financial information of the Group's interests in immaterial associate and joint ventures based on the amounts reported in the Group's consolidated financial statements.

	Immaterial associate		Immaterial joint ventures	
	2022	2021	2022	2021
	<i>(in million Baht)</i>			
Carrying amount of interests in immaterial associate and joint ventures	9,053	9,139	5,335	4,876
Group's share of:				
- Profit (loss) from continuing operations	362	(328)	469	102
- Other comprehensive income	-	364	-	-
- Total comprehensive income	362	36	469	102

10 Investments in subsidiaries

Movements during the years ended 31 December 2022 and 2021 were as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in million Baht)</i>			
At 1 January	-	-	281,357	201,010
Increases	-	-	813	86,818
Decreases	-	-	(249)	(6,471)
At 31 December	-	-	281,921	281,357

Details of the net increases and decreases in investments in subsidiaries during the years ended 31 December 2022 and 2021 were as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in million Baht)</i>			
All Corporation Limited	-	-	450	-
Albuera International Limited	-	-	363	185
Siam Makro Public Company Limited	-	-	(249)	80,164
ALL Now Management Co., Ltd.	-	-	-	(2)
Total	-	-	564	80,347

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

All Corporation Limited

Additional investment

During the third quarter of 2022, a local direct subsidiary (All Corporation Limited) increased its authorised share capital of Baht 750 million; from Baht 250 million to Baht 1,000 million and collected from the called for additional paid-up share capital of Baht 450 million; from Baht 250 million to Baht 700 million.

Disposal of investment

During the third quarter of 2021, a local direct subsidiary (All Corporation Limited) disposed ordinary shares 99.99% of total issued and paid-up ordinary shares of a local indirect subsidiary (ALL NOW LOGISTICS CO., LTD.) for 99,997 shares at the price of Baht 261 per share, totaling Baht 26.10 million to a local direct subsidiary (ALL Now Management Co., Ltd.).

Albuera International Limited

Additional investment

During the third quarter of 2022, a foreign subsidiary (Albuera International Limited) collected from the called for additional paid-up share capital of United States Dollars 10 million; from United States Dollar 10 million to United States Dollars 20 million.

During the first quarter of 2021, a foreign subsidiary (Albuera International Limited) collected from the called for additional paid-up share capital of United States Dollars 6 million; from United States Dollar 4 million to United States Dollars 10 million.

Siam Makro Public Company Limited

Disposal of investment

During the fourth quarter of 2022, the Company had partial disposal 6 million ordinary shares of the subsidiary at the price of Baht 38.75 per share, totaling Baht 233 million to a local direct subsidiary (Siam Makro Holding (Thailand) Limited) whilst retaining direct and indirect ownership interest as 59.92% and the Company had the loss on sale of investment in the separate financial statements of totaling Baht 16 million.

Change in interest in a subsidiary without a change of control

According to the entire business transfer transaction on 25 October 2021 as disclosed in note 4 to the financial statements, a local subsidiary (Siam Makro Public Company Limited) issued and allocated new ordinary shares to the Company. The carrying amount of previously held equity interests was Baht 85,635 million, reducing its direct and indirect ownership interest from 93.08% to 65.97% whilst retaining control over the subsidiary. The group recognised an increase in non-controlling interests of Baht 135,066 million and surplus from changes in ownership interest in subsidiary of Baht 3,219 million.

On 22 December 2021, the Company had partial disposal 1.34% of total issued and paid-up ordinary shares of the subsidiary at the price of Baht 43.50 per share, totaling Baht 5,742 million in cash, reducing its direct and indirect ownership interest from 65.97% to 64.63% whilst retaining control over the subsidiary. The group recognised an increase in non-controlling interests of Baht 5,904 million and deficit from changes in ownership interest in subsidiary of Baht 412 million, net of disposal cost of Baht 217 million and income tax expense of Baht 32 million. The Company had the gain on sale of investment in the separate financial statements of totaling Baht 271 million.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

On 24 December 2021, the subsidiary increased its authorised share capital of 770 million shares with a par value of Baht 0.50 each at the offering price of Baht 43.50 per share, totaling Baht 33,495 million for public offering. The registration of the increased authorised share capital with the Ministry of Commerce and the additional paid-up share capital were completed in December 2021, reducing its direct and indirect ownership interest from 64.63% to 59.92% whilst retaining control over the subsidiary. The group recognised an increase in non-controlling interests of Baht 34,062 million and deficit from change in ownership interest in subsidiary of Baht 1,056 million.

ALL Now Management Co., Ltd. ("ANM")

Loss in control over a subsidiary

During the fourth quarter of 2021, ANM increased its authorised share capital and collected from the called for additional paid-up share capital of Baht 998 million; from Baht 2 million to Baht 1,000 million and the Company had partial disposal ordinary shares 90% of total issued and paid-up shares of ANM of 90 million shares at the price of Baht 26 per share, totaling Baht 2,340 million to related companies; Chonburi Transportation Company Limited (52%), CPF Trading Co., Ltd. (19%), Telecom Holding Co., Ltd. (10%), and Ek-Chai Distribution System Co., Ltd. (9%), as a result, ANM changed its status from a subsidiary to a related company of the Company. The Group lost control over ANM, which remained 10% of total issued and paid-up share capital as "investment in related company" measured at fair value through other comprehensive income.

The carrying amount of equity interest in ANM in the Group's consolidated financial statements and in the separate financial statements on the date of transaction was Baht 1,023 million and Baht 900 million, respectively. In this regard, the fair value of the Group's retained interest in ANM was Baht 2,340 million based on the independent appraisal report. The Group recognised a gain on loss of control in a subsidiary from derecognition the assets and liabilities of totaling Baht 1,317 million and gain from sale of investment in subsidiary in the separate financial statements of totaling Baht 1,440 million.

Name of parties	Type of business	Country of operation	Separate financial statements					Dividend income for the year
			Ownership interests		Paid-up capital		At cost	
			2022	2021	2022	2021	2022	2021
			(%)		(in million Baht)			
Local direct subsidiaries								
Suksapiwat Co., Ltd.	Holding company	Thailand	99.99	99.99	810	810	810	159
CPRAM Co., Ltd.	Frozen food plant and bakery	Thailand	99.99	99.99	600	600	600	-
Counter Service Co., Ltd.	Bill payment services, e-commerce, distributor of all types of commercial cards and tickets and insurance broker	Thailand	99.99	99.99	100	100	91	1,089
ALL Corporation Limited 24 Shopping Co., Ltd.	Holding company	Thailand	99.99	99.99	700	250	700	-
	Distributor of catalog merchandises and e-commerce	Thailand	99.99	99.99	30	30	30	540
CP Retailink Co., Ltd.	Distributor of equipment for retailing and software development	Thailand	99.99	99.99	20	20	20	400
Gosoft (Thailand) Co., Ltd.	Information system design and development services	Thailand	99.99	99.99	20	20	20	130

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Name of parties	Type of business	Country of operation	Ownership interests (%)		Separate financial statement (Continued)				Dividend income for the year	
					Paid-up capital	At cost	(in million Baht)		2022	2021
			2022	2021	2022	2021	2022	2021		
OHT Co., Ltd.	Holding company	Thailand	99.99	99.99	12	12	57,754	57,754	495	1,345
ALL Now Management Co., Ltd.	Logistics and distribution of merchandises services	Thailand	-	-	-	-	-	-	-	130
All Training Co., Ltd.	Training center	Thailand	99.99	99.99	1	1	1	1	80	100
ALL Wellness Co., Ltd.	Digital innovation healthcare services and consultation by medical specialists	Thailand	99.99	99.99	176	176	176	176	-	-
MAM Heart Co., Ltd.	Marketing activities planning services	Thailand	99.99	99.99	1	1	1	1	20	20
Panyatara Co., Ltd.	Training center	Thailand	99.99	99.99	1	1	1	1	40	30
Thai Smart Card Co., Ltd.	Smart purse card services	Thailand	99.99	99.99	1,600	1,600	1,939	1,939	110	-
Siam Makro Holding (Thailand) Limited	Holding company	Thailand	49.00	49.00	1,066	1,066	55,490	55,490	475	1,293
Siam Makro Public Company Limited	Wholesale	Thailand	34.91	34.97	5,290	5,290	153,118	153,367	1,850	1,828
Total							270,751	270,550	5,380	7,064

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Name of parties	Type of business	Country of operation	Ownership interests (%)	Separate financial statements (Continued)				
				Paid-up capital		At cost	Dividend income for the year	
				2022	2021			
				(in million United States Dollars)		(in million Baht)	2022	2021
Foreign direct subsidiaries								
Lotus Distribution	Holding company	British Virgin Islands	100.00	310	310	10,497	-	-
Investment Limited								
Albuera International Limited	Holding company	British Virgin Islands	100.00	20	10	310	-	-
Total				11,170	10,807	10,807	-	-
Grand total				281,921	281,357	281,357	5,380	7,064

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Details of the Company's indirect subsidiaries as at 31 December 2022 and 2021 were as follows:

Name of parties	Type of business	Country of operation	Ownership interests 2022 2021 (%)	
<i>Local indirect subsidiaries</i>				
<i>- Investment through All Corporation Limited</i>				
CP Foodlab Co., Ltd.	Research and development service, and microbiologic and scientific Laboratory services	Thailand	99.99	99.99
ALL GUARDIAN CO., LTD.	Health and beauty products retailer	Thailand	64.99	64.99
ALL SPEEDY CO., LTD.	Logistics and distribution of merchandises services.	Thailand	45.45	-
<i>- Investment through Suksapiwat Co., Ltd.</i>				
Panyapiwat Institute of Management	Educational institution	Thailand	99.99	99.99
Panyapiwat Institute of Management Demonstration School	Educational institution	Thailand	99.99	99.99
Panyapiwat Technological College	Educational institution	Thailand	99.99	99.99
<i>- Investment through Siam Makro Public Company Limited</i>				
Makro ROH Co., Ltd.	Providing technical And supporting services to the Group	Thailand	59.91	59.91
ProMart Co., Ltd.	Trading of non-food products	Thailand	59.91	59.91
Siam Food Services Limited	Importing and trading of food products from international and domestic sources and Providing freight, delivery rental and storage services	Thailand	59.91	59.91
C.P. Retail Development Company Limited	Retail business and mall	Thailand	59.91	59.91
Lotus’s Stores (Thailand) Co., Ltd.	Retail business	Thailand	59.90	59.90
Ek-Chai Distribution System Co., Ltd.	Retail business and related business	Thailand	59.90	59.90
Lotus’s Mobile (Thailand) Co., Ltd.	Telecommunication business	Thailand	59.89	59.89

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Name of parties	Type of business	Country of operation	Ownership interests	
			2022	2021
			(%)	
Local indirect subsidiaries (continued)				
- Investment through OHT Co., Ltd.				
Siam Makro Holding (Thailand) Limited	Holding company	Thailand	50.99	50.99
Siam Makro Public Company Limited	Wholesale	Thailand	25.01	24.95
Foreign indirect subsidiaries				
- Investment through Albuera International Limited				
CP ALL (CAMBODIA) CO., LTD.	Convenience stores	Cambodia	100.00	100.00
CP ALL LAOS COMPANY LIMITED	Convenience stores	Laos	99.99	99.99
- Investment through Lotus Distribution Investment Limited				
Nanjing Tech University Pujiang Institute	Educational institution	The People’s Republic of China	100.00	100.00
Nanjing Tech University Pujiang Institute Educational Development Fund	Educational development fund	The People’s Republic of China	100.00	100.00
Nanjing Tianqu Investment Management Co., Ltd.	Commercial trading, holding of educational institution	The People’s Republic of China	100.00	100.00
Nanjing Zheng Yi Xin Trading Co., Ltd.	Commercial trading	The People’s Republic of China	100.00	100.00
Successor (China) Investments Limited	Holding company	The People’s Republic of China	100.00	100.00
Successor Investments Limited	Holding company	Hong Kong Special Administrative Region of the People’s Republic of China	100.00	100.00
- Investment through All Corporation Limited				
ALL CONVENIENCE SERVICES CO., LTD.	Logistics and distribution of merchandises services	Cambodia	99.99	99.99
ALL IM-EX AND PROSERVICE CO., LTD.	Production of ready meal, importing and trading of equipment and providing maintenance service of convenience stores’ equipment	Cambodia	99.99	-

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Name of parties	Type of business	Country of operation	Ownership interests 2022	Ownership interests 2021
(%)				
- Investment through Siam Makro Public Company Limited				
Indoguna Vina Food Service Company Limited	Trading and distribution, and import and export Food products	Vietnam	59.92	59.92
ARO Commercial Company Limited	Wholesale and retail operator and related business	Republic of the Union of Myanmar	59.91	59.91
ARO Company Limited	Providing marketing and consulting services	Republic of the Union of Myanmar	59.91	59.91
Indoguna (Cambodia) Company Limited	Importing and trading of food related products	Cambodia	59.91	59.91
CP Wholesale India Private Limited	Wholesale and related business	India	59.90	59.90
Makro (Guangzhou) Food Company Limited	Wholesale and retail operator and related business	The People’s Republic of China	59.90	59.90
Guangzhou Huadu Makro Food Supermarket Company Limited	Wholesale and retail operator and related business	The People’s Republic of China	59.90	59.90
Indoguna (Singapore) Pte Ltd	Manufacturing, trading, importing and exporting of food related products	Singapore	47.93	47.93
Indoguna Dubai L.L.C	Importing and trading of food related products	United Arab Emirates	47.93	47.93
Indoguna Lordly Company Limited	Manufacturing, trading, importing and exporting of food related products	Hong Kong Special Administrative Region of the People’s Republic of China	47.93	47.93
Just Meat Company Limited	Importing and trading of food related products	Hong Kong Special Administrative Region of the People’s Republic of China	47.93	47.93
MAXZI THE GOOD FOOD RESTAURANT & CAFE L.L.C	Restaurant and minimart	United Arab Emirates	47.93	47.93
Makro (Cambodia) Company Limited	Wholesale and retail operator and related business	Cambodia	41.94	41.94

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Name of parties	Type of business	Country of operation	Ownership interests	
			2022	2021
			(%)	
- Investment through Siam Makro Public Company Limited (Continued)				
Lotuss Stores (Malaysia) Sdn. Bhd.	Retail business and related business	Malaysia	59.91	59.91

11 Non-controlling interests

The following table summarises the information relating to each of the Group's subsidiaries that has a material non-controlling interest:

	31 December 2022		
	Siam Makro Public Company Limited	ALL GUARDIAN CO., LTD. (in million Baht)	Total
Non-controlling interests percentages	40.08	35.01	
Current assets	87,355	228	
Non-current assets	461,288	17	
Current liabilities	(90,763)	(237)	
Non-current liabilities	(166,949)	(3)	
Net assets	290,931	5	
Carrying amount of non-controlling interests	189,575*	2	189,577
Revenue	469,131	231	
Profit (loss)	7,682	(197)	
Other comprehensive income	(46)	-	
Total comprehensive income (loss)	7,636	(197)	
Profit (loss) allocated to non-controlling interests	3,018*	(69)	2,949
Other comprehensive income allocated to non-controlling interests	(13)*	-	(13)
Cash flows from operating activities	22,014	(96)	
Cash flows from investing activities	(17,164)	(2)	
Cash flows from financing activities	(30,834)	129	
Dividends paid to non-controlling interests	(2,120)	-	
Exchange differences on translating financial statements	(322)	-	
Net increase (decrease) in cash and cash equivalents	(28,426)	31	

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

	31 December 2021		
	Siam Makro Public Company Limited	ALL GUARDIAN CO., LTD. (in million Baht)	Total
Non-controlling interests percentages	40.08	35.01	
Current assets	110,000	254	
Non-current assets	459,490	17	
Current liabilities	(118,395)	(67)	
Non-current liabilities	(162,597)	(1)	
Net assets	288,498	203	
Carrying amount of non-controlling interests	188,602*	71	188,673
Revenue	266,367	163	
Profit (loss)	13,673	(97)	
Other comprehensive income	145	-	
Total comprehensive income (loss)	13,818	(97)	
Loss allocated to non-controlling interests	(899)*	(34)	(933)
Other comprehensive income allocated to non-controlling interests	67*	-	67
Cash flows from operating activities	16,769	(184)	
Cash flows from investing activities	14,966	(16)	
Cash flows from financing activities	26,792	-	
Dividends paid to non-controlling interests	(332)	-	
Exchange differences on translating financial statements	(149)	-	
Net increase (decrease) in cash and cash equivalents	58,046	(200)	

* The carrying amount of non-controlling interests included non-controlling interests of certain indirect subsidiaries. These indirect subsidiaries are not wholly-owned by the intermediate subsidiary.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

12 Investment properties

Consolidated financial statements					
		Buildings, building improvements and right-of-use asset improvements	Right-of-use assets (in million Baht)	Assets under construction	Total
Note	Land				
Cost					
At 1 January 2021	348	-	-	-	348
Additions	10	56	-	-	66
Acquisition through business combination	4	14,068	28,699	8,250	51,017
Reclassification	(1,535)	(3,937)	-	-	(5,472)
Disposals and write-off	-	(23)	(1)	-	(24)
Lease modification	-	-	330	-	330
Exchange differences on translating financial statements	(8)	(17)	(4)	-	(29)
At 31 December 2021 and 1 January 2022	12,883	24,778	8,575	-	46,236
Additions	34	30	239	1,200	1,503
Transfers	-	984	-	(984)	-
Reclassification	352	(1,061)	139	-	(570)
Disposals and write-off	-	(62)	(1)	-	(63)
Lease modification	-	-	41	-	41
Exchange differences on translating financial statements	(75)	(177)	(52)	-	(304)
At 31 December 2022	13,194	24,492	8,941	216	46,843
Accumulated depreciation and accumulated impairment losses					
At 1 January 2021	(15)	-	-	-	(15)
Depreciation charge for the year	-	(661)	(88)	-	(749)
Reversal of impairment losses	-	1	-	-	1
Disposals and write-off	-	18	1	-	19
Exchange differences on translating financial statements	-	(3)	-	-	(3)
At 31 December 2021 and 1 January 2022	(15)	(645)	(87)	-	(747)
Depreciation charge for the year	-	(1,543)	(541)	-	(2,084)
Impairment losses	-	(2)	-	-	(2)
Reclassification	-	93	(9)	-	84
Disposals and write-off	-	44	1	-	45
Lease modification	-	-	(18)	-	(18)
Exchange differences on translating financial statements	-	5	4	-	9
At 31 December 2022	(15)	(2,048)	(650)	-	(2,713)

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Consolidated financial statements

		Buildings, building improvements and right-of-use asset improvements	Right-of-use assets	Assets under construction	Total
	Note	Land	(in million Baht)		
Net book value					
At 1 January 2021		<u>333</u>	<u>-</u>	<u>-</u>	<u>333</u>
At 31 December 2021 and 1 January 2022		<u>12,868</u>	<u>24,133</u>	<u>-</u>	<u>45,489</u>
At 31 December 2022		<u>13,179</u>	<u>22,444</u>	<u>216</u>	<u>44,130</u>

The gross amount of the Group's fully depreciated investment properties that were still in use as at 31 December 2022 amounted to Baht 100 million (2021 : Baht 2 million) in the consolidated financial statements.

The fair value of investment properties as at 31 December 2022 of Baht 45,486 million (2021: Baht 46,051 million) in the consolidated financial statements, was determined by independent professional valuers. The fair value of investment property has been categorized as level 3 fair value.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

13 Property, plant and equipment

	Note	Land	Consolidated financial statements (in million Baht)					Total
			Buildings, building improvements and right-of-use asset improvements	Machinery and equipment	Furniture, fixtures and office equipment	Assets under construction and installation	Other	
Cost								
At 1 January 2021		43,219	60,144	59,085	10,634	8,443	11,087	192,612
Additions		111	1,138	4,558	4,459	9,629	293	20,188
Acquisition through business combination	4	22,191	40,957	-	13,023	1,587	185	77,943
Transfers		-	9,840	756	160	(11,876)	1,120	-
Reclassification		1,535	3,937	-	-	-	-	5,472
Disposals		-	(730)	(1,811)	(1,906)	(7)	(147)	(4,601)
Exchange differences on translating financial statements		(15)	(196)	93	36	632	17	567
At 31 December 2021		67,041	115,090	62,681	26,406	8,408	12,555	292,181
At 1 January 2022		690	586	5,570	5,050	10,997	323	23,216
Additions		-	7,410	1,539	908	(10,694)	837	-
Transfers		(353)	1,060	25	(1)	(287)	-	444
Reclassification		-	(1,368)	(2,486)	(2,763)	(109)	(271)	(6,997)
Disposals		-	(591)	(31)	(228)	(194)	(9)	(1,282)
Exchange differences on translating financial statements		(229)	122,187	67,298	29,372	8,121	13,435	307,562
At 31 December 2022		67,149	122,187	67,298	29,372	8,121	13,435	307,562

CP ALL Public Company Limited and its Subsidiaries

Consolidated financial statements <i>(Continued)</i>								
	Note	Land	Buildings, building improvements and right-of-use asset improvements	Machinery and equipment	Furniture, fixtures and office equipment <i>(in million Baht)</i>	Assets under construction and installation	Other	Total
<i>Accumulated depreciation and accumulated impairment losses</i>								
At 1 January 2021	-	-	(21,590)	(37,868)	(6,841)	-	(6,136)	(72,435)
Depreciation charge for the year	-	-	(3,049)	(5,991)	(2,315)	-	(1,031)	(12,386)
Impairment losses, net	-	-	(89)	(1)	10	-	-	(80)
Disposals	-	-	415	1,674	1,792	-	126	4,007
Exchange differences on translating financial statements	-	-	321	(45)	(23)	-	(7)	246
At 31 December 2021								
and 1 January 2022	-	-	(23,992)	(42,231)	(7,377)	-	(7,048)	(80,648)
Depreciation charge for the year	-	-	(6,147)	(6,130)	(6,135)	-	(1,233)	(19,645)
Reclassification	-	-	(93)	-	-	-	-	(93)
Impairment losses, net	-	-	(3)	-	(67)	(25)	-	(95)
Disposals	-	-	1,122	2,374	2,557	-	235	6,288
Exchange differences on translating financial statements	-	-	11	12	12	-	6	41
At 31 December 2022	-	-	(29,102)	(45,975)	(11,010)	(25)	(8,040)	(94,152)

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Consolidated financial statements (Continued)

	Note	Land	Buildings, building improvements and right-of-use asset improvements	Machinery and equipment	Furniture, fixtures and office equipment (in million Baht)	Assets under construction and installation	Other	Total
<i>Net book value</i>								
At 1 January 2021		43,219	38,554	21,217	3,793	8,443	4,951	120,177
At 31 December 2021								
and 1 January 2022		67,041	91,098	20,450	19,029	8,408	5,507	211,533
At 31 December 2022		67,149	93,085	21,323	18,362	8,096	5,395	213,410

Security

As at 31 December 2022, the Group's property, plant and equipment with total net book value of Baht 13,906 million (2021: Baht 14,756 million) were pledged under long-term borrowings from financial institution.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

	Separate financial statements					
	Land	Buildings, building improvements and right-of-use asset improvements	Machinery and equipment	Furniture, fixtures and office equipment <i>(in million Baht)</i>	Assets under construction and installation	Other
Cost						
At 1 January 2021	4,138	28,897	27,939	9,806	2,131	7,588
Additions	24	242	3,268	1,285	4,078	210
Transfers	-	4,166	107	20	(5,229)	936
Disposals	-	(358)	(1,094)	(510)	-	(101)
At 31 December 2021						
At 1 January 2022	4,162	32,947	30,220	10,601	980	8,633
Additions	-	67	4,131	1,461	4,695	280
Transfers	-	3,685	256	142	(4,848)	765
Disposals	-	(728)	(1,611)	(519)	(108)	(192)
At 31 December 2022	4,162	35,971	32,996	11,685	719	9,486
						87,543
						10,634
						-
						(3,158)
						95,019
Accumulated depreciation and accumulated impairment losses						
At 1 January 2021	-	(11,525)	(18,410)	(6,663)	-	(4,854)
Depreciation charge for the year	-	(1,730)	(3,349)	(1,287)	-	(800)
Disposals	-	238	1,057	477	-	85
At 31 December 2021						
At 1 January 2022	-	(13,017)	(20,702)	(7,473)	-	(5,569)
Depreciation charge for the year	-	(1,814)	(3,478)	(1,356)	-	(897)
Disposals	-	527	1,573	473	-	168
At 31 December 2022	-	(14,304)	(22,607)	(8,356)	-	(6,298)
						(46,761)
						(7,545)
						2,741
						(51,565)

CP ALL Public Company Limited and its Subsidiaries

Separate financial statements <i>(Continued)</i>					
	Buildings, building improvements and right-of-use asset improvements	Machinery and equipment	Furniture, fixtures and office equipment	Assets under construction and installation	Total
			(in million Baht)		
Land					
	4,138	17,372	9,529	2,131	39,047
At 1 January 2021	4,162	19,930	9,518	980	40,782
At 31 December 2021 and 1 January 2022	4,162	21,667	10,389	719	43,454
At 31 December 2022					

The gross amount of the Group's and the Company's fully depreciated plant and equipment that were still in use as at 31 December 2022 amounted to Baht 38,134 million (2021: Baht 35,923 million) in the consolidated financial statements and Baht 25,104 million (2021: Baht 21,754 million) in the separate financial statements.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Right-of-use assets

<i>Cost</i>	<i>Note</i>	Consolidated financial statements (in million Baht)				
		Land	Buildings	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles
						Total
At 1 January 2021		23,830	38,005	1,810	348	429
Additions		3,837	6,197	595	24	151
Acquisition through business combination	4	13,024	12,063	126	471	344
Disposals		(1,072)	(3,590)	(58)	(2)	(49)
Lease modification		-	359	1	-	68
Exchange differences on translating financial statements		193	103	2	-	4
At 31 December 2021						
At 1 January 2022		39,812	53,137	2,476	841	947
Additions		9,682	10,442	874	309	311
Reclassification		(464)	(69)	539	(146)	1
Disposals		(919)	(6,546)	(82)	(22)	(60)
Lease modification		(170)	(1,172)	4	(3)	(51)
Exchange differences on translating financial statements		(91)	(105)	1	(12)	1
At 31 December 2022		47,850	55,687	3,812	967	1,149
						109,465

CP ALL Public Company Limited and its Subsidiaries

Consolidated financial statements <i>(Continued)</i>						
<i>Note</i>	Land	Buildings	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Total
<i>(in million Baht)</i>						
<i>Accumulated depreciation and accumulated impairment losses</i>						
At 1 January 2021	(3,176)	(7,368)	(673)	(203)	(103)	(11,523)
Depreciation charge for the year	(2,580)	(7,486)	(209)	(24)	(162)	(10,461)
Impairment losses	(36)	(44)	-	-	-	(80)
Disposals	213	1,848	58	1	47	2,167
Lease modification	-	(13)	-	-	-	(13)
Exchange differences on translating financial statements	(17)	(17)	(1)	-	(2)	(37)
At 31 December 2021	(5,596)	(13,080)	(825)	(226)	(220)	(19,947)
At 1 January 2022	(3,997)	(8,391)	(281)	(51)	(316)	(13,036)
Depreciation charge for the year	10	(1)	-	-	-	9
Reclassification	-	12	-	-	-	12
Reversal of impairment losses	434	4,953	82	21	59	5,549
Disposals	(18)	131	5	3	50	171
Lease modification						
Exchange differences on translating financial statements	10	15	(1)	-	(1)	23
At 31 December 2022	(9,157)	(16,361)	(1,020)	(253)	(428)	(27,219)

CP ALL Public Company Limited and its Subsidiaries

	Consolidated financial statements (<i>Continued</i>)					
		Buildings	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Total
	Note	Land		(in million Baht)		
<i>Net book value</i>						
At 1 January 2021		20,654	30,637	1,137	145	326
At 31 December 2021 and 1 January 2022		34,216	40,057	1,651	615	727
At 31 December 2022		38,693	39,326	2,792	714	721

CP ALL Public Company Limited and its Subsidiaries

	Separate financial statements			
	Land	Building	Machinery and equipment	Total
		(in million Baht)		
Cost				
At 1 January 2021	14,690	34,510	-	49,200
Additions	3,133	5,584	157	8,874
Disposals	(1,062)	(3,205)	-	(4,267)
At 31 December 2021 and 1 January 2022	16,761	36,889	157	53,807
Additions	7,417	8,639	-	16,056
Disposals	(757)	(5,790)	-	(6,547)
Lease Modification	(192)	(623)	-	(815)
At 31 December 2022	23,229	39,115	157	62,501
Accumulated depreciation				
At 1 January 2021	(1,731)	(6,458)	-	(8,189)
Depreciation charge for the year	(1,930)	(6,748)	(3)	(8,681)
Disposals	205	1,585	-	1,790
At 31 December 2021 and 1 January 2022	(3,456)	(11,621)	(3)	(15,080)
Depreciation charge for the year	(2,258)	(6,257)	(12)	(8,527)
Disposals	353	4,313	-	4,666
At 31 December 2022	(5,361)	(13,565)	(15)	(18,941)
Net book value				
At 1 January 2021	12,959	28,052	-	41,011
At 31 December 2021 and 1 January 2022	13,305	25,268	154	38,727
At 31 December 2022	17,868	25,550	142	43,560

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

15 Goodwill

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2022	2021	2022	2021
		<i>(in million Baht)</i>			
At 1 January		360,641	128,096	-	-
Acquisition through business combination	4	-	232,545	-	-
At 31 December		360,641	360,641	-	-

Most of the Goodwill arose from (1) Siam Makro Public Company Limited completed the entire business transfer transaction of C.P. Retail Holding Company Limited (“CPRH”), (2) the Company’s purchase of shares of Siam Makro Public Company Limited both directly and indirectly, and (3) Siam Makro Public Company Limited’s purchase of shares at 80% shareholding each of 4 companies, namely Indoguna (Singapore) Pte Ltd, Indoguna Dubai L.L.C, Just Meat Company Limited and Indoguna Lordly Company Limited (together referred to as “Indoguna Group of companies”).

Cash-generating units (“CGUs”) containing goodwill

For the purposes of impairment testing, goodwill has been allocated to the Group’s CGUs as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in million Baht)</i>			
C.P. Retail Development Company Limited and its subsidiaries (“Lotus’s Group”)	232,545	232,545	-	-
Siam Makro Public Company Limited	125,936	125,936	-	-
Indoguna Group of companies	2,023	2,023	-	-
Other	137	137	-	-
Total	360,641	360,641	-	-

Impairment testing for carrying amount of goodwill and other intangible assets with indefinite useful life

The recoverable amount was based on its value in use, determined by discounting future cash flows to be generated from the going concern and the continuing use of assets of (1) Lotus’s group (2) Siam Makro Public Company Limited and (3) Indoguna Group of companies.

The values assigned to the key assumptions represented management’s assessment of future trends in the relevant industries and were based on historical data from external and internal sources. The key assumptions used in the estimation of the recoverable amount were as follows:

Discount rate

The discount rate was based on weighted average cost of capital, with average industry cost of debt, risk free rate of 10-year government bond, market risk premium and average industry beta which ranging from 6% to 7%.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Terminal value growth rate

Terminal value growth rate was determined based on average gross domestic product (“GDP”) growth rate, inflation rates and growth rates of historical earnings before interest, income tax, depreciation and amortisation (“EBITDA”) at the rate of 3%.

Budgeted EBITDA

Budgeted EBITDA were based on expectations of future outcomes taking into the past experience, adjusted for the anticipated revenue growth. Revenue growth was projected from past experience and estimate sale growth.

Management has identified that a reasonably possible change in three key assumptions, discount rate, terminal value growth rate and budgeted revenue growth rate, could cause the carrying amount exceed the recoverable amount. This following table shows the amount by which there three assumptions would need to change individually for the estimated the recoverable amount to be equal to the carrying amount.

	Consolidated financial statements					
	Lotus's group		Siam Makro Public Company Limited		Indoguna group of companies	
	2022	2021	2022	2021	2022	2021
<i>Increase (decrease) rate</i>			<i>(%)</i>			
Discount rate	1	-	3	3	3	2
Terminal value growth rate	(1)	-	(5)	(5)	(4)	(3)
Revenue growth rate	(7)	-	(8)	(6)	(12)	(5)

Based on the impairment testing, the recoverable amount of CGU was estimated to be higher than its carrying amount and no impairment was required to these financial statements.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

16 Intangible assets other than goodwill

Consolidated financial statements					
	Note	Computer software in use and under development	Intellectual property (in million Baht)	Other	Total
Cost					
At 1 January 2021		8,041	46,521	2,199	56,761
Additions		2,286	-	1	2,287
Acquisition through business combination	4	4,143	-	1,078	5,221
Transfers		(2)	-	2	-
Disposals		(295)	-	-	(295)
Exchange differences on translating financial statements		28	-	134	162
At 31 December 2021 and 1 January 2022		14,201	46,521	3,414	64,136
Additions		4,328	-	1	4,329
Transfers		(1)	-	1	-
Reclassification		243	-	-	243
Disposals		(36)	-	-	(36)
Exchange differences on translating financial statements		(26)	-	(58)	(84)
At 31 December 2022		18,709	46,521	3,358	68,588
Accumulated amortisation and accumulated impairment losses					
At 1 January 2021		(3,892)	-	(1,163)	(5,055)
Amortisation charge for the year		(863)	-	(28)	(891)
Impairment losses		8	(7,167)	-	(7,159)
Disposals		87	-	-	87
Exchange differences on translating financial statements		(3)	-	-	(3)
At 31 December 2021 and 1 January 2022		(4,663)	(7,167)	(1,191)	(13,021)
Amortisation charge for the year		(1,655)	-	(124)	(1,779)
Impairment losses		(3)	-	1	(2)
Disposals		4	-	-	4
Exchange differences on translating financial statements		13	-	-	13
At 31 December 2022		(6,304)	(7,167)	(1,314)	(14,785)
Net book value					
At 1 January 2021		4,149	46,521	1,036	51,706
At 31 December 2021 and 1 January 2022		9,538	39,354	2,223	51,115
At 31 December 2022		12,405	39,354	2,044	53,803

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Impairment testing for intellectual property

The recoverable amount of intellectual property was based on its value in use, measured by discounting the future cash flows to be generated from the continuing operations. The key assumptions used in the estimation of the recoverable amount were discount rate, terminal value growth rate, and budgeted revenue growth rate. Discount rate was based on weighted average cost of capital. Terminal value growth rate was determined based on average gross domestic product growth rate. Budgeted revenue growth rate was based on expectations of future outcomes taking into the past experience. The carrying amount of the intellectual property was determined to be higher than its recoverable amount. The Group recorded impairment loss on intangible assets other than goodwill of Baht 7,167 million during 2021.

	Separate Financial statements
	Computer software in use and under development (in million Baht)
Cost	
At 1 January 2021	3,924
Additions	843
Disposals	(178)
At 31 December 2021 and 1 January 2022	4,589
Additions	509
Disposals	(24)
At 31 December 2022	5,074
Accumulated amortisation	
At 1 January 2021	(1,950)
Amortisation charge for the year	(329)
Disposals	1
At 31 December 2021 and 1 January 2022	(2,278)
Amortisation charge for the year	(414)
Disposals	1
At 31 December 2022	(2,691)
Net book value	
At 1 January 2021	1,974
At 31 December 2021 and 1 January 2022	2,311
At 31 December 2022	2,383

The gross amount of the Group's and the Company's fully amortised intangible assets other than goodwill that were still in use as at 31 December 2022 amounted to Baht 2,369 million (2021: Baht 1,856 million) in the consolidated financial statements and Baht 1,246 million (2021: Baht 1,055 million) in the separate financial statements.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

17 Interest-bearing liabilities

	Consolidated financial statements					
	2022			2021		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	<i>(in million Baht)</i>					
Short-term borrowings from financial institutions						
Liabilities under trust receipts	-	1,624	1,624	-	915	915
Short-term borrowings	-	15,186	15,186	28,283	13,493	41,776
Short-term borrowings from other party	-	46	46	-	-	-
Debentures	40,865	206,396	247,261	40,857	181,492	222,349
Long-term borrowings from financial institutions	18,894	68,808	87,702	19,679	89,018	108,697
Lease liabilities	337	94,726	95,063	-	88,540	88,540
Total interest-bearing liabilities	60,096	386,786	446,882	88,819	373,458	462,277

	Note	Separate financial statements				
		2022			2021	
		Secured	Unsecured	Total	Secured	Unsecured
		<i>(in million Baht)</i>				
Short-term borrowings from financial institutions		-	15,173	15,173	-	13,493
Short-term borrowings from subsidiaries	5	-	60	60	-	1,400
Debentures		40,865	182,931	223,796	40,857	181,492
Lease liabilities		-	45,861	45,861	-	40,118
Total interest-bearing liabilities		40,865	244,025	284,890	40,857	236,503

Unutilised credit facilities

As at 31 December 2022 the Group had unutilized credit facilities totaling Baht 26,237 million, Malaysian Ringgit 341 million, Indian Rupee 226 million, Singapore Dollar 11 million, United Arab Emirates Dirham 5 million and United States Dollar 1 million (2021: Baht 27,576 million, Malaysian Ringgit 131 million, Indian Rupee 205 million, Singapore Dollar 13 million, United Arab Emirates Dirham 5 million and United States Dollar 154 million).

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Movements during the years ended 31 December 2022 and 2021 were as follows:

		Consolidated		Separate	
		financial statements		financial statements	
	<i>Note</i>	2022	2021	2022	2021
		<i>(in million Baht)</i>			
<i>Short-term borrowings from financial institutions</i>					
At 1 January		42,691	1,050	13,493	-
(Decreases) increases		(26,104)	13,272	1,608	13,428
Acquisition through business combination	4	-	28,220	-	-
Interest paid calculated using effective interest rate method		230	117	72	65
Unrealised (gain) loss on exchange		(11)	12	-	-
Exchange differences on translating financial statements		4	20	-	-
At 31 December		16,810	42,691	15,173	13,493
<i>Short-term borrowings from other party</i>					
At 1 January		-	6	-	-
Increases (decreases)		46	(6)	-	-
At 31 December		46	-	-	-
<i>Debentures</i>					
At 1 January		222,349	152,996	222,349	152,996
Increases, net of bond issuance cost		47,870	87,823	24,407	87,823
Decreases		(23,000)	(18,502)	(23,000)	(18,502)
Interest paid calculated using effective interest rate method		42	32	40	32
At 31 December		247,261	222,349	223,796	222,349

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

The Group and the Company issued unsubordinated debentures in registered name form, secured and unsecured debentures. Detail of outstanding debentures were follows:

Balances at 31 December 2022								
Debentures no.	Date	Approved limit (in million Baht)	Objective	Debentures term (years)	Amount (in million Baht)	Fixed rate (% per annum)	Fully repayable date	
Debentures of the Company								
Secured debentures								
1/2013	31 October 2013	50,000	Repayment of short-term borrowings from financial institutions	10	15,122	5.35	31 October 2023	
1/2014	27 March 2014	40,000	Repayment of short-term borrowings from financial institutions	10	15,314	5.14	27 March 2024	
2/2014	22 August 2014	40,000	Repayment of long-term borrowings from financial institutions	10	16,651*	5.05	22 August 2024	
Unsecured debentures								
1/2016	18 March 2016	7,000	Repayment of borrowings	7	937	3.40	18 March 2023	
				10	2,074	4.00	18 March 2026	
2/2016	26 August 2016	12,000	Repayment of borrowings	12	2,607	4.15	18 March 2028	
				7	500	3.25	26 August 2023	
1/2017	27 March 2017	4,500	Repayment of borrowings	10	748	3.68	26 August 2026	
2/2017	18 August 2017	3,000	Repayment of matured debentures	12	4,851	4.00	26 August 2028	
3/2017	15 and 30 November 2017	18,000	Early redemption of debentures	12	4,500	4.70	27 March 2029	
				10	3,000	3.96	18 August 2027	
				10	9,000	3.50	15 November 2027	
1/2019	18 January 2019	15,000	Repayment of matured debentures and/or for working capital	8	2,466	3.95	18 January 2027	
				10	1,920	4.12	18 January 2029	
1/2020	13 May 2020	7,500	Repayment of matured debentures and/or for working capital	12	5,614	4.40	18 January 2031	
				7	1,699	2.90	13 May 2027	
				10	2,169	3.29	13 May 2030	
				12	3,632	3.59	13 May 2032	

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Balances at 31 December 2022								Fully repayable date
Debentures no.	Date	Approved limit (in million Baht)	Objective	Debentures term (years)	Amount (in million Baht)	Fixed rate (% per annum)		
Unsecured debentures (Continued)								
2/2020	29 September 2020	25,000	Repayment of matured debentures and/or for working capital	2 years 5 months 17 days 4 years 9 months 1 day 9 years 7 months 14 days 15	6,000	1.90	18 March 2023	
					13,200	3.00	30 June 2025	
					2,350	3.40	13 May 2030	
1/2021	16 March 2021	21,900	Repayment of loans from financial institutions	5 7 10 15	3,450 10,000 6,800 3,600 1,500	3.90 2.86 3.42 3.95 4.64	29 September 2035 16 March 2026 16 March 2028 16 March 2031 16 March 2036	
2/2021	16 June 2021	66,000	Repayment of borrowings from financial institutions	2 3 4 5 7 10 12	3,000 3,000 6,500 17,773 7,376 21,351 7,000	1.53 1.76 2.14 3.00 3.40 3.90 4.20	16 June 2023 16 June 2024 16 June 2025 16 June 2026 16 June 2028 16 June 2031 16 June 2033	
1/2022	27 May 2022	8,000	Repayment of matured debentures and for working capital	5	8,000	3.25	27 May 2027	
2/2022	22 August 2022	9,739	Early redeem perpetual subordinated debentures no. 1/2017	7	9,739	3.80	22 August 2029	
3/2022	22 August 2022	4,834	Repayment of matured debentures	5 10	2,548 900	3.40 3.92	22 August 2027 22 August 2032	

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Debentures no.	Date	Approved limit (in million Baht)	Objective	Balances at 31 December 2022			
				Debentures term (years)	Amount (in million Baht)	Fixed rate (% per annum)	Fully repayable date
				15	1,386	4.64	22 August 2037
Unsecured debentures (Continued)							
4/2022	6 December 2022	1,000	For working capital	3 years 5 days	1,000	3.10	11 December 2025
5/2022	9 December 2022	1,000	For working capital	2 years 1 month 12 days	1,000	2.12	21 January 2024
Debentures of local subsidiaries							
Unsecured debentures							
1/2022	20 October 2022	23,493	Repayment of borrowings from financial institutions	1.5	9,848	2.81	20 April 2024
				3	8,534	3.25	20 October 2025
				5	1,180	3.55	20 October 2027
				7	3,931	4.00	20 October 2029

* On 22 August 2017, debentures of Baht 6,212 million are early redeemed and paid.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

All series of debentures were registered with the Thai Bond Market Association and the Stock Exchange of Thailand on the issued date and all series of debentures have a credit rating of “A+” latest updated by TRIS Rating Co., Ltd. on 24 January 2023 for the Company and 18 November 2022 for its subsidiary.

The Group and Company must comply with the specific covenants such as to maintain net debt to equity ratio in the annual consolidated financial statements through the terms of debentures, and to pledge Siam Makro Public Company Limited shares, etc.

Siam Makro Public Company Limited shares as at 31 December 2022, which were pledged in accordance with the conditions stipulated in the bond issuance, totaled 1,048 million shares. The fair value of those shares totaled Baht 41,908 million.

Long-term borrowings from financial institutions

Movements during the years ended 31 December 2022 and 2021 were as follows:

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2022	2021	2022	2021
			<i>(in million Baht)</i>		
At 1 January		108,697	88,332	-	79,620
Increases		2,365	5,000	-	-
Acquisition through business combination	4	-	100,093	-	-
Decreases		(24,636)	(89,187)	-	(83,819)
Interest paid calculated using effective interest rate method		626	1,736	-	1,668
Realised loss on exchange		1,169	2,531	-	2,531
Exchange differences on translating financial statements		(519)	192	-	-
At 31 December		87,702	108,697	-	-

At 31 December 2022, the Group had long-term borrowings agreements with some local branch of foreign financial institutions and local financial institutions. Details are as follows:

Borrowing agreement	Approved credit facilities	Interest rate (% per annum)	Term of payment
The first agreement	Baht 1,000 million	Fixed interest rate as stipulated in the agreement	Entire principal of borrowing in November 2024
The second agreement	Baht 2,000 million	Fixed interest rate as stipulated in the agreement	Entire principal of borrowing in November 2024
The third agreement	Baht 1,000 million	Fixed interest rate as stipulated in the agreement	Entire principal of borrowing in December 2024
The fourth agreement	Baht 1,000 million	Fixed interest rate as stipulated in the agreement	Entire principal of borrowing in January 2025

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Borrowing agreement	Approved credit facilities	Interest rate (% per annum)	Term of payment
The fifth agreement	Baht 2,000 million	Fixed interest rate as stipulated in the agreement	Entire principal of borrowing in January 2026
The sixth agreement	United States Dollars 2,500 million (or equivalent to approximately Baht 85,978 million)	Variable interest rate as stipulated in the agreement	Entire principal of borrowing in October 2024
The seventh agreement	Malaysia Ringgit 2,300 million (or equivalent to approximately Baht 17,759 million)	Variable interest rate as stipulated in the agreement	Installment until October 2026
The eighth agreement	China Renminbi 450 million (or equivalent to Baht 2,203 million)	Floating interest rate as stipulated in the agreement	Semi-annually installment due to May 2026

The Group must comply with the specified covenants in each long-term borrowings agreements, such as to maintain debt to equity ratio, total debts to total assets ratio and the shareholdings of the Company in a subsidiary as stipulated in the agreements, etc.

Lease liabilities

Movements during the years ended 31 December 2022 and 2021 were as follows:

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
		(in million Baht)			
At 1 January		88,540	50,583	40,118	42,018
Purchase of assets under lease liabilities		21,122	9,463	15,749	8,034
Acquisition through business combination	4	-	38,889	-	-
Payment of lease liabilities		(13,854)	(9,854)	(8,139)	(7,745)
Differences on a granted rent concession		(166)	(578)	(166)	(578)
Write-off		(2,434)	(2,160)	(2,024)	(2,592)
Finance costs under lease		3,027	1,622	1,138	981
Lease modification		(1,223)	721	(815)	-
Exchange differences on translating financial statements		51	(146)	-	-
At 31 December		95,063	88,540	45,861	40,118

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

18 Trade accounts payable

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
		<i>(in million Baht)</i>			
Related parties	5	10,788	9,511	7,148	6,029
Other parties		105,175	97,352	38,850	32,672
Total		115,963	106,863	45,998	38,701

19 Other payables

		Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
		<i>(in million Baht)</i>			
Other payables		13,106	15,392	8,342	8,104
Accrued personnel expenses		4,928	3,039	1,936	688
Accrued royalties and other accrued expenses		4,586	5,743	1,662	1,672
Deferred royalties and other deferred income		1,732	2,149	1,101	1,136
Accrued interest expenses		2,817	2,279	1,774	1,638
Accrued utilities expenses		1,929	1,381	861	636
Accrued advertising and sale promotion expenses		348	300	90	67
Accrued rental fees		262	227	236	224
Other		2,011	1,477	585	431
Total		31,719	31,987	16,587	14,596

20 Provisions for employee benefits

Defined benefit plans

The Group operates defined benefit plans which have characteristics as follows:

Pension fund benefit

Certain local subsidiaries operate a pension scheme for employees who joined before the 1st of January 2003 and choose to retain the benefits of the original scheme. Employees, upon resignation or retirement after having completed 3 years of service, shall be entitled to receive cash payment equivalent to their prevailing salary multiplied by the number of years of service, but not exceeding the equivalent of 10 months of the final salary.

Severance benefit

Under Thai Labour Protection Act B.E 2541 (1998) and the Group's employment policy, all employees completing 120 days of service are entitled to severance pay on termination or retrenchment without cause or upon retirement age of 55 and 60. The severance pay will be at the rate according to number of years of service as stipulated in the Labor Law which is currently at a maximum rate of 400 days of the final salary.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Additional benefit related to provident fund

A local subsidiary operates an employee benefit scheme under which employees who are members of the subsidiary's provident fund, being a defined contribution plan, for at least 9 years are entitled to receive additional contribution from the subsidiary on their resignation or retirement from employment with the subsidiary. Employees, who are a member of the provident fund for at least 9 years, shall be entitled to receive an additional 50% of the contributions made by the subsidiary on their behalf.

Other long-term employee benefit plan

A local subsidiary provides to other long-term employee benefit plan, namely long service awards.

The defined benefit plans expose the Group to actuarial risks, such as interest rate risk, future salary growth risk and turnover rate risk.

Present value of the defined benefit obligations	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
		<i>(in million Baht)</i>			
At 1 January		6,644	5,085	2,880	2,866
Included in profit or loss:					
Current service costs		488	394	158	172
Past service costs		1	-	-	-
Interest on obligation		107	71	53	40
Actuarial (gain) loss on other long-term employee benefit plan		(6)	4	-	-
		<u>590</u>	<u>469</u>	<u>211</u>	<u>212</u>
Included in other comprehensive income:					
Actuarial (gain) loss					
- Financial assumptions		(486)	(440)	(209)	(271)
- Experience adjustment		209	164	150	120
		<u>(277)</u>	<u>(276)</u>	<u>(59)</u>	<u>(151)</u>
Other					
Benefits paid by the plan		(289)	(161)	(62)	(51)
Acquisition through business combination	4	-	1,487	-	-
Transferred (out) in provisions for employee benefits from subsidiaries and related companies		(12)	5	2	4
Loss of control over a subsidiary		-	(13)	-	-
Exchange differences on translating financial statements		(1)	48	-	-
At 31 December		<u>6,655</u>	<u>6,644</u>	<u>2,972</u>	<u>2,880</u>

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

21 Other non-current provisions

Consolidated financial statements					
	Note	Dismantling provision	Provision for litigation claim (in million Baht)	Other	Total
At 1 January 2021		-	76	-	76
Acquisition through business combination	4	2,101	16	49	2,166
Provision made		321	35	16	372
Provision used		-	(36)	-	(36)
Provision reverse		(3)	-	-	(3)
At 31 December 2021 and 1 January 2022		2,419	91	65	2,575
Provision made		104	7	-	111
Provision used		(74)	(1)	-	(75)
Provision reverse		(13)	-	(65)	(78)
At 31 December 2022		2,436	97	-	2,533

Separate financial statements

	Dismantling provision	
	2022	2021
	(in million Baht)	
At 1 January	180	-
Dismantling provision made	14	180
Dismantling provision used	(3)	-
At 31 December	191	180

22 Share premium and reserves

Share premium

Section 51 of the Public Limited Company 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.

Surplus from changes in ownership interest in subsidiaries and associate

Surplus from changes in ownership interest in subsidiaries and associate recognised in equity relate to difference between the amounts by which the non-controlling interests are adjusted and the fair value of the consideration paid.

Appropriations of profit and/or retained earnings

Legal reserve

Section 116 of the Public Limited Company Act B.E. 2535 (1992) requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Legal reserve as at 31 December 2022 and 2021 was higher than 10% of the registered authorised capital.

Other components of equity

Translation reserve

The translation reserve recognised in equity relate to foreign exchange differences arising from translation of the financial statements of foreign entities to Thai Baht.

Fair value reserve

The fair value comprises the cumulative net change in the fair value of equity securities designated at fair value through other comprehensive income.

Cash flow hedges reserve

The cash flow hedges 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.

23 Perpetual subordinated debentures

Movements during the years ended 31 December 2022 and 2021 were as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in million Baht)</i>			
At 1 January	19,911	19,909	19,911	19,909
Increase, net of perpetual subordinated debentures issuance cost	-	9,955	-	9,955
Decrease	(9,956)	(9,953)	(9,956)	(9,953)
At 31 December	9,955	19,911	9,955	19,911

On 30 November 2016 and 22 August 2017 the Company issued unsecured, unconvertible and perpetual subordinated debentures in registered name form (“Debentures”) of Baht 10,000 million (debentures no. 1/2016) and Baht 10,000 million (debentures no. 1/2017), respectively, which are payable upon dissolution of the Company or upon the exercise of the Company’s early redemption right per condition as stipulated in the terms and conditions of debentures. Later, on 30 November 2021, the Company exercised the early redemption right per condition as stipulated in the terms and conditions of debentures no. 1/2016 of Baht 10,000 million, as well as, on the same day the Company issued unsecured, unconvertible and perpetual subordinated debentures in registered name form (“Debentures”) of Baht 10,000 million (debentures no. 1/2021), which are payable upon dissolution of the Company or upon the exercise of the Company’s early redemption right per condition as stipulated in the terms and conditions of debentures. These debentures bear interest which is calculated based on 5-years government bond yield adjusted with initial credit spread and coupon rate as stipulated in the terms and conditions of the debentures and is paid on a semi-annual basis. In this regard, the Company has the sole right to unconditionally defer interest and cumulative interest payments without time and number limitation based on the Company’s discretion.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

If the Company defers interest and cumulative interest payment, the Company shall not perform as follows:

- (a) declare or pay any dividend; and
- (b) pay any interest or distribute any assets to any holder of Parity Securities or Junior Securities; and
- (c) redeem, reduce, cancel, acquire, or buy-back any securities issued by the Company which rank pari passu or junior to these debentures.

On 22 August 2022, the Company exercised the early redemption right per condition as stipulated in the terms and conditions of perpetual subordinated debentures (“Debentures”) (debentures no.1/2017) of Baht 9,956 million.

These Debentures of totalling Baht 9,955 million (debentures no.1/2021) , net of issuance cost of Baht 45 million, were recognised as a part of equity in the consolidated and separate financial statements for the year ended 31 December 2022.

As at 31 December 2022, the Company has not deferred any interest payments to the perpetual subordinated debentures holders. Cumulative interest for the year ended 31 December 2022 which the debentures holders have the right to receive if the interest payment was announced amounting to Baht 779 million (2020: Baht 1,000 million). During the year of 2022, the Company paid interest expenses on perpetual subordinated debentures to the holders of Baht 960 million (2020: Baht 1,000 million).

24 Segment information and disaggregation of revenue

Revenue

The Company’s main operation is derived from sale of goods from convenience stores. The Group’s main operations are derived from sale of goods from convenience stores, wholesale, retail and mall, as well as, rendering of services related to these operations.

Segment information

Management determined that the Group has 4 reportable segments which are the Group’s strategic divisions for different products and services, and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Group’s reportable segments.

- Segment 1: Convenience stores
- Segment 2: Wholesale
- Segment 3: Retail and mall
- Segment 4: Other

Other segments include food service, bill payment services, frozen food plant and bakery, and distributor of retailing equipment and educational institutions. None of these segments meets the quantitative thresholds for determining reportable segments.

Each segment’s performance is measured based on segment profit before income tax expense, as included in the internal management reports that are reviewed by the Group’s Chief Operating Decision Maker. Segment profit before income tax expense 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.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Disaggregation of revenues, timing of revenue recognition and results, based on segments, in the consolidated financial statements for the years ended 31 December 2022 and 2021 were as follows:

For the year ended 31 December												
Type of revenues												
Revenue from sale of goods	354,485	288,967	242,438	221,345	204,745	37,286	40,805	34,208	(38,207)	(31,387)	804,266	550,419
Revenue from rendering of services	1,167	1,301	4,684	4,274	14,215	2,493	14,047	15,632	(9,280)	(9,059)	24,833	14,641
Revenue from sale of goods and rendering of services	355,652	290,268	247,122	225,619	218,960	39,779	54,852	49,840	(47,487)	(40,446)	829,099	565,060
Timing of revenue recognition												
At a point in time	355,652	290,268	242,450	221,357	205,833	37,540	54,478	45,684	(47,483)	(38,124)	810,930	556,725
Overtime	-	-	4,672	4,262	13,127	2,239	374	4,156	(4)	(2,322)	18,169	8,335
Total	355,652	290,268	247,122	225,619	218,960	39,779	54,852	49,840	(47,487)	(40,446)	829,099	565,060
Segment profit before income tax expense	11,668	8,170	8,840	7,783	578	539	3,430	3,355	(4,434)	(7,270)	20,082	12,577

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Revenue and results, based on segments, in the consolidated financial statements for the years ended 31 December 2022 and 2021 were as follows:

	Convenience stores		Wholesale		Retail and mall		Other		Elimination		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	(in million Baht)											
Revenue from sale of goods and rendering of services	355,653	290,268	247,121	225,619	218,961	39,779	54,852	49,840	(47,488)	(40,446)	829,099	565,060
Interest income	226	268	108	32	102	19	80	74	(233)	(264)	283	129
Dividend income	5,380	7,064	-	-	-	-	90	190	(5,470)	(7,254)	-	-
Net foreign exchange gain (loss)	-	359	-	30	-	26	-	(8)	-	-	-	407
Gain (loss) from sale of investments in subsidiaries	-	1,711	-	-	-	-	-	25	-	(418)	-	1,318
Other income	21,927	20,809	666	558	1,989	305	1,971	1,539	(3,330)	(2,595)	23,223	20,616
Gain on step acquisition	-	-	-	6,714	-	-	-	-	-	-	-	6,714
Total revenues	383,186	320,479	247,895	232,953	221,052	40,129	56,993	51,660	(56,521)	(50,977)	852,605	594,244
Cost of sale of goods and rendering of services	258,310	210,806	216,961	198,479	172,627	30,905	44,002	39,119	(40,800)	(34,538)	651,100	444,771
Distribution costs	88,600	77,328	15,369	13,155	33,155	6,156	4,065	4,026	(4,439)	(2,984)	136,750	97,681
Administrative expenses	15,008	13,166	6,503	5,831	7,955	1,518	5,007	4,820	(5,810)	(6,148)	28,663	19,187
Net foreign exchange (gain) loss	(65)	-	(276)	-	113	-	238	-	-	-	10	-
Net impairment for loss on intangible assets other than goodwill	-	-	-	7,159	-	-	-	-	-	-	-	7,159
Finance costs	9,665	11,009	498	546	6,624	1,011	251	340	(206)	(263)	16,832	12,643
Total expenses	371,518	312,309	239,055	225,170	220,474	39,590	53,563	48,305	(51,255)	(43,933)	833,355	581,441
Share of gain (loss) of associate and joint ventures	-	-	-	-	-	-	-	-	832	(226)	832	(226)
Segment profit before income tax expense	11,668	8,170	8,840	7,783	578	539	3,430	3,355	(4,434)	(7,270)	20,082	12,577

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Details of assets and liabilities, based on segments, in the consolidated financial statements as at 31 December 2022 and 2021 were as follows:

	Convenience stores		Wholesale		Retail and mall		Other		Elimination		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	<i>(in million Baht)</i>											
Investment properties	-	-	333	333	43,798	45,156	-	-	-	-	44,131	45,489
Property, plant and equipment	43,481	40,803	59,903	58,015	85,563	87,880	25,246	25,690	(783)	(855)	213,410	211,533
Right-of-use assets	43,560	38,727	11,599	11,365	25,872	25,829	1,662	1,672	(448)	(327)	82,245	77,266
Goodwill	-	-	127,959	127,959	232,545	232,545	137	137	-	-	360,641	360,641
Intangible assets												
other than goodwill	2,384	2,310	48,812	48,268	7,781	5,864	2,350	2,176	(7,524)	(7,503)	53,803	51,115
Other assets	342,658	337,673	48,344	67,012	62,291	59,273	27,958	27,219	(311,420)	(305,329)	169,831	185,848
Segment assets as at 31 December	432,083	419,513	296,950	312,952	457,850	456,547	57,353	56,894	(320,175)	(314,014)	924,061	931,892
Segment liabilities as at 31 December	355,602	338,161	72,749	69,574	199,766	226,252	29,090	29,238	(23,447)	(24,140)	633,760	639,085

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Information about geographical areas

In presenting information on the basis of information about geographical areas, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of assets.

Detail of the geographic segment financial information of the geographical area of the Group as at 31 December and for the year then ended were as follows:

	Consolidated financial statements			
	Revenue		Non-current assets (excluded goodwill)	
	2022	2021	2022	2021
	<i>(in million Baht)</i>			
Thailand	800,400	577,041	361,930	352,049
Malaysia	38,502	6,671	34,979	36,188
Others	13,703	10,599	17,556	17,241
Total	852,605	594,311	414,465	405,478

Promotional privileges

Certain local subsidiaries have been granted promotional certificates by the Office of the Board of Investment for the production of ready-to-serve foods or semi ready-to-serve foods, bakery, chill, research and development for food industry, and food scientific services. The subsidiaries have been granted several privileges including exemption and/or reduction from payment of income tax on the net profit derived from promoted operations with certain terms and conditions prescribed in the promotional certificates.

Revenue from sale of goods and rendering of services under the promoted business of the subsidiaries for the years ended 31 December 2022 and 2021 were as follow:

	Consolidated financial statements	
	2022	2021
	<i>(in million Baht)</i>	
Domestic sale of goods and rendering of services	9,931	9,518
Total	9,931	9,518

Contract balances

As at 31 December 2022 the Group had outstanding balances of contract liabilities in the consolidated financial statements amounting to Baht 530 million (2021: Baht 816 million). The contract liabilities arises from consideration allocated to customer loyalty programmes. The Group will recognise this revenue when a customer obtain control of the goods or services, which is expected to occur within 1 year.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

25 Leases

As a lessee

The Group has enter into a number of various assets categories primarily on respect of land and building lease agreements. These agreements are effective for period of 1 year to 99 years, which will expire on various dates until August 2077 with extension options at the end of lease term. The rental is payable as specified in the contract.

Extension options

The Group has extension options on property lease exercisable up to one year before the end of the contract period. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options and will regularly reassess so.

		Consolidated financial statements		Separate financial statements	
<i>For the year ended 31 December</i>	<i>Note</i>	2022	2021	2022	2021
		<i>(in million Baht)</i>			
<i>Amounts recognised in profit or loss</i>					
Sub-lease income		4,537	906	-	-
Depreciation of right-of-use assets:	14				
- Land		3,997	2,580	2,258	1,930
- Buildings		8,391	7,486	6,257	6,748
- Machinery and equipment		281	209	12	3
- Furniture, fixtures and office equipment		51	24	-	-
- Vehicles		316	162	-	-
Interest on lease liabilities	17	3,027	1,622	1,138	981
Expenses relating to short-term leases		646	259	501	48
Expenses relating to leases of low-value assets		439	195	119	61
Variable lease payments based on sales		247	51	104	36

Total cash outflow for leases presented in consolidated and separate statement of cash flows for the year ended 31 December 2022 were Baht 15,186 million and Baht 8,863 million, respectively (2021: Baht 10,359 million and Baht 7,890 million, respectively).

Extension options

The Group has extension options on property leases exercisable before the end of the contract period. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options and will regularly reassess so.

As a lessor

The Group has enter into a number of land and spaces in buildings lease agreements which were classified as operating leases. These lease agreements are effective for period of 1 year to 31 years and will expire on various dates until June 2050.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

<i>Lease payments to be received from operating leases as at 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in million Baht)</i>			
1 st year	5,063	1,901	-	-
2 nd year	2,698	2,840	-	-
3 rd year	1,071	1,180	-	-
4 th year	62	241	-	-
5 th year	64	67	-	-
After 5 th year	1,354	1,090	-	-
Total	10,312	7,319	-	-

26 Other income

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in million Baht)</i>			
Sale promotion income	13,245	12,267	12,390	11,515
Income on royalties and other fees relating to licenses income	2,313	2,272	2,248	2,228
Other	7,665	6,077	7,241	7,063
Total	23,223	20,616	21,879	20,806

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

27 Expenses by nature

The statements of income include an analysis of expenses by function. Expenses by nature are as follows:

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
		(in million Baht)			
Changes in inventories of finished goods and work in progress		(7,557)	(20,725)	(1,686)	(1,209)
Purchase of finished goods		616,883	434,658	249,670	204,374
Raw materials and consumables used		12,843	10,273	-	-
Depreciation – investment properties	12	2,084	749	-	-
Depreciation – property, plant and equipment	13	19,645	12,386	7,545	7,166
Depreciation – right-of-use assets	14	13,036	10,461	8,527	8,681
Amortisation – intangible assets other than goodwill	16	1,779	891	414	329
Impairment loss on intangible assets other than goodwill	16	-	7,159	-	-
Employee benefit expenses		61,862	41,841	30,554	25,564
Convenience store management fees		21,577	18,221	21,480	18,218
Advertising and sale promotion expenses		16,716	15,239	14,075	13,837
Utilities expenses		16,197	10,808	9,121	7,543
Lease-related expenses	25	1,332	505	724	145
Other		40,117	26,331	20,703	16,566
Total cost of sales of goods and rendering of services, distribution costs, administrative expenses and impairment loss on intangible assets other than goodwill		816,514	568,797	361,127	301,214

28 Finance costs

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
		(in million Baht)			
Finance costs paid to:					
Related parties	5	-	-	41	21
Related parties under leases	5, 25	36	8	-	-
Financial institutions		13,805	11,021	8,486	10,007
Other parties under leases	25	2,991	1,614	1,138	981
Total		16,832	12,643	9,665	11,009

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

29 Income tax

Income tax recognised in profit or loss

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in million Baht)</i>			
Current tax				
Current year	4,352	2,838	-	2
Over provided for prior years tax	(30)	(48)	-	-
	<u>4,322</u>	<u>2,790</u>	<u>-</u>	<u>2</u>
Deferred income tax				
Movements in temporary differences	(461)	(2,265)	298	(821)
	<u>(461)</u>	<u>(2,265)</u>	<u>298</u>	<u>(821)</u>
Total	<u>3,861</u>	<u>525</u>	<u>298</u>	<u>(819)</u>

Income tax recognised in other comprehensive income

	Consolidated financial statements					
	2022			2021		
	Before income tax	Tax expense	Net of income tax	Before income tax	Tax (income) expense	Net of income tax
	<i>(in million Baht)</i>					
Cash flow hedges reserve	(290)	58	(232)	66	(13)	53
Gain on remeasurements of defined benefit plans	(277)	49	(228)	(276)	55	(221)
Gain on investment in equity instruments designated at FVOCI	(276)	55	(221)	(325)	65	(260)
Total	<u>(843)</u>	<u>162</u>	<u>(681)</u>	<u>(535)</u>	<u>107</u>	<u>(428)</u>

	Separate financial statements					
	2022			2021		
	Before income tax	Tax expense	Net of income tax	Before income tax	Tax expense	Net of income tax
	<i>(in million Baht)</i>					
Gain on remeasurements of defined benefit plans	(59)	12	(47)	(150)	30	(120)
Gain on investment in equity instruments designated at FVOCI	(124)	25	(99)	(325)	65	(260)
Total	<u>(183)</u>	<u>37</u>	<u>(146)</u>	<u>(475)</u>	<u>95</u>	<u>(380)</u>

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Reconciliation of effective tax rate

Applicable tax rate (%)	Consolidated financial statements			
	0%	20%	Other	Total
		(in million Baht)		
2022				
Accounting profit (loss) before income tax expense	(82)	20,172	(8)	20,082
Income tax at the applicable tax rates	-	4,034	254	4,288
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit	-	(554)	157	(397)
(Over) under provided for prior years tax	-	(41)	11	(30)
Net	-	3,439	422	3,861
2021				
Accounting profit (loss) before income tax expense	144	13,711	(1,278)	12,577
Income tax at the applicable tax rates	-	2,742	-	2,742
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit	-	(2,278)	109	(2,169)
Over provided for prior years tax	-	(4)	(44)	(48)
Net	-	460	65	525

Applicable tax rate (%)	Separate financial statements	
	20%	20%
	2022	2021
	(in million Baht)	
Accounting profit before income tax expense	11,698	8,213
Income tax at the applicable tax rates	2,340	1,643
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit	(2,042)	(2,462)
Net	298	(819)

Deferred income tax

Deferred tax assets and liabilities as at 31 December 2022 and 2021 were as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	(in million Baht)			
Deferred tax assets	2,273	2,599	1,508	1,843
Deferred tax liabilities	(17,173)	(17,848)	-	-
Net	(14,900)	(15,249)	1,508	1,843

CP ALL Public Company Limited and its Subsidiaries

Movements in deferred tax assets and liabilities during the years ended 31 December 2022 and 2021 were as follows:

	Consolidated financial statements (Charged)/credit to				At 31 December
	At 1 January	Profit or loss	Other comprehensive income (in million Baht)	Exchange differences on translating financial statements	
2022					
Deferred tax assets (liabilities)					
Trade accounts receivable and other receivables	4	1	-	-	5
Inventories	651	(16)	-	(4)	631
Investment in associate	(1,311)	-	-	-	(1,311)
Investments in related companies	(65)	-	(55)	-	(120)
Property, plant and equipment and intangible assets other than goodwill	(6,041)	(298)	-	56	(6,283)
Right-of use assets	(3,975)	778	-	25	(3,172)
Derivatives liabilities	199	(8)	(58)	-	133
Lease liabilities	5,783	(70)	-	(20)	5,693
Provisions for employee benefits	1,190	46	(49)	-	1,187
Other non-current provisions	442	1	-	-	443
Fair value adjustment assets acquired through business combinations	(13,401)	32	-	-	(13,369)
Loss carry forward	713	(394)	-	-	319
Other	562	389	-	(7)	944
Total	(15,249)	461	(162)	50	(14,900)

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

	Consolidated financial statements				
	At 1 January	Profit or loss	Other comprehensive income (in million Baht)	Acquisition through business combination (Note 4)	Exchange differences on translating financial statements
					At 31 December
2021					
Deferred tax assets (liabilities)					
Trade accounts receivable and other receivables	12	(8)	-	-	4
Inventories	167	(29)	-	516	651
Investment in associate	(940)	940	-	(1,311)	(1,311)
Investments in related companies	-	-	(65)	-	(65)
Property, plant and equipment and intangible assets other than goodwill	1	260	-	(6,348)	(6,041)
Right-of use assets	(9,143)	8,285	-	(3,119)	(3,975)
Derivatives liabilities	940	(916)	13	162	199
Lease liabilities	9,677	(8,405)	-	4,512	5,783
Provisions for employee benefits	902	51	(55)	292	1,190
Other non-current provisions	-	28	-	414	442
Fair value adjustment assets acquired through business combinations	(14,947)	1,546	-	-	(13,401)
Loss carry forward	-	713	-	-	713
Other	171	(200)	-	592	562
Total	(13,160)	2,265	(107)	(4,290)	(15,249)

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

	At 1 January	Separate financial statements (Charged)/ credited to		At 31 December
		Profit or loss (in million Baht)	Other comprehensive income	
2022				
<i>Deferred tax assets (liabilities)</i>				
Other receivables	4	1	-	5
Inventories	44	(1)	-	43
Investment in related companies	(65)	-	(25)	(90)
Property, plant and equipment	24	-	-	24
Right-of use assets	533	76	-	609
Derivatives liabilities	23	(8)	-	15
Provisions for employee benefits	567	25	(12)	580
Other liabilities	-	4	-	4
Loss carry forward	713	(395)	-	318
Total	1,843	(298)	(37)	1,508
2021				
<i>Deferred tax assets (liabilities)</i>				
Other receivables	3	1	-	4
Inventories	44	-	-	44
Investment in associate	(940)	940	-	-
Investment in related companies	-	-	(65)	(65)
Property, plant and equipment	24	-	-	24
Right-of use assets	(7,935)	8,468	-	533
Derivatives liabilities	940	(917)	-	23
Lease liabilities	8,403	(8,403)	-	-
Provisions for employee benefits	578	19	(30)	567
Loss carry forward	-	713	-	713
Total	1,117	821	(95)	1,843

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

30 Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2022 and 2021 were based on the profit for the years attributable to equity holders of the Company less cumulative interest for the years on perpetual subordinated debentures and the number of ordinary shares outstanding during the years as follows:

<i>For the year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in million Baht /million shares)</i>			
Profit for the year attributable to equity holders of the Company	13,272	12,985	11,400	9,032
Less: cumulative interest for the year on perpetual subordinated debentures	(779)	(1,000)	(779)	(1,000)
Profit used in calculation of basic earnings per share	12,493	11,985	10,621	8,032
Number of ordinary shares outstanding during the year	8,983	8,983	8,983	8,983
Basic earnings per share (in Baht)	1.39	1.33	1.18	0.89

31 Dividends

The dividends paid by the Company to the shareholders are as follows:

	Approval date	Payment date	Dividend rate (in Baht/share)	Amount (in million Baht)
<i>2022</i>				
Annual dividend 2021	22 April 2022	20 May 2022	0.60	5,390
<i>2021</i>				
Annual dividend 2020	23 April 2021	21 May 2021	0.90	8,085

CP ALL Public Company Limited and its Subsidiaries

32 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.

Consolidated financial statements						
Carrying amount					Fair value	
Hedging instrument	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Financial instruments measured at amortised cost	Total	Level 2	Level 3
	(in million Baht)					
31 December 2022						
Financial assets						
Forward exchange contracts	7	-	-	7	7	-
Investments in related companies	-	1,568	-	1,568	-	1,568
Financial liabilities						
Debentures	-	-	247,261	247,261	249,771	-
Long-term borrowings from financial institutions	-	-	87,702	87,702	91,430	-
Forward exchange contracts	98	-	-	2,970	2,970	-
Accrued guarantee deposits	-	-	3,578	3,578	3,026	-
					</	

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

		Consolidated financial statements (Continued)				
		Carrying amount			Fair value	
		Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Financial instruments measured at amortised cost	Total	
					(in million Baht)	
	Hedging instrument					Total
31 December 2021						
Financial assets						
Forward exchange contracts	-	609	-	-	609	609
Investments in related companies	-	-	821	-	821	821
Financial liabilities						
Debentures	-	-	-	222,349	222,349	229,089
Long-term borrowings from financial institutions	-	-	-	108,697	108,697	110,167
Forward exchange contracts	876	128	-	-	1,004	1,004
Accrued guarantee deposits	-	-	-	3,519	3,519	3,008

CP ALL Public Company Limited and its Subsidiaries

	Separate financial statements				
	Carrying amount			Fair value	
	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Financial instruments measured at amortised cost	Total	Total
					(in million Baht)
31 December 2022					
<i>Financial assets</i>					
Investments in related companies	-	995	-	995	-
<i>Financial liabilities</i>					
Debentures	-	-	223,796	223,796	225,977
Forward exchange contracts	77	-	-	77	77
Accrued guarantee deposits	-	-	3,563	3,563	3,011
31 December 2021					
<i>Financial assets</i>					
Investment in related companies	-	526	-	526	526
<i>Financial liabilities</i>					
Debentures	-	-	222,349	222,349	229,089
Forward exchange contracts	118	-	-	118	118
Accrued guarantee deposits	-	-	3,530	3,530	3,019

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Financial instruments measured at fair value for level 2

Type	Valuation technique
Forward exchange contracts	<i>Forward pricing:</i> The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.

Financial instruments measured at fair value for level 3

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investments in related companies	Discounted cash flows	Discount rate: (2022: 8.37% - 12.79% and 2021: 8.71% - 11.00%)	The estimated fair value would increase (decrease) if the discount rate was lower (higher)

Reconciliation of fair value level 3

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in million Baht)</i>			
<i>Investments in related companies</i>				
At 1 January	821	34	526	34
Acquisitions	471	462	345	167
Change in fair value				
- recognised in other comprehensive income	276	325	124	325
At 31 December	1,568	821	995	526

Sensitivity analysis

For the fair values of financial assets measured at fair value Level 3, reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects.

	Consolidated financial statements		Separate financial statements	
<i>Effect to other comprehensive income - net of income tax</i>	1% increase in assumption	1% decrease in assumption	1% increase in assumption	1% decrease in assumption
	<i>(in million Baht)</i>			
<i>At 31 December 2022</i>				
<i>Investments in related companies</i>				
Discount rate	(144)	188	(79)	104
<i>At 31 December 2021</i>				
<i>Investment in related companies</i>				
Discount rate	(76)	81	(41)	53

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Financial instruments not measured at fair value

Fair value for trade debentures have been determined based on quoted selling price from the Thai Bond Market Association at the close of the business on the reporting date.

Fair value for long-term borrowings from financial institutions and accrued guarantee deposits were calculated by using discounted cash flow method.

(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.

(b.1.1) Trade accounts receivable and other current receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's trade terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the risk management committee.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

The Group limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of 90 days. Outstanding trade receivables are regularly monitored by the Group. An impairment analysis is performed by the Group at each reporting date. The provision rates of expected credit loss are based on days past due for individual trade receivables/groupings of various customer segments with similar credit risks to reflect differences between economic conditions in the past, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Information relevant to credit risk and expected credit loss of trade accounts receivable and other current receivables are disclosed in note 7 to the financial statements.

(b.1.2) Cash and cash equivalent and derivatives

The Group's exposure to credit risk arising from cash and cash equivalents and derivative assets is limited because the counterparties are banks and financial institutions which the Group considers to have low credit risk.

(b.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						
	Carrying amount	1 year or less	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total
(in million Baht)						
<i>At 31 December 2022</i>						
<i>Non-derivative financial liabilities</i>						
Short-term borrowings from financial institutions	16,810	16,815	-	-	-	16,815
Trade accounts payable	115,963	115,961	2	-	-	115,963
Other payables	13,106	13,105	1	-	-	13,106
Short-term borrowings from other party	46	46	-	-	-	46
Debentures	247,261	27,049	41,124	98,720	122,999	289,892
Long-term borrowings from financial institutions	87,702	4,887	73,736	20,075	-	98,698
Lease liabilities	95,063	13,262	12,603	30,636	70,358	126,859
Rental deposits from tenants	1,821	-	889	492	444	1,825
	577,772	191,125	128,355	149,923	193,801	663,204

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Consolidated financial statements (Continued)

Contractual cash flows

	Carrying amount	1 year or less	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total
<i>(in million Baht)</i>						
<i>At 31 December 2022 (continued)</i>						
Derivative financial liabilities						
Forward exchange contracts	98					
Forward exchange contracts used for hedging:	2,873					
- Cash outflow		(38,696)	(6,787)	-	-	(45,483)
- Cash inflow		37,136	6,579	-	-	43,715
	<u>2,971</u>	<u>(1,560)</u>	<u>(208)</u>	<u>-</u>	<u>-</u>	<u>(1,768)</u>

At 31 December 2021

Non-derivative financial liabilities

Short-term borrowings from financial institutions	42,691	42,698	-	-	-	42,698
Trade accounts payable	106,863	106,863	-	-	-	106,863
Other payables	15,392	15,392	-	-	-	15,392
Debentures	222,349	17,324	21,174	80,608	146,260	265,366
Long-term borrowings from financial institutions	108,697	5,081	87,856	23,788	-	116,725
Lease liabilities	88,540	11,208	9,811	19,008	50,616	90,643
Rental deposits from tenants	2,475	-	11	6	2,458	2,475
	<u>587,007</u>	<u>198,566</u>	<u>118,852</u>	<u>123,410</u>	<u>199,334</u>	<u>640,162</u>

Derivative financial liabilities

Forward exchange contracts	128					
Forward exchange contracts used for hedging:	876					
- Cash outflow		(51,859)	-	(6,787)	-	(58,646)
	<u>1,004</u>	<u>(51,859)</u>	<u>-</u>	<u>(6,787)</u>	<u>-</u>	<u>(58,646)</u>

Separate financial statements

Contractual cash flows

	Carrying amount	1 year or less	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total
<i>(in million Baht)</i>						
At 31 December 2022						
Non-derivative financial liabilities						
Short-term borrowings from financial institutions	15,173	15,178	-	-	-	15,178
Trade accounts payable	45,999	45,999	-	-	-	45,999
Other payables	8,342	8,342	-	-	-	8,342
Short-term borrowings from subsidiary	60	60	-	-	-	60
Debentures	223,796	26,295	30,671	88,143	118,758	263,867
Lease liabilities	45,861	8,373	7,613	17,880	18,206	52,072
	339,231	104,247	38,284	106,023	136,964	385,518

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Separate financial statements (Continued)						
Contractual cash flows						
	Carrying amount	1 year or less	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total
(in million Baht)						
At 31 December 2022 (continued)						
Derivative financial liabilities						
Forward exchange contracts	77					
- Cash inflow		1,126	-	-	-	1,126
	<u>77</u>	<u>1,126</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,126</u>
At 31 December 2021						
Non-derivative financial liabilities						
Short-term borrowings from financial institutions	13,493	13,500	-	-	-	13,500
Trade accounts payable	38,701	38,701	-	-	-	38,701
Other payables	8,104	8,104	-	-	-	8,104
Short-term borrowings from subsidiary	1,400	1,421	-	-	-	1,421
Debentures	222,349	17,324	21,174	80,608	146,260	265,366
Lease liabilities	40,118	8,039	6,804	12,132	17,560	44,535
	<u>324,165</u>	<u>87,089</u>	<u>27,978</u>	<u>92,740</u>	<u>163,820</u>	<u>371,627</u>
Derivative financial liabilities						
Forward exchange contracts	118					
- Cash inflow		1,052	-	-	-	1,052
	<u>118</u>	<u>1,052</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,052</u>

The cash inflows/cash outflows disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

(b.3) Market risk

The Group is exposed to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is as follows:

(b.3.1) Foreign currency risk

The Group is exposed to foreign currency risk relating to borrowings from financial institutions, purchases and sales of goods which are denominated in foreign currencies. The Group primarily utilises forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated borrowings from financial institutions, purchases and sales of goods, denominated in foreign currencies, for the subsequent period.

CP ALL Public Company Limited and its Subsidiaries

At 31 December 2022 and 2021 the Group was exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	Consolidated financial statements										
	United States Dollar	Australian Dollar	Pound Sterling	Euro	Swiss Franc	Hong Kong Dollar (in million Baht)	Japanese Yen	Cambodia Riel	China Renminbi	Other	Total
At 31 December 2022											
Cash and cash equivalents	65	4	-	-	-	1	-	289	172	6	537
Trade accounts receivable and other receivables	56	-	-	1	3	-	-	-	11	-	71
Trade accounts payable and other payables	(1,627)	(82)	(8)	(86)	(1)	-	(226)	-	(29)	(3)	(2,062)
Long-term borrowings from financial institutions	(42,840)	-	-	-	-	-	-	-	-	-	(42,840)
Net statement of financial position exposure	(44,346)	(78)	(8)	(85)	2	1	(226)	289	154	3	(44,294)
Forward exchange purchase contracts	43,560	-	-	-	-	-	-	-	-	-	43,560
Net exposure	(786)	(78)	(8)	(85)	2	1	(226)	289	154	3	(734)

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Consolidated financial statements												
		Australian Dollar	Pound Sterling	Euro	Swiss Franc	New Zealand Dollar	Hong Kong Dollar	Japanese Yen	Cambodia Riel	China Renminbi	Other	Total
	United States Dollar						(in million Baht)					
At 31 December 2021	Cash and cash equivalents	189	-	-	-	-	1	-	109	177	-	477
	Trade accounts receivable and other receivables	33	-	1	9	-	-	-	-	-	-	43
	Trade accounts payable and other payables	(951)	(86)	(21)	(53)	-	(10)	-	(229)	(28)	(1)	(1,379)
	Short-term borrowings from financial institutions	(18,927)	-	-	-	-	-	-	-	-	-	(18,927)
	Long-term borrowings from financial institutions	(56,344)	-	-	-	-	-	-	-	-	-	(56,344)
Net statement of financial position exposure												
Forward exchange purchase contracts	76,397	4	-	168	-	-	-	347	-	-	4	76,920
Forward exchange selling contracts	(46)	-	-	-	(30)	-	-	-	-	-	-	(76)
Net exposure												
	351	(81)	(21)	116	(21)	(10)	1	118	109	149	3	714

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

	Separate financial statements	
	2022 United States Dollar (in million Baht)	2021 United States Dollar
At 31 December		
Trade accounts receivable and other current receivables	-	3
Short-term loans to subsidiaries	2,229	2,155
Net statement of financial position exposure	2,229	2,158
Forward exchange selling contracts	(1,126)	(1,170)
Net exposure	1,103	988

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Thai Baht against all other currencies as at reporting date would have affected the measurement of financial instruments denominated in a foreign currency. This analysis assumes that all other variables, in particular interest rates, remain constant.

Impact to profit or loss	Movement (%)	Consolidated financial statements		Separate financial statements	
		Strengthening	Weakening (in million Baht)	Strengthening	Weakening
At 31 December 2022					
United States Dollar	1	(12)	12	(12)	12
At 31 December 2021					
United States Dollar	1	(10)	10	(10)	10

(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 some of loan interest rates (Note 17 to the financial statements) are variable. The Group manages the interest rate risk of financial assets and financial liabilities by considering fixed and floating rates depend on the market situation.

Exposure to interest rate risk At 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	(in million Baht)			
Financial instruments with variable interest rates				
Financial liabilities	79,559	128,402	-	-
Net statement of financial position exposure	79,559	128,402	-	-
Interest rate swaps	-	-	-	-
Net exposure	79,559	128,402	-	-

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Cash flow sensitivity analysis for variable-rate instruments

A reasonable possible change of 1% in interest rates at the reporting date for the next 12 months; this analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

<i>Effect to profit or loss increase (decrease) of financial instrument as at 31 December</i>	Consolidated financial statements		Separate financial statements	
	1% increase in interest rate	1% decrease in interest rate	1% increase in interest rate	1% decrease in interest rate
	<i>(in million Baht)</i>			
2022				
Financial instruments with variable interest rate	(812)	812	-	-
2021				
Financial instruments with variable interest rate	(1,256)	1,256	-	-

(c) *Hedge accounting*

(c.1) *Cash flow hedges*

The amounts at the reporting date relating to items designated as hedged items were as follows.

<i>Foreign currency risk</i>	Change in value used for calculating hedges ineffectiveness	Consolidated financial statements		Balance remaining in the cash flow hedges reserve from hedging relationships for which hedge accounting is no longer applied
		Cash flow hedges reserve	Costs of hedging reserve	
		<i>(in million Baht)</i>		
31 December 2022				
Borrowings	-	153	79	-
31 December 2021				
Borrowings	-	(10)	(111)	-

At 31 December 2022 and 2021, the Group held the following financial instruments to hedge exposures to changes in foreign currency.

	Consolidated financial statements		
	1-6 months	Maturity 6-12 months	More than one year
At 31 December 2022			
Foreign currency risk			
<i>Forward exchange contracts</i>			
Net exposure <i>(in million Baht)</i>	20,823	17,525	6,787
Average USD: THB forward contracts	36.3	36.8	33.9

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Consolidated financial statements (Continued)

	1-6 months	Maturity 6-12 months	More than one year
<i>At 31 December 2021</i>			
<i>Foreign currency risk</i>			
<i>Forward exchange contracts</i>			
Net exposure (in million Baht)	-	50,807	6,787
Average USD: THB forward contracts	-	33.80	33.90

The amounts relating to items designated as hedging instruments were as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	(in million Baht)			
<i>Foreign currency risk at 31 December</i>				
Forward exchange contracts				
- nominal amount	45,135	56,814	-	-
Carrying amount included in:				
- derivatives liabilities	2,873	876	-	-
<i>Foreign currency risk for the year ended 31 December</i>				
<i>Recognised in other comprehensive income</i>				
- changes in value of				
the hedging instrument	1,322	2,622	-	2,564
- costs of hedging	79	(111)	-	-
<i>Recognised in profit or loss</i>				
- reclassified from hedging reserve and included in foreign exchange loss	(1,169)	(2,632)	-	(2,564)

The following table provides a reconciliation of other components of equity and analysis of other comprehensive income items resulting from cash flow hedge accounting.

	Consolidated financial statements			
	2022	2021	2022	2021
<i>Cash flow hedges</i>				
<i>- reserve foreign currency risk</i>				
	Hedging reserve	Costs of hedging reserve	Hedging reserve	Costs of hedging reserve
	(in million Baht)			
Balances at 1 January	(10)	(111)	-	-
Change in fair value:				
- borrowings	1,359	99	2,637	(139)
Amount reclassified to profit or loss:				
- borrowings	(1,169)	-	(2,632)	-
- tax on movements on reserve during the year	(38)	(20)	(15)	28
Balances at 31 December	142	(32)	(10)	(111)

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

	Separate financial statements			
	2022		2021	
<i>Cash flow hedges</i>	Hedging	Costs of	Hedging	Costs of
<i>- reserve foreign currency risk</i>	reserve	hedging	reserve	hedging
		reserve		reserve
		(in million Baht)		
Balances at 1 January	-	-	-	-
Change in fair value:				
- borrowings	-	-	2,564	-
Amount reclassified to profit or loss:				
- borrowings	-	-	(2,564)	-
Balances at 31 December	-	-	-	-

33 Capital Management

The objectives of the Group's capital management are to safeguard the Company's ability to continue as a going concern in order to provide returns to the Company's shareholders and benefits to other stakeholders. The management sets strategies to support the Company's operations for more efficiency, and better performance and stronger financial status, including dividend and capital management policies to maintain the optimal capital structure and cost of capital.

34 Commitments with non-related parties

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
		(in million Baht)		
<i>Capital commitments</i>				
Contracted but not provided for				
(construction cost of new plants and				
installation cost of machinery, and				
computer system development costs)	3,479	3,779	-	-
Total	3,479	3,779	-	-
<i>Other commitments</i>				
Short-term lease commitments	137	109	136	104
Unused letters of credit for purchase				
of goods and supplies	782	1,230	-	-
Other commitments	6	9	-	-
Total	925	1,348	136	104

Letters of guarantee

As at 31 December 2022, the Group has commitments under letters of guarantee with financial institutions, principally guarantee for utilities, rental agreements and others totaling Baht 3,364 million and United States Dollars 0.3 million (2021: Baht 3,290 million and United States Dollars 0.3 million).

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

Significant agreements

As at 31 December 2022 the Group had the following significant agreements:

- (a) The Company has an area license agreement with 7-Eleven, Inc., which was incorporated in the United States of America, to acquire a license to use the systems and trademarks of 7-Eleven, Inc. in connection with the operations of 7-Eleven convenience stores or franchising of such operations to other retailers in Thailand. The Company has also obtained certain services from 7-Eleven, Inc. in relation to training and technical assistance. In consideration thereof, the Company is committed to pay royalties to 7-Eleven, Inc. calculated as percentages of total sales of the 7-Eleven convenience stores that are operating in Thailand.
- (b) The Company has management agreements with local companies for their management of the Company-owned 7-Eleven convenience stores. Under the terms of the agreements, the Company is committed to pay management fees to those licensees calculated as percentages of gross operating profits of these convenience stores. The Company is entitled to receive the initial payments and royalties from those licensees in connection with the licenses granted for operating these 7-Eleven convenience stores. These initial payments and royalties are not refundable to the licensees in any case. The initial payments include deposits to guarantee the licensees' compliance with the agreements and any damage and/or liability that might be caused by the licensees. In consideration thereof, the Company pays interest on the deposits calculated at the time deposit rates announced by a local financial institution. These deposits will be refunded to the licensees upon termination of the agreements.
- (c) The Company has sub-area license agreements for operating 7-Eleven convenience stores and franchising such operations to other retailers ("licensees"). Under the terms of the agreements, the Company will provide certain technical assistance and related services to the sub-area licensees. In consideration thereof, the Company is entitled to receive royalties from the sub-area licensees as percentages of total sales of the 7-Eleven convenience stores operating in the licensed areas.
- (d) A local subsidiary (Gosoft (Thailand) Co., Ltd.) has service agreements with local companies ("the parties"), whereby the latter parties provide the installation and development of systems as stipulated in the agreements. Under the terms of the agreements, the subsidiary is committed to pay a service fee to the parties as stipulated in the agreements. These agreements are effective for periods over 1 month to 12 months, and will expire on various dates until July 2023.
- (e) A local subsidiary (Counter Service Co., Ltd.) has service agreements with government entities and state enterprises (e.g., utilities, telephone expenses, etc.), and other local companies (e.g., hire purchase, life insurance premium, etc.) ("the parties"). Under the terms of the agreements, the subsidiary is committed to operate payment centers to collect customer payments on behalf of the parties then remits funds to the parties as the agreed procedures. The subsidiary can collect service income from customers or local companies as stipulated in the agreements. These agreements are effective for periods over 1 year to 5 years, and will expire on various dates up to October 2027. If either of the parties has an intention to terminate the agreement, a written notification must be made to the other party at least the number of day stipulated in the agreement before the expiry date of the agreement.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

- (f) A local subsidiary (CP Retailink Co., Ltd.) has repair and maintenance management service agreements with local companies (“the parties”), whereby the latter parties agree to install and repair and maintenance of computer equipment and software, utility systems, electric appliances and other equipment used for operations in retail stores. Under the terms of the agreements, the subsidiary is committed to pay a service fee to the parties as stipulated in the agreements. These agreements are for a period of 1 year and are renewable for additional periods of 1 year. If either of the parties has no intention to renew the agreement, a written notification must be made to the other party at least 30 days before the expiry date of the agreement.
- (g) A local subsidiary (Counter Service Co., Ltd.) has service agreements with local financial institutions (“the parties”). Under the terms of the agreements, the subsidiary is committed to operate as banking agent for cash deposits, cash withdrawals and/or receipts of customers’ bills then remits funds to the parties as the agreed procedures. The subsidiary can collect service income from customers as stipulated in the agreements. These agreements are effective for periods over 1 year to 3 years, started and will expire on various dates up to June 2025. If either of the parties has intention to terminate or has no intention to renew the agreement, a written notification must be made to the other party at least the number of day stipulated in the agreement before the expiry date of the agreement.
- (h) A local subsidiary (Counter Service Co., Ltd.) has service agreements with local financial institutions (“the parties”). Under the terms of the agreements, the subsidiary is committed to operate as agent for customer identification and verification. The subsidiary can collect service income from the parties as stipulated in the agreements. These agreements are effective for periods of 1 year to 3 years, started and will expire on various dates up to October 2025. If either of the parties has intention to terminate or has no intention to renew the agreement, a written notification must be made to the other party at least the number of day stipulated in the agreement before the expiry date of the agreement.
- (i) Foreign indirect subsidiaries (CP ALL (CAMBODIA) CO., LTD. and CP ALL LAOS COMPANY LIMITED) have Master Franchise Agreements with 7-Eleven, Inc., which was incorporated in the United States of America, to obtain franchising rights in the establishment and operation of 7-Eleven convenience stores in Cambodia and Laos for a period of 30 years, which the parties may agree to extend by two additional 20-year terms. The indirect subsidiaries are committed to pay a monthly fee to 7-Eleven, Inc. calculated as percentages of total sales and other income of the 7-Eleven convenience stores that are operating in Cambodia and Laos.

35 Events after the reporting period

- 35.1 In January 2023, the Company invested in CP Seeding Social Impact Co., Ltd. (“CPSSE”), totaling of 27,000 ordinary shares at the price of Baht 100 per share. In this regard, the Company has a 9% investment in CPSSE’s paid-up share capital. The paid-up share capital totaling Baht 3 million was completed.
- 35.2 On 10 February 2023, the Company filed with The Securities and Exchange Commission, a registration statement for the offer for sale of debentures no. 1/2023 that unsubordinated and unsecured debentures and in registered name form, totaling Baht 12,000 million consist of debentures due 2027, 2030 and 2035 which bearing interest at the fixed rate of 2.95%, 3.55% and 4.20% per annum respectively. The debenture will be sold to public offering. This debenture has a credit rating of “A+” updated by TRIS Rating Co., Ltd. on 24 January 2023. The objective of the issuance is to repayment of matured debentures and for working capital.

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries

- 35.3 At the Board of Directors' meeting of the Company held on 23 February 2023, the Company's Board of Directors approved to propose to the annual general shareholders' meeting of the Company for approval to declare the dividends from the profit for the equity holders of the Company for the year 2022 of Baht 0.75 per share for 8,983 million ordinary shares, totaling Baht 6,737 million. The declaration of dividend payment must be approved by the shareholders' meeting of the Company.
- 35.4 Local and foreign subsidiaries increased the authorised share capital and called for additional paid-up share capital. The processes of some subsidiaries had already completed in January 2023.
- 35.5 At the Board of Directors' meeting of a local subsidiary (Siam Makro Public Company Limited) held on 20 February 2023, the subsidiary's Board of Directors approved to propose to the annual general shareholders' meeting of the Company for approval to declare the final dividends from the profit attributable to equity holders of the Company for the year 2022 of Baht 0.33 per share for 10,580 million ordinary shares, totaling Baht 3,492 million. Such the declaration of final dividend payment must be approved by the shareholders' meeting of the subsidiary.

36 Reclassification of accounts

Certain accounts in the statements of financial position as at 31 December 2021 and statement of income for year ended 31 December 2021 have been reclassified to conform to the presentation in the 2022 financial statements as follows:

	2021		
	Consolidated financial statements		
	Before reclassification	Reclassification (in million Baht)	After Reclassification
<i>Statement of financial position</i>			
<i>as at 31 December</i>			
Cash and cash equivalents	92,348	3,975	96,323
Current investments	4,786	(3,975)	811
Other payables	(31,803)	(184)	(31,987)
Other non-current liabilities	(687)	184	(503)
		<u>-</u>	
<i>Statement of income</i>			
<i>during period ended</i>			
<i>31 December</i>			
Revenue from sale of goods and rendering of services	(565,207)	147	(565,060)
Other income	(20,536)	(80)	(20,616)
Cost of sale of goods and rendering of services	444,838	(67)	444,771
		<u>-</u>	

These reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the Group's business.

Attachment



Information of Directors and Executives

Adjunct Professor Prasobsook Boondech

77 years old

Position

Independent Director

Chairman of Sustainability and Corporate Governance Committee

Appointment Date

April 21, 2016

Term of Office

First Term : April 21, 2016 – April 26, 2019

Second Term : April 26, 2019 – April 22, 2022

Third Term : April 22, 2022 – Present

Education

- Capital Market Academy Class 10
- National Defence College of Thailand Class 41
- Barrister-at-Law, Lincoln's Inn
- Barrister-at-Law, Thai Bar Association
- Bachelor of Law, Thammasat University

Expertise

- Administration and Large Organization Management
- Risk Management
- Crisis Management
- Law and Case
- Security and Society

Training by the Thai Institute of Directors Association (IOD)

2020 Director Accreditation Program (DAP177/2020)

2017 Director Accreditation Program (DAP)

2016 Ethical Leadership Program (ELP)

Board Member/Management in Other Company/Organization/Institution

Listed Company 1 Organization:

- Independent Director, Siam Makro Public Co., Ltd.

Non-Listed Company –None–

5-Year Past Experiences and/or Remarkable Position

2011 – 2021 Legal Adviser, Thanachart Bank Public Company Limited

2016 – 2020 Independent Director, C.P. Lotus Corporation

2015 – 2019 Independent Director, News Network Corporation Public Company Limited

2012 Member of the Council of State

2008 President of the Senate

2004 President of the Court of Appeal

(%) shareholding (as at December 31, 2022)

- Held personally –None–
- Held by spouse or minor children –None–

Family Relationship among Directors and Executives

–None–

Attendance at the Board of Directors' Meeting during 2022

8 times out of 8 times

Police General Phatcharavat Wongsuwan

73 years old

Position

Independent Director

Chairman of Remuneration and Nomination Committee

Sustainability and Corporate Governance Committee

Appointment Date

February 19, 2013

Term of Office

First Term : February 19, 2013 – April 25, 2013

Second Term : April 25, 2013 – April 21, 2016

Third Term : April 21, 2016 – April 26, 2019

Fourth Term : April 26, 2019 – April 22, 2022

Fifth Term : April 22, 2022 – Present

Education

- Diploma, National Defence College, The State, Private Sector and Political Sectors Course Class 2
- Master of Arts (Social Development), Kasetsart University
- Royal Police Cadet Academy Class 25

Expertise

- Administration and Large Organization Management
- Risk Management
- Crisis Management
- Law and Case
- Security and Society

Training by the Thai Institute of Directors Association (IOD)

2017 Director Accreditation Program (DAP)

Board Member/Management in Other Company/Organization/Institution

Listed Company 2 Organizations:

- Independent Director, Energy Absolute Public Company Limited
- Independent Director, Charoen Pokphand Food Public Co., Ltd.

Non-Listed Company 2 Organizations:

- Consultant, National Broadcasting and Telecommunication Commission (NBTC)
- Director, The Thai Dairy Industry Co., Ltd.

5-Year Past Experiences and/or Remarkable Position

2008 Commissioner-General, Royal Thai Police

2005 Deputy Commissioner-General

2002 Assistant Commissioner-General

(%) Shareholding (as at December 31, 2022)

- Held personally –None–
- Held by spouse or minor children –None–

Family Relationship among Directors and Executives

–None–

Attendance at the Board of Directors' Meeting during 2022

8 times out of 8 times

Mr.Padoong Techasarintr

82 years old

Position

Independent Director

Chairman of Audit Committee

Sustainability and Corporate Governance Committee

Remuneration and Nomination Committee

Appointment Date

March 11, 1999

Term of Office

First Term : March 11, 1999 – April 26, 2001

Second Term : April 26, 2001 – April 28, 2004

Third Term : April 28, 2004 – April 26, 2007

Fourth Term : April 26, 2007 – April 28, 2010

Fifth Term : April 28, 2010 – April 25, 2013

Sixth Term : April 25, 2013 – April 21, 2016

Seventh Term : April 21, 2016 – April 26, 2019

Eighth Term : April 26, 2019 – April 22, 2022

Ninth Term : April 22, 2022 – Present

Education

- Bachelor's Degree in Commerce, Thammasat University
- Bachelor's Degree in Accounting, Thammasat University

Expertise

- Accounting and Finance
- Administration and Large Organization Management
- Risk Management
- Crisis Management
- Law and Case
- Security and Society
- Economics and Banking
- Digital

Training by the Thai Institute of Directors Association (IOD)

2021	IT Governance and Cyber Resilience Program (ITG)
2017	Independent Director Forum: Updated COSO Enterprise Risk Management: Integrating with Strategy and Performance
2008	Audit Committee Program (ACP)
2008	Monitoring the Internal Audit Function
2005	Director Accreditation Program (DAP)
2003	Director Certification Program (DCP)
2001	The Role of Chairman

Board Member/Management in Other Company/Organization/Institution**Listed Company** 1 Organization:

- Independent Director and Chairman of the Audit Committee, Textile Prestige Public Co., Ltd.

Non-Listed Company 1 Organization:

- Chairman of Audit Committee, Panyapiwat Institute of Management

5-Year Past Experiences and/or Remarkable Position

1994 – 2021	Independent Director and Chairman of the Audit Committee, Thanulux Public Co., Ltd.
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1993 – 2021	Independent Director and Chairman of the Audit Committee, Lanna Resources Public Co., Ltd.
2008 – 2020	Independent Director and Audit Committee, Kulthorn Kirby Public Co., Ltd.
1995 – 1998	Executive Director, Siam City Bank Public Co., Ltd.
1994 – 1995	Director – Vice President, Siam City Bank Public Co., Ltd.

(%) Shareholding (as at December 31, 2022)

- Held personally 0.00011
- Held by spouse or minor children –None–

Family Relationship among Directors and Executives

–None–

Attendance at the Board of Directors' Meeting during 2022

8 times out of 8 times

Mr.Pridi Boonyoung

84 years old

Position

Independent Director

Audit Committee

Appointment Date

March 11, 1999

Term of Office

First Term : March 11, 1999 – April 26, 2001

Second Term : April 26, 2001 – April 28, 2004

Third Term : April 28, 2004 – April 26, 2007

Fourth Term : April 26, 2007 – April 28, 2010

Fifth Term : April 28, 2010 – April 25, 2013

Sixth Term : April 25, 2013 – April 21, 2016

Seventh Term : April 21, 2016 – April 26, 2019

Eighth Term : April 26, 2019 – April 22, 2022

Ninth Term : April 22, 2022 – Present

Education

- Master's Degree in Laws, Yale University, USA
- Bachelor's Degree in Laws, Thammasat University
- Degree, National Defence College of Thailand Class 3

Expertise

- Accounting and Finance
- Risk Management
- Law and Case

Training by the Thai Institute of Directors Association (IOD)

2010	Audit Committee Program (ACP)
2005	Director Accreditation Program (DAP)

Board Member/Management in Other Company/Organization/Institution**Listed Company** –None–**Non-Listed Company** 1 Organization:

- Audit Committee, Panyapiwat Institute of Management

5-Year Past Experiences and/or Remarkable Position

1997 – 1998	Director – General, Treasury Department
1996 – 1997	Director – General, Customs Department
1993 – 1996	Director – General, The Comptroller General's Department

(%) Shareholding (as at December 31, 2022)

- Held personally 0.00759
- Held by spouse or minor children –None–

Family Relationship among Directors and Executives

–None–

Attendance at the Board of Directors' Meeting during 2022

7 times out of 8 times

Mrs. Nampung Wongsomth

64 years old

Position

Independent Director
Audit Committee

Appointment Date

February 22, 2018

Term of Office

First Term : February 22, 2018 – April 26, 2019
Second Term : April 26, 2019 – April 22, 2022
Third Term : April 22, 2022 – Present

Education

- Master of Business Administration (Finance), Oklahoma State University, USA
- Bachelor of Economics (International Economics), Chulalongkorn University

Expertise

- Accounting and Finance
- Administration and Large Organization Management
- Risk Management
- Economics and Banking

Training by the Thai Institute of Directors Association (IOD)

2022	Director Leadership Certification Program (DLCP)
2021	IT Governance and Cyber Resilience Program (ITG)
2018	Role of Chairman Program (RCP)
2016	Advanced Audit Committee Program
2007	Director Certificate Program (DCP)

Board Member/Management in Other Company/Organization/Institution**Listed Company** –None–**Non-Listed Company** 1 Organization:

- Audit Committee, Panyapiwat Institute of Management

5-Year Past Experiences and/or Remarkable Position

2019 – April 2022	Independent Director, Krungthai Card Public Company Limited
2014 – January 2022	Independent Director, Christiani & Nielsen (Thai) Public Co., Ltd.

2017 – July 2019	Independent Director, Bank for Agriculture and Agricultural Cooperatives
2017 – 2018	Independent Director, The Transport Co., Ltd.
2015 – 2017	Risk Management Committee, Sukhumvit Asset Management Co., Ltd.

(%) Shareholding (as at December 31, 2022)

- Held personally –None–
- Held by spouse or minor children –None–

Family Relationship among Directors and Executives

–None–

Attendance at the Board of Directors' Meeting during 2022

8 times out of 8 times

Professor Dr. Kittipong Kittayarak

64 years old

Position

Independent Director

Appointment Date

October 12, 2021

Term of Office

First Term : October 12, 2021 – Present

Education

- Doctor of the Science of Laws (J.S.D.), Stanford University, USA (Fulbright Scholarship)
- Master of Laws (LL.M.), Harvard University, USA (Fulbright Scholarship)
- Barrister-at-Law, Institute of Legal Education, Thai Bar Association
- Master of Laws (LL.M.), Cornell University, USA (Royal Thai Government Scholarship)
- Bachelor of Laws (Honors), Chulalongkorn University

Expertise

- Administration and Large Organization Management
- Research and Development
- International Competition
- Law and Case
- Security and Society

Training by the Thai Institute of Directors Association (IOD)

2015	Advance Audit Committee Program (AACP) 28/2015
2014	Director Accreditation Program (DAP) 112/2014

Board Member/Management in Other Company/Organization/Institution**Listed Company** 4 Organizations:

- Independent Director, Chairman of the Corporate Governance and Social Responsibility Committee and Member of the Compliance Committee, Krung Thai Bank Public Company Limited
- Independent Director/Nomination, Remuneration and Corporate Governance Committee, Dusit Thani Public Company Limited
- Independent Director, Member of Audit Committee, Member of Corporate Governance and Sustainable Development Committee, Charoen Pokphand Foods Public Co., Ltd.

- Independent Director and Audit Committee, True Corporation Public Co., Ltd.

Non-Listed Company 8 Organizations:

- Chancellor, King Mongkut's Institute of Technology Ladkrabang
- Chairman, The Council of Bangkok University
- Vice Chairman and Member of Executive Committee, Friends in need (of "PA") Volunteers Foundation, The Thai Red Cross Society
- Executive Committee, Bajrakitiyabha Fund for Legal Education
- Director, Siriraj Piyamaharajkarun Hospital
- Director, Ramathibodi Foundation Under the Royal Patronage of His Majesty the King, Her Royal Highness Princess Maha Chakri Sirindhorn
- Deputy Chairman, The Legal Committee, Thai Red Cross Organ Donation Center
- Governor, The Stock Exchange of Thailand

5-Year Past Experiences and/or Remarkable Position

2014 – 2021	Independent Director/Chairman of the Audit Committee, PTT Public Company Limited
2015 – 2021	Executive Director, Thailand Institute of Justice (Public Organization)
2008 – 2021	Member of the Board of Committee, Thai Bar under the Royal Patronage
2018 – 2020	Vice Chairman, Mahidol University Council
2009 – 2020	Committee, Mahidol University Council
2008 – 2014	Permanent Secretary, Ministry of Justice

(%) Shareholding (as at December 31, 2022)

- Held personally –None–
- Held by spouse or minor children –None–

Family Relationship among Directors and Executives

–None–

Attendance at the Board of Directors' Meeting during 2022

7 times out of 8 times

Mr. Soopakij Chearavanont

59 years old

Position

Chairman

Appointment Date

August 15, 2003

Term of Office

First Term	: August 15, 2003 – April 28, 2006
Second Term	: April 28, 2006 – April 23, 2009
Third Term	: April 23, 2009 – April 26, 2012
Fourth Term	: April 26, 2012 – April 23, 2015
Fifth Term	: April 23, 2015 – April 20, 2018
Sixth Term	: April 20, 2018 – April 23, 2021
Seventh Term	: April 23, 2021 – Present

Education

- Honorary Degree, Doctor of Philosophy in Business Administration Ramkhamhaeng University, Thailand
- Bachelor of Science Degree, College of Business and Public Administration, New York University, USA

Expertise

- Accounting and Finance
- Administration and Large Organization Management
- Risk Management
- Crisis Management
- Business and Marketing
- International Competition
- Security and Society
- Economics and Banking

Training by the Thai Institute of Directors Association (IOD)

2011 Director Accreditation Program (DAP) 92/2011

Board Member/Management in Other Company/Organization/Institution

Listed Company 3 Organizations:

- Chairman, Charoen Pokphand Foods Public Company Limited
- Chairman, Chia Tai Enterprises International Limited
- Non-executive Director, Ping an Insurance (Group) Company of China Limited

Non-Listed Company 12 Organizations:

- Group Chairman, C.P. Pokphand Co., Ltd.
- Group Chairman, CPG Overseas (Zheng Da Group)
- Chairman, Chia Tai Investment Co., Ltd.
- Chairman, Charoen Pokphand Group Co., Ltd.
- Chairman, Chia Tai Group (China)
- Chairman, C.P. Lotus Corporation
- Chairman, CP Pokphand Company Limited
- Executive Chairman, True Visions Group Co., Ltd.
- Chairman, CT Bright Holdings Ltd.
- Co-Chairman, Shanghai Kinghill Ltd.
- Chairman, Chia Tai Real Estate Group Co., Ltd.
- Director, SAIC Motor-CP Co., Ltd.

5-Year Past Experiences and/or Remarkable Position

2013 – 2016 Director, Siam Makro Public Company Limited

(%) Shareholding (as at December 31, 2022)

- Held personally 0.00248
- Held by spouse or minor children –None–

Family Relationship among Directors and Executives

Mr. Narong Chearavanont and Mr. Suphachai Chearavanont's brother

Attendance at the Board of Directors' Meeting during 2022

6 times out of 8 times

Mr. Korsak Chairasmisak

70 years old

Position

Vice Chairman

Authorized Director

Chairman of Executive Committee

Appointment Date

March 11, 1999

Term of Office

First Term : March 11, 1999 – April 28, 2000

Second Term : April 28, 2000 – April 29, 2003

Third Term : April 29, 2003 – April 28, 2006

Fourth Term : April 28, 2006 – April 23, 2009

Fifth Term : April 23, 2009 – April 26, 2012

Sixth Term : April 26, 2012 – April 23, 2015

Seventh Term : April 23, 2015 – April 20, 2018

Eighth Term : April 20, 2018 – April 23, 2021

Ninth Term : April 23, 2021 – Present

Education

- Honorary Doctor of Philosophy in Education Management, College of Asian Scholars (CAS)
- Honorary Doctor of Philosophy in Accounting, Rajamangala University of Technology Srivijaya
- Honorary Doctor of Business Administration, Dhurakij Pundit University
- Honorary Doctor of Business Administration in Management, Suan Dusit Rajabhat University
- Honorary Doctor of Arts, North Chiang Mai University
- Honorary Doctor of Business Administration in Management, Sripatum University
- Bachelor's Degree in Economics, Thammasat University

Expertise

- Administration and Large Organization Management
- Risk Management
- Crisis Management
- Business and Marketing
- International Competition
- Research and Development
- Security and Society
- Economics and Banking

Training by the Thai Institute of Directors Association (IOD)

2006 The Role of Chairman

2000 Director Certification Program (DCP)

Board Member/Management in Other Company/Organization/Institution**Listed Company** 1 Organization:

- Vice Chairman and Executive Director, Siam Makro Public Co., Ltd.

Non-Listed Company 13 Organizations:

- Senior Vice Chairman, Charoen Pokphand Group Co., Ltd.
- Expert Committee, Member of the Institution Council, Panyapiwat Institute of Management

- President, Go Association of Thailand
- President, World Chinese Wei Qi Federation
- Director, The International Go Federation (IGF)
- Chairman, Panyapiwat Association
- President, Thailand-Korea Friendship Association
- Committee, Uttayarntham Foundation
- Director, Suksapiwat Co., Ltd.
- Director, OHT Co., Ltd.
- Director, Siam Makro Holding (Thailand) Ltd.
- Director, Lotus Distribution Investment Ltd.
- Director, Nanjing Tech University Pujiang Institute

5-Year Past Experiences and/or Remarkable Position

- | | |
|-------------|---|
| 1983 – 1987 | Executive Vice President (Trading), Charoen Pokphand Group Co., Ltd. (Based in Hong Kong) |
| 1979 – 1983 | Managing Director, Bangkok Produce Merchandising Co., Ltd. |
| | Managing Director, Bangkok Fisheries Co., Ltd. |
| | Managing Director, C.P. Agro-Industry Co., Ltd. |
| | Managing Director, C.P. Intertrade Co., Ltd. |

(%) Shareholding* (as at December 31, 2022)

*Included Employee Joint Investment Program (EJIP)

- Held personally 0.10094*
- Held by spouse or minor children –None–

Family Relationship among Directors and Executives

–None–

Attendance at the Board of Directors' Meeting during 2022

8 times out of 8 times

Mr. Suphachai Chearavanont

55 years old

Position

Vice Chairman

Authorized Director

Remuneration and Nomination Committee

Appointment Date

June 7, 2019

Term of Office

First Term : June 7, 2019 – April 23, 2021

Second Term : April 23, 2021 – Present

Education

- Honorary Doctorate degree in Business Management, Khon Kaen University
- Honorary Doctorate degree in Marketing, Rajamangala University of Technology Isan
- Honorary Doctorate degree in Mass Communications, Ramkhamhaeng University
- Bachelor of Business Administration in Financial Management, Boston University, USA

Expertise

- Administration and Large Organization Management
- Risk Management
- Crisis Management
- Business and Marketing
- International Competition
- Digital
- Research and Development
- Security and Society

Training by the Thai Institute of Directors Association (IOD)

2011 Director Accreditation Program (DAP) 92/2011

Board Member/Management in Other Company/Organization/Institution

Listed Company 3 Organizations:

- Chairman, True Corporation Public Co., Ltd.
- Chairman, Siam Makro Public Co., Ltd.
- Vice Chairman, Charoen Pokphand Food Public Co., Ltd.

Non-Listed Company 30 Organizations:

- Senior Vice Chairman and Chief Executive Officer, Charoen Pokphand Group Co., Ltd.
- Chairman, Lotus's Stores (Thailand) Co., Ltd.
- Director and Chief Executive Officer, True Visions Group Company Limited
- Director, Satellite Service Company Limited
- Director, Panther Entertainment Company Limited
- Director, True Music Company Limited
- Director, TRUE4U Station Company Limited
- Director, Cineplex Company Limited
- Director, True Media Solutions Company Limited
- Director, True Move H Universal Communication Company Limited
- Director, True Incube Company Limited
- Director, K.I.N. (Thailand) Company Limited
- Director, Magnolia Finest Corporation Limited
- Director, Asia Era One Company Limited
- Director, Freewill Solutions Company Limited
- Director, C.P. Retail Development Co., Ltd.
- Independent Director, SCG Chemical Co., Ltd.
- Chairman, Global Compact Network Thailand (GCNT)
- Director, Pracharath Rak Samakkee Social Enterprise (Thailand) Company Limited
- Director, Princess Sirivannavari Cultivated Arts Foundation
- Advisor, The Thai Chamber of Commerce
- Advisor, The University Council of the University of the Thai Chamber of Commerce
- Honorary Advisor of the Federation of Thai Industries
- Director and Advisor of Master of Science Program and Doctor of Philosophy Program in Technopreneurship and Innovation Management (TIP), Chulalongkorn University
- Director of Ramathibodi Foundation
- Chairman of the Sub Committee for Fund Raising Thai Red Cross Eye Bank

- Member of the Thai Red Cross Eye Bank Committee
- Chairman of the Digital Council of Thailand
- Advisor of E-Learning Association of Thailand
- Member of the Public Engagement Committee, Princess Maha Chakri Award Foundation

5-Year Past Experiences and/or Remarkable Position

2015 – 2017	President, the Telecommunications Association of Thailand under the Royal Patronage (TCT)
2006 – 2018	Director, BEBOYDCG Company Limited
1993 – 2018	Director, Telecom Holding Company Limited
2010 – 2017	Chief Executive Officer, True Move H Universal Communication Company Limited
2001 – 2017	Chief Executive Officer, True Move Company Limited
2001 – 2017	Director, Bangkok Inter Teletech Public Company Limited
1995 – 2017	Director, True Internet Company Limited

(%) Shareholding (as at December 31, 2022)

- Held personally –None–
- Held by spouse or minor children 0.00027

Family Relationship among Directors and Executives

Mr. Soopakij Chearavanont and Mr. Narong Chearavanont's brother

Attendance at the Board of Directors' Meeting during 2022

7 times out of 8 times

Mr. Tanin Buranamanit

59 years old

Position

Vice Chairman
Authorized Director
Vice Chairman of Executive Committee

Appointment Date

April 28, 2010

Term of Office

First Term	: April 28, 2010 – April 26, 2012
Second Term	: April 26, 2012 – April 23, 2015
Third Term	: April 23, 2015 – April 20, 2018
Fourth Term	: April 20, 2018 – April 23, 2021
Fifth Term	: April 23, 2021 – Present

Education

- Bachelor's Degree in Marketing, Thammasat University

Expertise

- Administration and Large Organization Management
- Risk Management
- Crisis Management
- Business and Marketing
- Research and Development
- Security and Society

Training by the Thai Institute of Directors Association (IOD)

2010 Director Certification Program (DCP)

Board Member/Management in Other Company/Organization/Institution

Listed Company 1 Organization:

- Vice Chairman and Group Chief Executive Officer, Siam Makro Public Co., Ltd.

Non-Listed Company 10 Organizations:

- Director, All Corporation Ltd.
- Director, Siam Food Services Limited
- Director, Indoguna Vina Food Service Co., Ltd.
- Director, Indoguna (Cambodia) Co., Ltd.
- Director, Indoguna (Singapore) Pte Ltd.
- Director, Indoguna Dubai L.L.C.
- Director, Maxzi The Good Food Restaurant & Café L.L.C.
- Director, Indoguna Lordly Co., Ltd.
- Director, Just Meat Co., Ltd.
- Director, Retail Properties Co., Ltd.

5-Year Past Experiences and/or Remarkable Position

2013 – 2021 Chief Executive Office, CP ALL Public Co., Ltd.

2012 Executive Vice President – Marketing, Operation and Human Resource, CP ALL Public Co., Ltd.

(%) Shareholding* (as at December 31, 2022)

*Included Employee Joint Investment Program (EJIP)

- Held personally 0.00576*
- Held by spouse or minor children –None–

Family Relationship among Directors and Executives

–None–

Attendance at the Board of Directors' Meeting during 2022

7 times out of 8 times

Mr. Adirek Sripratak

76 years old

Position

Director

Authorized Director

Appointment Date

August 11, 2005

Term of Office

First Term : August 11, 2005 – April 26, 2007

Second Term : April 26, 2007 – April 28, 2010

Third Term : April 28, 2010 – April 26, 2012

Fourth Term : April 26, 2012 – April 23, 2015

Fifth Term : April 23, 2015 – April 20, 2018

Sixth Term : April 20, 2018 – April 23, 2021

Seventh Term : April 23, 2021 – Present

Education

- Honorary Doctorate in Science (Agriculture), Nakhon Sawan Rajabhat University
- Honorary Doctorate of Philosophy in Food Science, Kasetsart University

- Honorary Doctorate in Business Administration (Management), Rajamangala University of Technology Suvarnabhumi
- Honorary Doctorate of Philosophy in Food Technology, Mae Fah Luang University
- Honorary Doctorate of Philosophy in Agriculture, Ubon Ratchathani University
- Honorary Doctorate in Science, Maejo University
- Honorary Doctorate in Economics, Chiang Mai University
- Honorary Doctorate in Science (Food Science and Technology), Rajamangala University of Technology Isan

Expertise

- Accounting and Finance
- Administration and Large Organization Management
- Risk Management
- Crisis Management
- Business and Marketing
- International Competition
- Security and Society

Training by the Thai Institute of Directors Association (IOD)

2017 Risk Management Program for Corporate Leaders (RCL)

2017 Corporate Governance for Executives (CGE)

2005 Director Accreditation Program (DAP)

2001 Director Certification Program (DCP)

Board Member/Management in Other Company/Organization/Institution

Listed Company 2 Organizations:

- Chairman of The Executive Committee, Charoen Pokphand Foods Public Co., Ltd.
- Director, Siam Makro Public Co., Ltd.

Non-Listed Company 31 Organizations:

- Chairman, Bangkok Produce Merchandising Public Co., Ltd.
- Chairman, CPF (Thailand) Public Co., Ltd.
- Chairman, CPF IT Center Co., Ltd.
- Chairman, Bellisio Investment LLC.
- Chairman, C.P. Vietnam Corporation
- Chairman, C.P. Cambodia Co., Ltd.
- Chairman, C.P. Laos Co., Ltd.
- Chairman, JSC Poultry Production Severnaya
- Chairman, JSC Poultry Parent Stock Production Woyskovitsy
- Chairman, Charoen Pokphand Food Kenya Co., Ltd.
- Chairman, CPF Tanzania Ltd.
- Vice Chairman, C.P. Merchandising Co., Ltd.
- Vice Chairman, C.P. Pokphand Co., Ltd.
- Director, CPF Investment Ltd.
- Director, CPVN Ltd.
- Director, CP-Meiji Co., Ltd.
- Director, Charoen Pokphand (Taiwan) Investment Ltd.
- Director, Bright Excel Investments Ltd.
- Director, Coination Investments Ltd.
- Director, Forward Pass Ltd.
- Director, New Splendid Holdings Ltd.

- Director, Giant Crown Investments Ltd.
- Director, CPV Food Co., Ltd.
- Director, Tacharm Agricultural Industry Co., Ltd.
- Director, Arbor Acres Thailand Co., Ltd.
- Director, Ross Breeders Siam Co., Ltd.
- Honor president, Thai Broiler Processing Exporters Association
- Director, C.P. Retail Development Co., Ltd.
- Director, Lotus's Stores (Thailand) Co., Ltd.
- Director, CP Aqua Co., Ltd.
- Director, CPF Canada Holding Corp.

5-Year Past Experiences and/or Remarkable Position

–None–

(%) Shareholding (as at December 31, 2022)

- Held personally –None–
- Held by spouse or minor children –None–

Family Relationship among Directors and Executives

–None–

Attendance at the Board of Directors' Meeting during 2022

8 times out of 8 times

Mr. Umroong Sanphasitvong

70 years old

Position

Director

Authorized Director

Sustainability and Corporate Governance Committee

Member of Executive Committee

Appointment Date

March 11, 1999

Term of Office

First Term : March 11, 1999 – April 28, 2000
 Second Term : April 28, 2000 – April 29, 2003
 Third Term : April 29, 2003 – April 28, 2006
 Fourth Term : April 28, 2006 – April 23, 2009
 Fifth Term : April 23, 2009 – April 22, 2011
 Sixth Term : April 22, 2011 – April 24, 2014
 Seventh Term : April 24, 2014 – April 20, 2017
 Eighth Term : April 20, 2017 – July 16, 2020
 Ninth Term : July 16, 2020 – Present

Education

- Master's Degree in Accounting, Thammasat University
- Bachelor's Degree in Accounting, Thammasat University

Expertise

- Accounting and Finance
- Administration and Large Organization Management
- Risk Management
- Business and Marketing

- International Competition
- Security and Society
- Economics and Banking

Training by the Thai Institute of Directors Association (IOD)

2022 Hot Issue for Directors: What directors need to know about digital assets?
 2018 National Director Conference 2018 Rising above Disruptions: A Call for Action
 2016 Driving Company Success with IT Governance (ITG)
 2016 Ethical Leadership Program (ELP)
 2007 Role of the Compensation Committee
 2006 Board Performance Evaluation
 2006 DCP Refresher
 2003 Company Secretary
 2001 Director Certification Program (DCP)

Board Member/Management in Other Company/Organization/Institution

Listed Company 2 Organizations:

- Director, True Corporation Public Co., Ltd.
- Director, Siam Makro Public Co., Ltd.

Non-Listed Company 17 Organizations:

- Deputy Group CFO, Charoen Pokphand Group Co., Ltd.
- Director, CPPC Public Co., Ltd.
- Director, ICONSIAM Co., Ltd.
- Director, The Iconsiam Residences Corporation Ltd.
- Director, The Iconsiam Superlux Residence Corporation Ltd.
- Director, The Iconsiam Chaopraya River Holdings Co., Ltd.
- Director, Ascend Group Co., Ltd.
- Director, Suksapiwat Co., Ltd.
- Member of the Institution Council, Panyapiwat Institute of Management
- Director, OHT Co., Ltd.
- Director, Siam Makro Holding (Thailand) Ltd.
- Director, Lotus Distribution Investment Ltd.
- Director, Siam River Holdings Company Limited
- Director, Asia Freewill Co., Ltd.
- Director, C.P. Lotus Corporation
- Director, C.P. Retail Development Co., Ltd.
- Director, Lotus's Stores (Thailand) Co., Ltd.

5-Year Past Experiences and/or Remarkable Position

–None–

(%) Shareholding (as at December 31, 2022)

- Held personally –None–
- Held by spouse or minor children –None–

Family Relationship among Directors and Executives

–None–

Attendance at the Board of Directors' Meeting during 2022

7 times out of 8 times

Mr. Narong Chearavanont

57 years old

Position

Director

Authorized Director

Appointment Date

March 11, 1999

Term of Office

First Term : March 11, 1999 – April 30, 1999

Second Term : April 30, 1999 – April 29, 2002

Third Term : April 29, 2002 – April 28, 2005

Fourth Term : April 28, 2005 – April 24, 2008

Fifth Term : April 24, 2008 – April 22, 2011

Sixth Term : April 22, 2011 – April 24, 2014

Seventh Term : April 24, 2014 – April 20, 2017

Eighth Term : April 20, 2017 – July 16, 2020

Ninth Term : July 16, 2020 – Present

Education

- Systematic Innovation of Products, Processes and Services, MIT Sloan Executive Education
- Honorary Doctor of Business Administration Program, Ramkhamhaeng University
- Advance Management Program: Transforming Proven Leaders into Global Executives, Harvard Business School, Harvard University
- Bachelor of Science, Major: Business Administration, New York University, USA

Expertise

- Accounting and Finance
- Administration and Large Organization Management
- Crisis Management
- Business and Marketing
- International Competition
- Digital
- Research and Development
- Security and Society

Training by the Thai Institute of Directors Association (IOD)

2021 Director Refreshment Training Program: Lessons Learnt from Financial Cases: How Board should React

2007 Director Accreditation Program (DAP)

Board Member/Management in Other Company/Organization/Institution**Listed Company** 2 Organizations:

- Director, Siam Makro Public Co., Ltd.
- Director, True Corporation Public Co., Ltd.

Non-Listed Company 43 Organizations:

- Senior Vice Chairman Charoen Pokphand Group Co., Ltd.
- Chairman, Lotus's Foundation
- Chairman, Chia Tai C.P. Technology (Beijing) Co., Ltd.
- Chairman, Shanghai Zheng Yuan Computer Technology Co., Ltd.
- Co-Chairman and Executive Vice Chairman,

C.P. Retail Development Co., Ltd.

- Director and Executive Vice Chairman True Visions Group Co., Ltd.
- Director, C.P. Land Company Limited
- Director, Siam Makro Holdings (Thailand) Limited
- Director, CP Social Impact Co., Ltd.
- Director, CP Future City Development Corporation Co., Ltd.
- Director, Retail Properties Co., Ltd.
- Director, The Iconsiam Chaopraya River Holdings Co., Ltd.
- Director, Siam River Holdings Co., Ltd.
- Director, Whizdom Assets Corporation Limited
- Director, Whizdom Society Development Corporation Co., Ltd.
- Director, Whizdom Landmark Corporation Limited
- Director, True CJ Creations Co., Ltd.
- Governance Committee, Leadership Development Institute
- Chairman, Charoen Pokphand Import-Export Trading (Shanghai) Co., Ltd.
- Director, OHT Company Limited
- Chairman, The ICONSIAM Superlux Residences Corporation Co., Ltd.
- Chairman, The ICONSIAM Residences Corporation Co., Ltd.
- Vice Chairman, SM True Company Limited
- Vice Chairman, The ICONSIAM Co., Ltd.
- Senior Executive Assistance to Senior Chairman Charoen Pokphand Group “Global talent recruitment”
- Director, Leadership Development Charoen Pokphand Group Co., Ltd.
- Director, Chia Tai Qingtao Holdings (Hong Kong) Company Limited
- Director, Chia Tai Xiangyang Holdings (Hong Kong) Company Limited
- Director, Chia Tai Qingtao Holdings Company Limited
- Director, Chia Tai Xiangyang Holdings Company Limited
- Vice Chairman, Marketing and Distribution Business (Thailand)
- Vice Chairman, Marketing and Distribution Business (China)
- Vice Chairman, Real Estate & Land Development Business (China)
- Vice Chairman, Shanghai Kinghill Co., Ltd.
- Director, Panther Entertainment Co., Ltd.
- Director, Cineplex Co., Ltd.
- Director, Satellite Service Co., Ltd.
- Director, CPPC Public Company Limited
- Director, Beston Action Utility Wear (Lianyungang) Co., Ltd.
- Senior Vice Chairman, CP Lotus Corporation Co., Ltd.
- Senior Vice Chairman, Chia Tai (China) Investment Company Limited
- Director, Lotus Distribution Investment Ltd.
- Director, C.P. Pokphand Co., Ltd.

5-Year Past Experiences and/or Remarkable Position

2008 – 2010 Director, True Visions Public Company Limited

(%) Shareholding (as at December 31, 2022)

- Held personally 0.00339
- Held by spouse or minor children –None–

Family Relationship among Directors and Executives

Mr. Soopakij Chearavanont and Mr. Suphachai Chearavanont's brother

Attendance at the Board of Directors' Meeting during 2022

8 times out of 8 times

Mr. Prasert Jarupanich

74 years old

Position

Director

Authorized Director

Appointment Date

March 11, 1999

Term of Office

First Term : March 11, 1999 – April 30, 1999
 Second Term : April 30, 1999 – April 29, 2002
 Third Term : April 29, 2002 – April 28, 2005
 Fourth Term : April 28, 2005 – April 24, 2008
 Fifth Term : April 24, 2008 – April 22, 2011
 Sixth Term : April 22, 2011 – April 24, 2014
 Seventh Term : April 24, 2014 – April 20, 2017
 Eighth Term : April 20, 2017 – July 16, 2020
 Ninth Term : July 16, 2020 – Present

Education

- Program for Management Development (PMD), Harvard Business School
- Ph.D. Industrial Engineering and Management, Oklahoma State University
- Master's Degree in Computer Science, University of Missouri at Rolla
- Bachelor's Degree in Computer Science, University of Missouri at Rolla

Expertise

- Administration and Large Organization Management
- Business and Marketing
- International Competition
- Digital

Training by the Thai Institute of Directors Association (IOD)

2022 Hot Issue for Directors: What directors need to know about digital assets?
 2008 Role of the Compensation Committee
 2004 Director Certification Program (DCP)
 2004 Finance for Non-finance Director

Board Member/Management in Other Company/Organization/Institution**Listed Company** 1 Organization:

- Director, Siam Makro Public Co., Ltd.

Non-Listed Company 18 Organizations:

- Director, Star Marketing Co., Ltd.
- Director, Ete Co., Ltd.
- Director, Telecommunications Network Co., Ltd.
- Director, K.S.P. Equipment Co., Ltd.
- Director, Siam Land Flying Co., Ltd.
- Director, C.P. Consumer Products Co., Ltd.
- Director, Freewill Solutions Co., Ltd.
- Director, Perfect Companion Group Co., Ltd.
- Director, 84 Co., Ltd.
- Director, UNS Agrochemical Co., Ltd.
- Director, Pokphand Enterprise Co., Ltd.
- Director, Nava 84 Co., Ltd.

- Director, Charoen Pokphand Holding Co., Ltd.
- Director, Leadership Development Charoen Pokphand Group Co., Ltd.
- Director, CPL Hill Co., Ltd.
- Director, CPL City Co., Ltd.
- Director, CP Motor Holding Co., Ltd.
- Vice President – Marketing and Distribution Group, Charoen Pokphand Group Co., Ltd

5-Year Past Experiences and/or Remarkable Position

–None–

(%) Shareholding (as at December 31, 2022)

- Held personally –None–
- Held by spouse or minor children –None–

Family Relationship among Directors and Executives

–None–

Attendance at the Board of Directors' Meeting during 2022

8 times out of 8 times

Mr. Pittaya Jearavisitkul

67 years old

Position

Director

Authorized Director

Vice Chairman of Executive Committee

Appointment Date

March 11, 1999

Term of Office

First Term : March 11, 1999 – April 30, 1999
 Second Term : April 30, 1999 – April 29, 2002
 Third Term : April 29, 2002 – April 28, 2005
 Fourth Term : April 28, 2005 – April 24, 2008
 Fifth Term : April 24, 2008 – April 22, 2011
 Sixth Term : April 22, 2011 – April 24, 2014
 Seventh Term : April 24, 2014 – April 20, 2017
 Eighth Term : April 20, 2017 – July 16, 2020
 Ninth Term : July 16, 2020 – Present

Education

- Master's Degree in Business Administration, Thammasat University
- Bachelor's Degree in Economics (1st Class Honor), Thammasat University

Expertise

- Accounting and Finance
- Administration and Large Organization Management
- Risk Management
- Crisis Management
- Business and Marketing
- Economics and Banking

Training by the Thai Institute of Directors Association (IOD)

2000 Director Certification Program (DCP)

Board Member/Management in Other Company/Organization/Institution**Listed Company** 1 Organization:

- Director, Siam Makro Public Co., Ltd.

Non-Listed Company 16 Organizations:

- Director, CPRAM Co., Ltd.
- Director, Counter Service Co., Ltd.
- Director, CP Retailink Co., Ltd.
- Director, Gosoft (Thailand) Co., Ltd.
- Director, MAM Heart Co., Ltd.
- Director, Suksapiwat Co., Ltd.
- Director, Panyatara Co., Ltd.
- Member of the Institution Council, Panyapiwat Institute of Management
- Director, All Training Co., Ltd.
- Director, All Corporation Ltd.
- Director, OHT Co., Ltd.
- Director, Siam Makro Holding (Thailand) Ltd.
- Director, 24 Shopping Co., Ltd.
- Director, ALL Wellness Co., Ltd.
- Director, C.P. Retail Development Co., Ltd.
- Director, All Speedy Co., Ltd.

5-Year Past Experiences and/or Remarkable Position

1993 – 1998 Vice President – Marketing and Distribution Group,
Charoen Pokphand Group Co., Ltd.

(%) Shareholding* (as at December 31, 2022)**Included Employee Joint Investment Program (EJIP)*

- Held personally 0.02189*
- Held by spouse or minor children –None–

Family Relationship among Directors and Executives

–None–

Attendance at the Board of Directors' Meeting during 2022

8 times out of 8 times

Mr. Piyawat Titasattavorakul

69 years old

Position

Director

Authorized Director

Vice Chairman of Executive Committee

Appointment Date

March 11, 1999

Term of Office

- First Term : March 11, 1999 – April 30, 1999
- Second Term : April 30, 1999 – April 29, 2002
- Third Term : April 29, 2002 – April 28, 2005
- Fourth Term : April 28, 2005 – April 24, 2008
- Fifth Term : April 24, 2008 – April 22, 2011
- Sixth Term : April 22, 2011 – April 24, 2014
- Seventh Term : April 24, 2014 – April 20, 2017
- Eighth Term : April 20, 2017 – July 16, 2020
- Ninth Term : July 16, 2020 – Present

Education

- Bachelor's Degree in Marketing, Ramkhamhaeng University

Expertise

- Administration and Large Organization Management
- Risk Management
- Crisis Management
- Business and Marketing
- Research and Development
- Security and Society

Training by the Thai Institute of Directors Association (IOD)

2001 Director Certification Program (DCP)

Board Member/Management in Other Company/Organization/Institution**Listed Company** 1 Organization:

- Director, Siam Makro Public Co., Ltd.

Non-Listed Company 24 Organizations:

- Director, ICONSIAM Co., Ltd.
- Director, The Iconsiam Residences Corporation Ltd.
- Director, The Iconsiam Superlux Residence Corporation Ltd.
- Director, The Iconsiam Chaopraya River Holdings Co., Ltd.
- Director, CPRAM Co., Ltd.
- Director, Counter Service Co., Ltd.
- Director, CP Retailink Co., Ltd.
- Director, Gosoft (Thailand) Co., Ltd.
- Director, MAM Heart Co., Ltd.
- Director, Suksapiwat Co., Ltd.
- Director, Panyatara Co., Ltd.
- Member of the Institution Council, Panyapiwat Institute of Management
- Director, Panyapiwat Technological College
- Director, All Training Co., Ltd.
- Director, All Corporation Ltd.
- Director, OHT Co., Ltd.
- Director, Siam Makro Holding (Thailand) Ltd.
- Director, 24 Shopping Co., Ltd.
- Director, Siam River Holdings Company Limited
- Director, ALL Wellness Co., Ltd.
- Director, Thai Smart Card Co., Ltd.
- Director, Lotuss Stores (Malaysia) Sdn. Bhd.
- Director, C.P. Retail Development Co., Ltd.
- Director, All Speedy Co., Ltd.

5-Year Past Experiences and/or Remarkable Position

1996 – 1998 Vice President – Operation: C.P. Seven Eleven
Public Co., Ltd.

(%) Shareholding* (as at December 31, 2022)**Included Employee Joint Investment Program (EJIP)*

- Held personally 0.00102*
- Held by spouse or minor children 0.00002

Family Relationship among Directors and Executives

–None–

Attendance at the Board of Directors' Meeting during 2022

8 times out of 8 times

Mr. Yuthasak Poomsurakul

57 years old

Position

Member of Executive Committee

Chief Executive Officer

Appointment Date

January 1, 2022 (Member of Executive Committee)

Education

- Master's Degree in Marketing, Thammasat University
- Bachelor's Degree in Business Administration, Assumption University
- Bachelor's Degree in Economics, Ramkhamhaeng University

Training by the Thai Institute of Directors Association (IOD)

2021 Director Certification Program (DCP) 311/2021

Board Member/Management in Other Company/Organization/Institution**Listed Company** –None–**Non-Listed Company** 1 Organization:

- Director, CP Foodlab Co., Ltd.

5-Year Past Experiences and/or Remarkable Position

2020 – 2022 Managing Director (Co), CP ALL Public Co., Ltd.

2016 – 2020 Senior Vice President, CP ALL Public Co., Ltd.

2011 – 2016 Vice President, CP ALL Public Co., Ltd.

(%) Shareholding* (as at December 31, 2022)**Included Employee Joint Investment Program (EJIP)*

- Held personally 0.00167*
- Held by spouse or minor children –None–

Family Relationship among Directors and Executives

–None–

Mr. Wisade Wisidwinyoo

65 years old

Position

Member of Executive Committee

Appointment Date

February 17, 2015

Education

- Honorary Doctorate of Science, Rajamangala University of Technology Phra Nakhon
- Master's Degree in Engineering, The University of Texas at Arlington
- Bachelor's Degree in Engineering, King Mongkut's University of Technology Thonburi

Training by the Thai Institute of Directors Association (IOD)

2016 Ethical Leadership Program (ELP)

Board Member/Management in Other Company/Organization/Institution**Listed Company** –None–**Non-Listed Company** 2 Organizations:

- President, CPRAM Co., Ltd.
- President, CP Foodlab Co., Ltd.

5-Year Past Experiences and/or Remarkable Position

2013 – 2014 Senior Vice President, CPRAM Co., Ltd.

(%) Shareholding* (as at December 31, 2022)**Included Employee Joint Investment Program (EJIP)*

- Held personally 0.00066*
- Held by spouse or minor children 0.00256

Family Relationship among Directors and Executives

–None–

Mr. Vichai Janjariyakun

57 years old

Position

Managing Director (Co)

Appointment Date

November 1, 2020

Education

- Bachelor of Marketing, Assumption University

Training by the Thai Institute of Directors Association (IOD)

2022 Director Certification Program (DCP 328/2022)

Board Member/Management in Other Company/Organization/Institution**Listed Company** –None–**Non-Listed Company** –None–**5-Year Past Experiences and/or Remarkable Position**

–None–

(%) Shareholding (as at December 31, 2022)**Included Employee Joint Investment Program (EJIP)*

- Held personally 0.00183*
- Held by spouse or minor children 0.00002

Family Relationship among Directors and Executives

–None–

Mr. Vichien Chuengviroj

67 years old

Position

Member of Executive Committee

Managing Director (Co)

Senior Vice President – Corporate Asset and Facilities Management

Appointment Date

August 9, 2019 (Member of Executive Committee)

Education

- Master of Business Administration (MBA) – Marketing, National Institute of Development Administration (NIDA)

Training by the Thai Institute of Directors Association (IOD)

2018 Ethical Leadership Program (ELP)

Board Member/Management in Other Company/Organization/Institution**Listed Company** –None–**Non-Listed Company** 1 Organization:

- Managing Director, CP Retailink Co., Ltd.

5-Year Past Experiences and/or Remarkable Position

–None–

(%) Shareholding* (as at December 31, 2022)**Included Employee Joint Investment Program (EJIP)*

- Held personally 0.00044*
- Held by spouse or minor children –None–

Family Relationship among Directors and Executives

–None–

Mr. Taweesak Kaewrathtanapattana

66 years old

Position

Member of Executive Committee

Senior Vice President – Accounting and Finance

Appointment Date

November 13, 2017 (Member of Executive Committee)

Education

- Bachelor's Degree in Accounting, Thammasat University
- Bachelor's Degree in Law, Thammasat University

Training by the Thai Institute of Directors Association (IOD)

2007 Director Certification Program (DCP)

Board Member/Management in Other Company/Organization/Institution**Listed Company** –None–**Non-Listed Company** 18 Organizations:

- Director, CPRAM Co., Ltd.
- Director, Counter Service Co., Ltd.
- Director, CP Retailink Co., Ltd.
- Director, Gosoft (Thailand) Co., Ltd.
- Director, MAM Heart Co., Ltd.
- Director, Suksapiwat Co., Ltd.
- Director, Panyatara Co., Ltd.
- Director, All Training Co., Ltd.
- Director, All Corporation Ltd.
- Director, OHT Co., Ltd.
- Director, Siam Makro Holding (Thailand) Ltd.
- Director, 24 Shopping Co., Ltd.
- Director, Albuera International Ltd.
- Director, CP Foodlab Co., Ltd.
- Director, ALL Wellness Co., Ltd.
- Director, Thai Smart Card Co., Ltd.
- Member of the Institution Council, Panyapiwat Institute of Management
- Director, All Speedy Co., Ltd.

5-Year Past Experiences and/or Remarkable Position

2006 – 2021 Chief Finance Office, CP ALL Public Co., Ltd.

(%) Shareholding* (as at December 31, 2022)**Included Employee Joint Investment Program (EJIP)*

- Held personally 0.00118*
- Held by spouse or minor children 0.00537

Family Relationship among Directors and Executives

–None–

Ms. Lawan Tienghongsakul

62 years old

Position

Member of Executive Committee

Senior Vice President – Human Resource

Appointment Date

August 9, 2019 (Member of Executive Committee)

Education

- Bachelor's Degree in Financial Management, University of the Thai Chamber of Commerce

Training by the Thai Institute of Directors Association (IOD)

–None–

Board Member/Management in Other Company/Organization/Institution**Listed Company** –None–**Non-Listed Company** 2 Organizations:

- Director, Panyatara Co., Ltd.
- Director, All Training Co., Ltd.

5-Year Past Experiences and/or Remarkable Position

2012 – 2017 Vice President, CP ALL Public Co., Ltd.

(%) Shareholding* (as at December 31, 2022)**Included Employee Joint Investment Program (EJIP)*

- Held personally 0.00371*
- Held by spouse or minor children 0.00004

Family Relationship among Directors and Executives

–None–

Mr. Kriengchai Boonpoapichart

54 years old

Position

Senior Vice President – Accounting and Finance

Chief Finance Office

Appointment Date

June 9, 2021 (Chief Finance Office)

Education

- National Defence College of Thailand Class 62
- Master's Degree, MBA, International University of Japan
- Bachelor of Accounting, Chulalongkorn University

Training by the Thai Institute of Directors Association (IOD)

2022 Successful Formulation & Execution of Strategy SFE 40/2022

2021 "Director Forum 2021" – GRC Through the Perfect Storm

2004 Director Certification Program (DCP52)

Continuing Professional Development Program

2022 Restructuring Business for Growth (2 hours)

2022 Understanding about Digital Asset and the Role of CFO (2 hours)

2022	PDPA for Accounting and Finance (2 hours)
2021	How to Manage the Company's Finance & Accounting and Communicate with Stakeholders during COVID-19 Crisis (2 hours)
2021	Economic update for CFO (2 hours)
2021	The modern CFO: Driving Digital Transformation of the Finance and Accounting (2 hours)
2021	E-learning CFO's Orientation Course (12 hours)

Board Member/Management in Other Company/Organization/Institution

Listed Company –None–

Non-Listed Company 17 Organizations:

- Director, CPRAM Co., Ltd.
- Director, CP Retailink Co., Ltd.
- Director, Gosoft (Thailand) Co., Ltd.
- Director, Panyatara Co., Ltd.
- Director, All Training Co., Ltd.
- Director, All Corporation Ltd.
- Director, 24 Shopping Co., Ltd.
- Director, ALL Wellness Co., Ltd.
- Director, Counter Service Co., Ltd.
- Director, MAM Heart Co., Ltd.
- Director, Thai Smart Card Co., Ltd.
- Director, ALL GUARDIAN CO., LTD.
- Director, C.P. Retail Development Co., Ltd.
- Director, All Speedy Co., Ltd.
- Director, Successor Investments Limited
- Director, Nanjing Zheng Yi Xin Trading Co., Ltd.
- Director, Albuera International Limited

5-Year Past Experiences and/or Remarkable Position

2009 – 2018 Vice President, CP ALL Public Co., Ltd.

(%) Shareholding* (as at December 31, 2022)

**Included Employee Joint Investment Program (EJIP)*

- Held personally 0.00384*
- Held by spouse or minor children –None–

Family Relationship among Directors and Executives

–None–

Mrs. Nipaporn Ackarapolpanich

60 years old

Position

Senior Vice President – Marketing

Appointment Date

February 3, 2021 (Executive Officer)

Education

- Bachelor's Degree in Marketing, Assumption University

Training by the Thai Institute of Directors Association (IOD)

–None–

Board Member/Management in Other Company/Organization/Institution

Listed Company –None–

Non-Listed Company 1 Organization:

- Director, MAM Heart Co., Ltd.

5-Year Past Experiences and/or Remarkable Position

–None–

(%) Shareholding* (as at December 31, 2022)

**Included Employee Joint Investment Program (EJIP)*

- Held personally 0.00038*
- Held by spouse or minor children –None–

Family Relationship among Directors and Executives

–None–

Mr. Thupthep Jiraadisawong

49 years old

Position

Senior Vice President – Operation

Appointment Date

April 1, 2021 (Executive Officer)

Education

- Master's Degree in Finance, University of Wollongong
- Bachelor's Degree in Finance and Banking, Assumption University

Training by the Thai Institute of Directors Association (IOD)

–None–

Board Member/Management in Other Company/Organization/Institution

Listed Company –None–

Non-Listed Company –None–

5-Year Past Experiences and/or Remarkable Position

2018 – 2021 Vice President – Operation 1,
CP ALL Public Co., Ltd.

2016 – 2018 Assistant Vice President – Operation 2,
CP ALL Public Co., Ltd.

(%) Shareholding* (as at December 31, 2022)

**Included Employee Joint Investment Program (EJIP)*

- Held personally 0.00050*
- Held by spouse or minor children –None–

Family Relationship among Directors and Executives

–None–

Mr. Wiwat Pongritsakda

59 years old

Position

Vice President – Information Technology

Appointment Date

January 1, 2020 (Executive Officer)

Education

- Master of Telecommunication and Computer Network, Rangsit University
- Bachelor of Economics, Finance and Banking, The University of the Thai Chamber of Commerce

Training by the Thai Institute of Directors Association (IOD)

–None–

Board Member/Management in Other Company/Organization/Institution**Listed Company** –None–**Non-Listed Company** 1 Organization:

- Vice President, Chief Information Officer, Gosoftware (Thailand) Co., Ltd.

5-Year Past Experiences and/or Remarkable Position

2004 – 2006 Manager, PWS Consulting Co., Ltd.
 2003 – 2004 Manager, IBM Solutions Delivery Co., Ltd.
 1985 – 2003 Deputy Director, Kasikornbank Public Co., Ltd.

(%) Shareholding* (as at December 31, 2022)**Included Employee Joint Investment Program (EJIP)*

- Held personally 0.00037*
- Held by spouse or minor children –None–

Family Relationship among Directors and Executives

–None–

Mrs. Phaphatsorn Thanasorn

60 years old

Position

Vice President – Purchasing

Appointment Date

January 1, 2020 (Executive Officer)

Education

- Bachelor's Degree in Finance and Banking, Assumption University

Training by the Thai Institute of Directors Association (IOD)

–None–

Board Member/Management in Other Company/Organization/Institution**Listed Company** –None–**Non-Listed Company** –None–**5-Year Past Experiences and/or Remarkable Position**

–None–

(%) Shareholding* (as at December 31, 2022)**Included Employee Joint Investment Program (EJIP)*

- Held personally 0.00127*
- Held by spouse or minor children –None–

Family Relationship among Directors and Executives

–None–

Mr. Ronnakitt Pojamarnpornchai

55 years old

Position

Vice President – Accounting and Finance

Deputy Chief Financial Officer – Accounting Business Partner

Appointment Date

January 1, 2020 (Executive Officer)

Education

- Master's Degree, Executive Master of Business Administration, Chulalongkorn University
- Bachelor's Degree in Business Administration (Accounting), Ramkhamhaeng University

Training by the Thai Institute of Directors Association (IOD)

–None–

Board Member/Management in Other Company/Organization/Institution**Listed Company** –None–**Non-Listed Company** 1 Organization:

- Chairman, ALL IM-EX AND PROSERVICE CO., LTD.

5-Year Past Experiences and/or Remarkable Position

2019 Vice President – Corporate Strategy, CP ALL Public Co., Ltd.
 2016 Vice President – Managerial Accounting Group, CP ALL Public Co., Ltd.

(%) Shareholding* (as at December 31, 2022)**Included Employee Joint Investment Program (EJIP)*

- Held personally 0.00119*
- Held by spouse or minor children 0.00043*

Family Relationship among Directors and Executives

–None–

Information of the Person Supervising Accounting

Ms. Aphaporn Wisitkamthorn

50 years old

Position

Assistant Vice President – Accounting Shared Services
Account Controller

Appointment Date

February 11, 2020 (Account Controller)

Education

- Master of Management, General Management, Mahidol University
- Bachelor of Accounting, University of the Thai Chamber of Commerce

Training by the Thai Institute of Directors Association (IOD)

–None–

Continuing Professional Development Program

2022	Managerial Accounting for Decision-Making and Planning (6.30 hours)
2022	Professional tax accounting (7.30 hours)
2021	Different between the revenue from accounting and taxation (6.30 hours)
2021	Accounting Information Systems 1 (6.00 hours)
2020	TFRS 9 Financial Instrument (6.00 hours)
2020	Tax of Online Business for Entrepreneurs (6.30 hours)
2019	Update TFRS 16 (6.30 hours)
2018	Taxation of Sales Promotion (6.30 hours)
2017	The difference between the accounting and taxation of new TFRS (7.00 hours)
2017	e-Tax Invoice & e-Receipt (6.30 hours)

Board Member/Management in Other Company/Organization/Institution

Listed Company –None–

Non-Listed Company –None–

5-Year Past Experiences and/or Remarkable Position

2017	General Manager – General and Tax Accounting (CPALL Group), CP ALL Public Co., Ltd.
2014	Deputy General Manager – General and Tax Accounting, CP ALL Public Co., Ltd.
2011	Assistant General Manager – Accounting, CP ALL Public Co., Ltd.

(%) Shareholding* (as at December 31, 2022)

**Included Employee Joint Investment Program (EJIP)*

- Held personally 0.00014*
- Held by spouse or minor children –None–

Family Relationship among Directors and Executives

–None–

Information of the Company Secretary

Mr. Supot Shitgasornpongse

69 years old

Position

Company Secretary

Vice President – Accounting and Finance

Appointment Date

August 13, 2008

Education

- Master of Science in Accounting, Thammasat University
- Bachelor of Accounting (1st Class Honor), Chulalongkorn University

Training by the Thai Institute of Directors Association (IOD)

2022	Refreshment Training Program: Lessons Learnt from Financial Cases: How Board should React
2014	Anti-Corruption: The Practical Guide
2004	Director Certification Program (DCP)
2003	Company Secretary Program

Board Member/Management in Other Company/Organization/Institution

Listed Company –None–

Non-Listed Company 15 Organizations:

- Director, CPRAM Co., Ltd.
- Director, Counter Service Co., Ltd.
- Director, CP Retailink Co., Ltd.
- Director, MAM Heart Co., Ltd.
- Director, Suksapiwat Co., Ltd.
- Director, Panyatara Co., Ltd.
- Director, All Training Co., Ltd.
- Director, All Corporation Ltd.
- Director, 24 Shopping Co., Ltd.
- Director, Albuera International Ltd.
- Director, CP Foodlab Co., Ltd.
- Director, Thai Smart Card Co., Ltd.
- Director, ALL Wellness Co., Ltd.
- Chairman of Ethics Committee, Federation of Accounting Professions
- Director, Federation of Accounting Professions

5-Year Past Experiences and/or Remarkable Position

–None–

(%) Shareholding* (as at December 31, 2022)

*Included Employee Joint Investment Program (EJIP)

- Held personally 0.00157*
- Held by spouse or minor children –None–

Family Relationship among Directors and Executives

–None–

The Company Secretary Duties

The Company Secretary shall perform duties according to Section 89/15 and Section 89/16 of the Securities and Exchange Act (No. 4) B.E. 2551, effective August 31, 2008, with responsibility, prudence and honesty as well as in compliance with the laws, Articles of Association and Objectives of the Company, resolutions of the Board of Directors and resolutions of the shareholders' meeting. The Company Secretary's roles and responsibilities and undertaking on behalf of the Company or Board of Directors are as follows:

1. Preparing and keeping the following documents;
 - a. A register of directors.
 - b. Notice of the Board of Directors' Meeting, Minutes of the Board of Directors' Meeting, and the Company's annual report.
 - c. Notice of the Shareholders' Meeting and Minutes of the Shareholders' Meeting.
2. Keep reports on interest filed by directors or executives and submit a copy of the report on interest under Section 89/14 to the Chairman of the Board and the Chairman of the Audit Committee within seven business days from the date on which the Company has received such report.
3. Perform any other acts as specified in the Notification of the Capital Market Supervisory Board.
4. Provide advice pertaining to legal, regulatory, and governance issues and practices related to the Board in accordance with the laws, Charter of the Board of Directors and Articles of Association of the Company.
5. Organize the Board of Directors' meeting and shareholders' meeting.
6. Coordinate between the Company's internal units to ensure compliance with the resolutions of the Board of Directors and resolutions of the shareholders' meeting.
7. Coordinate with regulatory agencies such as the Securities and Exchange Commission and the Stock Exchange of Thailand and oversee the disclosure and reporting of information to the regulatory agencies and the public with accuracy and completeness in accordance with the laws.
8. Organize orientation for newly appointed directors.
9. Perform other duties as assigned by the Company.

Detail of the Directors of Subsidiaries

Local Subsidiaries

	Company	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28
Adj. Prof. Prasobsook Boondech	/															/													
Pol. Gen. Phatcharavat Wongsuwan	/																												
Mr. Padoong Techasarintr	/																												
Mr. Pridi Boonyoung	/																												
Mrs. Nampung Wongsomith	/																												
Prof. Dr. Kittipong Kittayarak	/																												
Mr. Soopakij Chearavanont	X																												
Mr. Korsak Chairasmisak	//					X, //			//				X, // X, //			X, //													
Mr. Suphachai Chearavanont	//															X, //								//	X, //				
Mr. Tanin Buranamanit	//											//				//					//								
Mr. Adirek Sripratak	//															//								//	//				
Mr. Umroong Sanphasitvong	//						//		//					//	//	//								//	//				
Mr. Narong Chearavanont	//													//	//	//								X, //					
Mr. Prasert Jarupanich	//															//													
Mr. Pittaya Jearavisitkul	// X, // X, // X, // X, // X, //					X, //	//	X, //		//		X, // X, //	//	//	//	// X, //							//	//					
Mr. Piyawat Titasattavorakul	//	//	//	//	//	//	//	//	//	// X, //	//	//	//	//	//	//	//						//	//					
Mr. Yuthasak Poomsurakul																		//											
Mr. Wisade Wisidwinyoo	//																	//											
Mr. Taweesak Kaewraththanapattana	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//						//						
Ms. Lawan Tienghongsakul								//																					
Mr. Kriengchai Boonpoapichart	//	//	//	//	//	//	//	//	//			//	//				//						//	//	//				
Mrs. Nipaporn Ackarapolpanich						//																							
Mr. Wiwat Pongritsakda				//																									
Mr. Ronnakit Pojarnpornchai																													

Foreign Subsidiaries

	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54
Adj. Prof. Prasobsook Boondech																										
Pol. Gen. Phatcharavat Wongsuwan																										
Mr. Padoong Techasarintr																										
Mr. Pridi Boonyoung																										
Mrs. Nampung Wongsomith																										
Prof. Dr. Kittipong Kittayarak																										
Mr. Soopakij Chearavanont																										
Mr. Korsak Chairasrisak	X, //						//																			
Mr. Suphachai Chearavanont																										
Mr. Tanin Buranamanit									//				//	//	//	//		//	//							
Mr. Adirek Sripratak																										
Mr. Umroong Sanphasitvong	//																									
Mr. Narong Chearavanont	//																							//		
Mr. Prasert Jarupanich																										
Mr. Pittaya Jearavisitkul																										
Mr. Piyawat Titasattavorakul																								//		
Mr. Yuthasak Poomsurakul																										
Mr. Wisade Wisidwinyoo																										
Mr. Taweesak Kaewrathanapattama					//																					
Ms. Lawan Tienghongsakul																										
Mr. Kriengchai Boonpoapichart		//	//	//																						
Mrs. Nipaporn Ackarapolpanich																										
Mr. Wiwat Pongritsakda																										
Mr. Ronnakitt Pojamarnpornchai																										//

List of Subsidiaries as at end of Year 2022

Local Subsidiaries	Foreign Subsidiaries
1. CPRAM Co., Ltd.	29. Lotus Distribution Investment limited
2. Counter Service Co., Ltd.	30. Successor Investments Limited
3. CP Retailink Co., Ltd.	31. Nanjing Zheng Yi Xin Trading Co., Ltd.
4. Gosoft (Thailand) Co., Ltd.	32. Successor (China) Investments Limited
5. MAM Heart Co., Ltd.	33. Albuera International Limited
6. Suksapiwat Co., Ltd.	34. Nanjing Tianqu Investment Management Co., Ltd.
7. Panyatara Co., Ltd.	35. Nanjing Tech University Puijiang Institute
8. Thai Smart Card Co., Ltd.	36. Nanjing Tech University Pujiang Institute Educational Development Fund
9. Panyapiwat Institute of Management	37. Indoguna Vina Food Service Co., Ltd.
10. Panyapiwat Technological College	38. Aro Co., Ltd.
11. All Training Co., Ltd.	39. Makro Cambodia Company Limited
12. All Corporation Limited	40. CP Wholesale India Private Limited
13. OHT Co., Ltd.	41. Indoguna (Singapore) Pte Ltd
14. Siam Makro Holding (Thailand) Ltd.	42. Indoguna Dubai L.L.C.
15. Siam Makro Public Company Limited	43. Just Meat Company Limited
16. 24 Shopping Co., Ltd.	44. Indoguna Lordly Company Limited
17. CP Foodlab Co., Ltd.	45. Makro (Guangzhou) Food Company Limited
18. Panyapiwat Institute of Management Demonstration School	46. MAXZI THE GOOD FOOD RESTAURANT & CAFÉ L.L.C.
19. Siam Food Services Limited	47. Indoguna (Cambodia) Company Limited
20. Makro ROH Co., Ltd.	48. Aro Commercial Company Limited
21. ProMart Co., Ltd.	49. Guangzhou Huada Makro Food Supermarket Company Limited
22. ALL Wellness Co., Ltd.	50. CP ALL (CAMBODIA) CO., LTD.
23. ALL GUARDIAN CO., LTD.	51. ALL Convenience Logistic Co., Ltd.
24. C.P. Retail Development Company Limited	52. CP ALL LAOS CO., LTD.
25. Lotus's Stores (Thailand) Co., Ltd.	53. Lotuss Stores (Malaysia) Sdn. Bhd.
26. Ek-Chai Distribution System Co., Ltd.	54. ALL IM-EX AND PROSERVICE CO., LTD.
27. Lotus's Mobile (Thailand) Co., Ltd.	
28. ALL SPEEDY CO., LTD.	

Remark: X = Chairman
 / = Director
 // = Authorized Director

Information of the Head of Internal Audit

Mr. Taweesak Jitsmankul

61 years old

Position

Secretary of Audit Committee
Vice President – Internal Audit

Appointment Date

28 January 2022

Education

- Master of Accountancy, Thammasat University
- Bachelor of Business Administration, Ramkhamhaeng University

Training by the Thai Institute of Directors Association (IOD)

–None–

Board Member/Management in Other Company/Organization/Institution

Listed Company –None–

Non-Listed Company 1 Organization:

- Committee Member, Digital Council of Thailand

5-Year Past Experiences and/or Remarkable Position

2007 – 2020 Vice President, Thai Smart Card Co., Ltd.

2010 – 2020 Vice President, Counter Service Co., Ltd.

(%) Shareholding* (as at December 31, 2022)

*Included Employee Joint Investment Program (EJIP)

- Held personally 0.00098*
- Held by spouse or minor children –None–

Family Relationship among Directors and Executives

–None–

Duties and Responsibilities of the Head of Internal Audit

1. Prepare the Internal Audit Charter and present to the Chief Executive Officer and the Audit Committee for approval, including periodic review.
2. Develop organizational structure, allocate responsibilities and manage general operations within the Internal Audit Office.
3. Develop an operational manual to serve as a guide for internal auditors.
4. Develop the annual audit plan based on risk assessment and present it to the Audit Committee for consideration and approval, and monitor its implementation in accordance with the established plan.

5. Establish KPIs for the Internal Audit Office.
6. Consult with senior management and the Audit Committee to ensure that the mission of the Audit Office is in line with the organization's strategies, objectives and major risks.
7. Oversee the performance of internal auditors and the internal audit process to ensure adherence to the Professional Practice Standards for Internal Auditing.
8. Review and approve the audit report, present it to management, the Audit Committee, the Board of Directors, and monitor the implementation of recommendations.
9. Control the budget preparation and management of resources necessary for achieving the mission of the Audit Office.
10. Develop the competencies of internal auditors at all levels by enhancing their knowledge, skills, and other essential abilities required for performing their duties.
11. Provide advice and recommendations regarding internal control systems and risks to various departments.
12. Perform special tasks as assigned by management and the Audit Committee.
13. Coordinate with management, the Audit Committee, the auditor and advisors.
14. Arrange for performance evaluations according to the Professional Practice Standards for Internal Auditing of the Audit Office by independent external and internal evaluators, and report the results to senior management and the Audit Committee.

Information of the Head of Compliance Unit

Ms. Walainoot Kattirat

40 years old

Position

Compliance

Deputy Department Manager – Legal Compliance

Appointment Date

April 1, 2021 (Compliance)

Education

- Attorney at Law License, Lawyers Council Under the Royal Patronage
- Barrister's Certificate, The Thai Bar Under The Royal Patronage
- Bachelor's Degree in Law, Chiang Mai University

Training by the Thai Institute of Directors Association (IOD)

–None–

Board Member/Management in Other Company/Organization/Institution

Listed Company –None–

Non-Listed Company –None–

5-Year Past Experiences and/or Remarkable Position

2018 Assistant Department Manager – Legal and Regulation,
CP ALL Public Co., Ltd.

(%) Shareholding* (as at December 31, 2022)

*Included Employee Joint Investment Program (EJIP)

- Held personally 0.00008*
- Held by spouse or minor children –None–

Family Relationship among Directors and Executives

–None–

Roles and Responsibilities of the Head of the Compliance Unit

The Compliance Unit is the center for governing the business operations of the Company and companies in the Group to be in accordance with the laws, regulations, Articles of Association of the Company, and policies and rules of related government agencies such as the Securities and Exchange Commission, the Stock Exchange of Thailand, the Ministry of Commerce, the Ministry of Labour and other government agencies related to the operations of the Company.

The Board of Directors has approved the Company Compliance Policy determining that the Company's Board of Directors, committees, executives, departments, offices or units and employees must perform their duties in accordance with the laws as well as has communicated that every employee is responsible for studying and understanding the laws and regulations pertaining to their responsible work and performing their duties correctly, completely and in strict compliance with rules and regulations.

Assets Used in Business Operations and Details about Property Appraisal Items

Assets Used in Business Operations

Fixed Assets

As of December 31, 2022, fixed assets of the Company and subsidiaries that used in business operations are as follows;

Fixed Assets	Net Book Value (Million Baht)
Land	67,149
Buildings and building improvements and right-of-use asset improvements	93,085
Machinery and equipment	21,323
Furniture, fixtures and office equipment	18,362
Assets under construction and installation	8,096
Other fixed assets	5,395
Total Fixed Assets	213,410

The Company's fixed assets with total net book value of Baht 13,906 million were pledged under long-term borrowings from financial institution.

Intangible Assets

As of December 31, 2022, intangible assets of the Company and subsidiaries that used in business operations are as follows;

Intangible Assets	Net Book Value (Million Baht)
Goodwill	360,641
Other intangible assets	53,803

Most of the goodwill and other intangible assets arose from the subsidiary (Siam Makro Public Company Limited) completed the entire business transfer transaction of C.P. Retail Holding Company Limited which invested in retail business operate under "Lotus's" trademark in Thailand and Malaysia, and the purchase of common shares in Siam Makro Public Company Limited.

Other intangible assets consist of assets with a definite useful lives which are computer software and customer base, business license, and other intangible assets which the estimate useful lives are 1-30 years. Other intangible assets with indefinite useful lives are intellectual property and business licenses. Other intangible assets are measured at cost less accumulated impairment losses. The Company will test the impairment of such assets on a quarterly basis.

Right of Use Assets

As of December 31, 2022, right of use assets of the Company and subsidiaries that used in business operations are as follows;

Right of Use Assets	Net Book Value (Million Baht)
Land	38,693
Buildings	39,326
Machinery and equipment	2,792
Furniture, fixtures, and office equipment	714
Vehicles	721
Total Right of Use Assets	82,246

According to the TFRS 16 lease accounting policy in effect from January 1, 2020, the Company stipulates that the Company will recognize assets, rights of use and lease liabilities on the date the lease becomes effective. Except for leases in which the asset is low in value or short-term, it is recognized as an expense on a straight-line basis over the term of the lease. Right-to-use assets are measured at cost net of accumulated depreciation and accumulated impairment losses.

Investment in Subsidiaries, Associate and Joint Ventures Policy

The Company has an investment policy to invest in wholesaling, retailing, and related businesses. The investment considerations are direct investment by the Company or having subsidiaries which operate related businesses as investors. The Company also has a policy to appoint a representative to serve as a director with controlling power in subsidiaries and associates in order to control and manage as well as align with the policy of the Company. The Company will receive subsidiaries' operating results on a monthly basis and will arrange meetings to consider the operating results and to determine the business direction.

As of December 31, 2022, the Company has investments in subsidiaries at amount of Baht 281,921 million or 65.37 percent of total assets from the separate financial statements.

The Company and its subsidiaries has investments in associates totaling Baht 9,053 million, and investment in joint ventures of Baht 5,335 million or 1.56 percent of total assets from the consolidated financial statements.

Details of Assets Appraisal

In the fiscal year 2022, none of the Company's asset has been appraised.

Policy on Corporate Governance, Business Ethics, Charter of Sub-Committees, and Report of Sub-Committees

The details appear on the Company's website: www.cpall.co.th

1. Policy on Corporate Governance
2. Anti-corruption Policy
3. Business Ethics and Code of Conduct
4. Charter of the Board of Directors
5. Charter of the Audit Committee
6. Charter of the Sustainability and Corporate Governance Committee
7. Charter of the Remuneration and Nomination Committee

Reports of Sub-Committees

Reports of Sub-Committees of year 2022 are as follows:

- Report of the Sustainability and Corporate Governance Committee
- Report of the Remuneration and Nomination Committee
- Report of the Executive Committee
- Report of the Risk Management Executive Committee

Report of the Sustainability and Corporate Governance Committee

The Sustainability and Corporate Governance Committee, appointed by the Board of Directors of CP ALL Public Company Limited, comprises of four directors, three of which are independent directors namely 1. Adjunct Prof. Prasobsook Boondech, as the Chairman of the Sustainability and Corporate Governance Committee, 2. Pol. Gen. Phatcharavat Wongsuwan, 3. Mr. Padoong Techasarintr, as the committee member, and one of which is an executive director namely Mr. Umroong Sanphasitvong. Mr. Supot Shitgasornpongse, the Company's Secretary, serves as the Secretary of the Sustainability and Corporate Governance Committee. In addition, the Corporate Governance Sub-Committee and Sustainable Development Sub-Committee is made up of representatives from the Company's various business units, and together serve as mechanisms for carrying out the assigned duties of the Committee. The Committee acts independently within the scope of its responsibilities, as stipulated in the Committee Charter.

In 2022, the Sustainability and Corporate Governance Committee held a total of four meetings. Each meeting consists of the Committee, the Chairman of each of the Sub-Committees, executive management, and the Company's advisor, to report on company performance and provide suggestions. The performance of the Sustainability and Corporate Governance Committee shall be reported to the Board of Directors every six months and significant matters can be summarized as follows:

1. Considered and Approved the Appointment of the (New) Corporate Governance Sub-Committee for the Year 2022

The Sustainability and Corporate Governance Committee has approved the appointment of the (new) Corporate Governance Sub-Committee for the year 2022 to replace the retired members and to ensure the continuity of the Corporate Governance Sub-Committee.

2. Approval of the Implementation Plan of the Corporate Governance and the Anti-Corruption for Year 2022

The Sustainability and Corporate Governance Committee approved the implementation of the corporate governance and the Anti-Corruption plan for year 2022 proposed by the Corporate Governance Sub-Committee in order to achieve the "Excellent" level of corporate governance rating from the well-accepted international institutions.

3. Approval of the Amendment and Addition of the Corporate Anti-Corruption Guidelines

The Sustainability and Corporate Governance Committee approved the amendment by adding the definition of "Convenience Fee" in the corporate anti-corruption guideline in compliance with CAC guidance.

4. Considered and Approved the Addition of the Company's Business Ethics Regarding Trade Competition

The Sustainability and Corporate Governance Committee has approved the addition of the Company's business ethics regarding trade competition and trade practices and policies related to trade competition to comply with the regulations of the Office of the Trade Competition Commission.

5. Considered and Acknowledged the Guidelines for the Corporate Governance Committee

The Sustainability and Corporate Governance Committee has considered and acknowledged the guidelines for Corporate Governance Committees prepared by the Thai Institute of Directors (IOD) to support the operations and provide advice and recommendations to the Board of Directors in relating to good corporate governance and business ethics policies and guidelines as well as monitor and supervise on the progress of the implementation to ensure they are aligned with international practices.

6. Considered and Acknowledged the Amendments of the Corporate Governance Survey for Listed Companies (CGR) for the Year 2023

The Sustainability and Corporate Governance Committee has considered and acknowledged the amendments to the 2023 Corporate Governance Survey (CGR) criteria by the Thai Institute of Directors (IOD) for the preparation of 2022 Form 56-1, One Report, and Sustainability Report, which will be publicized in 2023.

7. Acknowledgement of the Report on the Implementation of the Corporate Governance Policy, the Anti-Corruption Policy, as well as Sustainability Policy

The Sustainability and Corporate Governance Committee acknowledged the report of the implementation on the Corporate Governance Policy, the Anti-Corruption Policy, as well as Sustainability Policy, including the following matters.

1. Progress update on implementation of corporate governance plan for each quarter.
2. Review on the target of sustainability policy.
3. Progress update on implementation of sustainability plan for each quarter.
4. Measure of sustainability effectiveness according to international criteria (Dow Jones Sustainability Indices – DJSI and Carbon Disclosures Project – CDP).
5. Progress on the data governance that it has duly organized.
6. Progress on the cyber security that it has duly organized.
7. Progress on implementation to compliance with the Personal Data Protection Act (PDPA).
8. Emerging risk management and internal control system in order to mitigate risk in each working process.
9. Progress on the Company's IT security that it has duly organized.
10. Progress on reporting of conflict of interest through electronic platform.
11. Conducted environmental support project i.e. Reforestation Project, Waste Management and Environment Project, and etc.
12. Progress on preparation in relation to maintain membership status of CAC for year 2023.
13. Encouraged the SMEs business partners to join the CAC member.
14. Amendment of culture in a working place to be complied with relevant laws, rules and regulations.
15. Communicated and encouraged employees to adopt the policies of good governance, anti-corruption, and social and environmental sustainability development in each quarter.
16. Arranged trainings and conducted tests for good governance, anti-corruption, and corporate sustainability development in each quarter.
17. Reviewed and resolved complaints relating to good governance and anti-corruption policies, internal corruption inspection, and social and environmental issues in each quarter.
18. Quarterly announcement of employees' good deeds and virtues in the Company's Hall of Fame.
19. Quarterly report of CP ALL Plc.'s shareholding by the Company's directors and management.

8. Acknowledgement of Survey of Corporate Governance Report of Listed Companies in Thailand in 2022

The Sustainability and Corporate Governance Committee acknowledged survey of corporate governance report (CGR) of listed companies in Thailand in 2022 arranged by IOD which the Company received an excellent assessment for the fourth consecutive year. Also, the committee acknowledged suggestions to develop a better corporate governance of the Company.

9. Acknowledgement of being Chosen to Join the FTSE4Good Index 2022

The Sustainability and Corporate Governance Committee acknowledged that the Company was chosen to join the FTSE4Good Index 2022 in Food Retailers & Wholesalers Industry by FTSE Russel, for five consecutive years, and maintained its scores above the average scores in every dimensions.

10. Acknowledgement of the Score of 2022 Annual General Shareholder Meeting's Quality Assessment

The Sustainability and Corporate Governance Committee acknowledged the score of 2022 Annual General Shareholder Meeting's quality assessment, conducted by Thai Investors Association, which the Company received full score at 100.

11. Acknowledgement of being Chosen to be in the List of Thailand Sustainability Index 2022

The Sustainability and Corporate Governance Committee acknowledged that the Company was chosen to be in the list of Thailand Sustainability Index 2022 of Service Industry for the fifth consecutive year. The Company also received SET Awards in Sustainability Excellence in the category of Highly Commended in Sustainability Awards with market capitalization more than Baht 1,000 billion for two consecutive years.

12. Acknowledgement of the Self-Assessment Report of the Sustainability and Corporate Governance Committee

The Sustainability and Corporate Governance Committee acknowledged the Self-Assessment Report of the Sustainability and Corporate Governance Committee for 2022 which amended according to IOD guidances. The committee received an excellent score of 100 percent showing that the Sustainability and Corporate Governance Committee has performed all assigned duties in accordance with the duty in the Charter.

The Sustainability and Corporate Governance Committee prioritizes the issues of corporate governance and responsibility toward society, communities and environment as this shall ensure that Company will strictly adhere to the Corporate Governance Policy, the Business Ethics and Professional Conduct Handbook, Anti-Corruption Policy, and Sustainability Policy and other related guidelines. The Committee is committed to promoting and developing the organization for greater efficiency, while working upon the basis of transparency, ethics, benefits of the society, reduction of negative environmental impact, and being responsible to all stakeholders.

On behalf of the Sustainability and Corporate Governance Committee



(Adjunct Prof. Prasobsook Boondech)

Chairman of the Sustainability and Corporate Governance Committee

January 19, 2023

Report of the Remuneration and Nomination Committee

CP ALL Public Company Limited's Remuneration and Nomination Committee independently performed its duties in accordance with its roles and responsibilities stipulated in the Charter of the Remuneration and Nomination Committee, as well as principles and good corporate governance guidelines provided by the Securities and Exchange Commission together with Stock Exchange of Thailand.

At present, the Remuneration and Nomination Committee comprises with 2 independent directors, namely Police General Phatcharavat Wongsuwan, Chairman of the Remuneration and Nomination Committee, and Mr. Padoong Techasarintr as member of the Remuneration and Nomination Committee, together with one non-executive director, namely Mr. Suphachai Chearavanont, as member of the Remuneration and Nomination Committee. Ms. Lawan Tienghongsakul, Senior Vice President-Human Resource, is the Secretary of the Remuneration and Nomination Committee.

In 2022, the Remuneration and Nomination Committee convened 3 meetings in which all 3 directors attended. The Remuneration and Nomination Committee performance was summarized and reported to the Board of Directors can be summarized as follows:

1. Nomination of the Company's Directors

Since the five directors who retire by rotation were all independent directors, while the quorum of the Remuneration and Nomination Committee consisted of 2 independent directors involved in the nomination of directors which was the majority of the directors that may cause accusations. To comply with good governance and good corporate governance principles as well as enhancing transparency, the Remuneration and Nomination Committee therefore proposed that the Board of Directors consider and nominate qualified persons as independent directors according to the Company's regulations.

On February 24, 2022, the Board of Directors considered the criteria and procedure in nominating an individual with qualifications appropriate to be appointed as the director and in line with the Company's business strategy of Board Skill Matrix. The consideration was based upon professional qualifications, skills, age, gender, race, religion, origin, experiences, knowledge, expertise from diverse occupations and specific competencies including performance as the director in the past. Only a member of the committee who has no interest shall be entitled to consider the candidate directors in replacement of those whose term of office has ended. The Board of Directors approved the proposal, and it was of the opinion that the Meeting of Shareholder for year 2022 should re-elect the five nominees who retire by rotation to be independent directors of the Company for another term because those five nominees had all the qualifications required of independent directors by the Company's regulation, as well as possessed competencies, knowledge, experiences that shall be of advantages to the Company and creating benefits to the Company. In addition, the Remuneration and Nomination Committee provided minor shareholders an opportunity to nominate candidate directors during September 28 and December 31, 2021 via the SET Community Portal system and disseminated such criteria and nomination form via the Company's website to inform shareholders in advance. However, no shareholders nominated any candidates for the nomination process in the Annual General Meeting of Shareholders 2022 ("AGM"). The AGM dated April 22, 2022 approved to appoint five directors who retire by rotation to be independent directors of the Company for another term.

2. Determining the Remuneration for Directors and Senior Executives

The Nomination and Remuneration Committee has considered guidelines to determine the remuneration for directors and senior executives as well as methods and criteria of determining fair remuneration, evaluated the compensation of senior executives in line with their performance by hiring external experts as advisor providing information and giving suggestions for the Committee's consideration, and considered the suitability of Director's remuneration in 2022 by taking into account the following matters i.e. conformity with the market in the same industry, past performance, experiences, duties, role and responsibilities, including the business expansion, the Company's financial position and the operating results. The Nomination and Remuneration Committee proposed the Director's remuneration in 2022 to the Board of Directors Meeting at the same rate as approved by the AGM for year 2020 dated April 23, 2021, as well as same rate as approved by the AGM for year 2016 dated April 21, 2016. The AGM for year 2022 was approved Director's remuneration as proposed by the Board of Directors of the Company on April 22, 2022.

The Nomination and Remuneration Committee has considered the 2022 monthly remuneration and gratuity of Chairman of the Executive Committee and the Chief Executive Officer by considering the conformity with the leading companies in large scale in Thailand as well as leading retail companies in Asia. It is of the opinion that the remuneration should be in compliance with the management incentive plan (MIP) as approved by the Company's Board of Directors. Not only the abovementioned matters i.e., KPI and original goal of the outcome that taking into consideration for the special gratuity to members of the Executive Committee, but also the customer's satisfactory and return to shareholders were equipped. Furthermore, to determine the 2022 gratuity, the Nomination and Remuneration Committee were incorporated additional factor to MIP in relation to the criteria of member selection of DJSI in accordance with sustainability development context.

3. Implementation of the Succession Planning of Senior Executives

The Remuneration and Nomination Committee has considered and acknowledged implementation of the succession planning of senior executives to assure that the Company shall have successors for senior executives and leaders to sustain business growth. The plan has been arranged by taking into consideration risk management in terms of human capital management, including the personnel improvement, to prepare for future senior executives through a systematic and continuous improvement process.

4. Assessment of the Remuneration and Nomination Committee's Performance

According to the Remuneration and Nomination Committee's Performance in 2022 which amended according to IOD's guidance, in comparison with the Charter, it could be summarized that the Remuneration and Nomination Committee outstandingly performed its duties with 100 percent of total score and within the boundary as stipulated in the Charter.

The Remuneration and Nomination Committee has performed its duties as assigned by the Board prudently and cautiously in particular when considering the suitability of the candidates being proposed for the appointment as directors to ensure that such persons are knowledgeable, skillful, equipped with experiences useful to the Company's business operation and fully qualified under the Public Company Limited Act B.E. 2535, the Notification of the Stock Exchange of Thailand and the Announcement of the Capital Market Supervisory Board.

On behalf of the Remuneration and Nomination Committee



(Police General Phatcharavat Wongsuwan)
Chairman of the Remuneration and Nomination Committee

January 17, 2023

Report of the Executive Committee

The Executive Committee, appointed by the Board of Directors, consists of ten members, five of which are the Company's directors namely 1. Mr. Korsak Chairasmisak, as the Chairman of Executive Committee, 2. Mr. Pittaya Jearavisitkul, as the Vice Chairman of Executive Committee, 3. Mr. Piyawat Titasattavorakul, as the Vice Chairman of Executive Committee, 4. Mr. Tanin Buranamanit, and 5. Mr. Umroong Sanphasitvong. The other five members are executives of the Company and its subsidiaries namely 1. Yuthasak Poomsurakul, 2. Mr. Wisade Wisidwinyoo, 3. Mr. Taweesak Kaewrathtanapattama, 4. Mr. Vichien Chuengviroj, and 5. Ms. Lawan Tienghongsakul. Mr. Supot Shitgasornpongse, the Company's Secretary, serves as the Secretary of the Executive Committee.

The Executive Committee performed its duties and responsibilities within the scope specified by the Board of Directors. In 2022, the Executive Committee held a total of 12 meetings. Each meeting was attended by executives of the Company and its subsidiaries including the Company's advisors, with the objectives of reporting performance, proposing information related to the meeting agenda for consideration and approval, and providing recommendations. The performance of the Executive Committee is summarized and reported to the Board of Directors annually. Key issues addressed by the Committee can be summarized as follows:

1. Considered the objectives, business targets, visions, missions, strategies and plans for the Company and its subsidiaries, including considering the 2023 budget of the Company and its subsidiaries for normal operation and investment in new projects prior to submitting to the Board of Directors for approval.
2. Considered performance of the Company and its subsidiaries on a monthly and quarterly basis and progress of any investment. Acknowledged performance reports including any problems or issues that occurred and provided recommendations for improvement to enhance operational efficiency.
3. Considered monthly reports on risk management and countermeasures, covering both existing and potential risks such as business risks, emerging risks, sustainability risks, risk from the outbreak of COVID-19, cyber security risk, climate change risk, geo-political risk : Ukraine-Russia, including impact on business continuity (BCM), and restoration plan for economic loss due to COVID-19 pandemic, before presenting to the Board of Directors for consideration every six months.
4. The Executive Committee considered an investment made by the Company and its subsidiaries which the value exceeds THB 200 million. An investment which value is less than THB 500 million will be submitted to the Chairman of the Executive Committee for approval, and an investment which is valued more than THB 500 million will be submitted to the Board of Directors for approval. These investments include O2O (All Complex) distribution center project, which is an automation system to increase service channels for cash machines and financial transactions of Counter Service Co., Ltd. to increase business opportunities of the Company.
5. Acknowledged the satisfaction of judgment of the Supreme Court on the case in which the Company and its subsidiary filed a lawsuit against the insurance company to indemnify for the events occurred in May 2010, where the court had ruled in favor of the Company and its subsidiary before presenting to the Board of Directors' meeting for further consideration and acknowledgment.
6. Considered and acknowledged the retail stocks investment perspectives and global stock investment strategies in 2022 from the specialists' analysis to adjust the strategies and business plans of the Company and its subsidiaries to be in line with the changes.

7. Approved the appointment of Mr. Yuthasak Poomsurakul as the Company's Chief Executive Officer for suitability and to support the Company's business expansion and growth before proposing to the Board of Directors for further appointment approval.
8. Considered and acknowledged the guidelines for managing space under lease contracts and land ownership in locations where the Company's offices are located.
9. Acknowledged the establishment of the joint venture, CP Seeding Social Impact Co., Ltd., a social enterprise committed to building strength and acting as a center of opportunities for small entrepreneurs, farmers, community enterprises to grow continuously and sustainably.
10. Considered and approved the revision of the Company's business ethics regarding trade competition and set practices and policies related to trade competition.
11. Considered and approved the business plan and capital increase of All Guardian Co., Ltd., a subsidiary, in the amount of 300 million baht.
12. Considered and acknowledged the following rewards: 5-symbol rating or excellent performance from the Corporate Governance Survey of Thai Listed Companies (CGR) for the year 2022 conducted by the Thai Institute of Directors Association (IOD), rated Level A CDP (Carbon Disclosure Project) Environmental Rating, the highest rating the Company ever received, Level A rating from MSCI ESG Rating (Morgan Stanley Capital International) for the year 2022, which was the highest rating received since 2018, selected to join FTSE4Good Index 2022 in Food Retailers & Wholesalers Industry, for the fifth consecutive year; and selected to join Dow Jones Sustainability Indices (DJSI) Emerging Market for the sixth consecutive years, and DJSI World 2022 for the fifth consecutive year, in which the Company received the higher scoring versus last year at 87 of 100.
13. Considered the follow up on the results of the implementation of People Transformation. An implementation that was initiated to make the organization a happy workplace by reviewing corporate culture and values to ensure that they are appropriate with the current environment. In addition, People Transformation also take into consideration competitive compensation packages, positive working environment, lean process, reducing redundancy, build empathetic leaders, initiated sandbox for each department to develop leadership skills.
14. Considered and approved the renewal of various types of insurance policies for the year 2023.
15. Acknowledged the non-executive Board of Directors minutes of meetings for the year 2022 and implement appropriate actions the suggestions, recommendations of the directors to improve the Company and its subsidiaries' performances.
16. Acknowledged the 2022 self-assessment score of the Executive Committee which 85 percent was assessed excellent, and 15 percent was assessed well.

On behalf of the Executive Committee



(Mr. Korsak Chairasmisak)

Chairman of the Executive Committee

January 27, 2023

Report of Risk Management Committee

The Risk Management Committee, appointed by Mr. Korsak Chairasmisak, Chairman of Executive Committee of CP ALL Public Company Limited and its subsidiaries, consists of ten members of Executive Committee, which the Chairman of Executive Committee served as the Chairman of Risk Management Committee by title. There are Risk Management Unit and Corporate Legal & Compliance Unit are key function in charge for the Risk Management Committee to perform its duties and responsibilities in accordance with the Risk Management Committee Charter.

In 2022, there are 2 meeting of Risk Management Committee which held by semi-annual in order to consider and acknowledge the Company key risks report in 3 areas i.e. Business Risk, Emerging Risk, and Sustainability Risk. Risk Management Unit and Corporate Legal & Compliance Unit stipulate their duties which are the main process that creates proactive security for the sustainability of the business (Business Continuity Management – BCM) as well as the challenge of managing the crisis recovery plan. Then, the Committee reports to acknowledge the Audit Committee and the Board of Directors in a comprehensive manner twice a year.

The Company has established a comprehensive risk management policy and plan by the Risk Management Committee. The Company considers that everyone, including the board of directors, managers, and employees, owns a risk and, therefore, is responsible to study, analyze, and evaluate severity of impact of various risks that can affect the Company's business. To limit and prevent risks, a risk control plan must be established in line with the goals, objects, and strategic direction of the Company. This plan must also include an evaluation of risk management effectiveness and follow up measures to assess variable risk factors, reported to the Audit Committee and the Board of Directors. Therefore, a comprehensive review of risk management policies and guidelines occurs twice a year, so that the Company has a risk management system that aligns with the overall direction of the organization. In addition, risk management becomes an integral part of the Company's decision-making, strategic plans, and operations, resulting in an effective, sustainable outcome.

The Company shall review the risk management framework to ensure effective compliance in all departments. The Company holds that risk management is an integral part of the organization's strategic plan and operations. In 2022, therefore, the Company has appointed the risk management committee as the sub-unit of the corporate strategy committee consisting of representatives from various departments which are corporate strategy, budget, human resources, sustainability, and risk management to evaluate the corporate strategic plan and other risk management plans including budget for 2022 for the maximum of effectiveness and efficiency. Risk score has also been brought to evaluate risk management capability of each department and to further improve the system covering more than 70 work function units every quarter or at least 4 times a year. Moreover, there is the Risk Score Clinic, an online platform for exchanging of knowledge every week to improve the score. A department that continuously achieves good performance will be praised and given recognition by the Chief Risk Officer and the Chairman of Risk Management Committee. In addition, learning points are shared with risk managers for further application.

A seminar is organized for risk managers, or Risk Champions, every quarter which there are 5 meetings in 2022, to raise awareness and skill levels of risk managers in all CP ALL departments. Thus, risk managers will be able to keep up with situations of risk, strategically, managerially, financially, legally, with good governance, and sustainably. In total, 735 people participated in these risk management seminars.

The Company has organized a campaign to encourage employees to participate in the Black Swan risk finding through a network of more than 240 risk champions in their departments. Employees throughout the year, more than 4,490 issues to be sent to relevant departments to review the risks according to the next assessment.

The Company has established a risk assessment team consisting of experts from various functions such as public relations, store operation, legal, human resources, store location, cybersecurity, data privacy, general affair, occupational safety and health, and environment, is set up to monitor and assess any internal and external changes which might be risky or affect the Company's operation. Nevertheless, important risk issues are communicated to the Risk Management Committee and relevant executives for consideration every week through Monday Performance Review meeting (MPR).

In addition, the Company also arranges a Cyber Crisis Management Exercise in case of a cyber attack on critical information by the Crisis Management Committee which consists of Executive Committee, Chief Risk Officer (CRO), Chief Information Officer (CIO), Data Protection Officer (DPO), Chief Security Officer (CSO), and Breach Incident Response Team (BIRT). This is to be ready when dealing with cyber crises and information leaks including creating cyber awareness among executives.

In the event of a crucial urgent change, the Risk Management Unit and the Corporate Legal & Compliance Unit will conduct a risk review along with the Risk Management Committee to determine important control measures and report as a special agenda to the Executive Committee for immediate acknowledgment.

The Risk Management Committee conducts the Self-Assessment for 2022 which adopted IOD guidance including accordance with the duty in the Charter. The committee received an excellent score of 79 percent and a good score of 21 percent.



(Mr. Korsak Chairasmisak)
Chairman of the Risk Management Committee

Report of the Audit Committee

The Company's Board of Directors appointed the Audit Committee consisting of three independent directors who are knowledgeable and experienced in various sectors such as legal, management, finance and accounting, tax, and economic, which this knowledge shall support the Audit Committee to perform their duties efficiently. The Audit Committee members, having the composition and qualifications in accordance with the regulations of the Securities and Exchange Commission of Thailand and the Stock Exchange of Thailand, comprise of Mr. Padoong Techasarintr, as the Chairman of the Audit Committee, Mr. Pridi Boonyoung and Mrs. Nampung Wongsmith, as committee members, and Mr. Taweesak Jitsmankul, serving as secretary to this Committee.

The Committee has executed its Board-assigned duties independently and those under their own charter. It reviews and advocates the best practice of the corporate governance, together with an adequate risk management and internal control system. This is to ensure that the Company's operations have been carried out with transparency, honesty, fairness, and business sustainability, for the best interest of all shareholders and stakeholders.

In 2022, the Audit Committee held a total of 12 meetings, and all members of the Audit Committee attended every meeting. These meetings were held with the internal auditors, and sometimes with the external auditors, the Management of the Financial and Accounting Department and the Operation Department. The Audit Committee reported its performance to the Company's Board of Directors every quarter, and the performance in this period can be summarized as follows:

1. Reviewed the quarterly and annually consolidated financial statements of the Company and its subsidiaries for the year 2022. This was to ensure that the financial reports of the Company and its subsidiaries were duly prepared in conformity with the accounting standards currently enacted, with complete, sufficient, and reliable disclosure of information. Moreover, the Audit Committee had a meeting with the external auditors without the participation of the Company's Management to ensure the independence and to consider measures relating to internal control system of internal auditors which shall be further brought into action by the management. The external auditors unconditionally expressed their opinions and no significant observation pertaining to accounting and finance was made. The external auditors had freedom and received good cooperation while carrying out their duties.

The Audit Committee had an opinion that the financial statements were accurate according to the accounting standards, complete, and sufficiently and timely disclosed for the benefits of the shareholders and users of the financial statements.

2. Reviewed and revised the adequacy and appropriateness of the internal control system of the Company and its subsidiaries by considering from the monthly audit report of internal auditors to assess the internal control system, risk management, corporate governance, including following up on action according to the audit report on material issues suggested by internal auditors and the Company auditors to prevent recurrence of incidents. The Audit Committee reviewed and approved an annual plan which embedded the Company's business strategic and strongly supported the use of information technology in auditing work in order to help increase the efficiency and effectiveness of the audit work. Additionally, the Committee supported the development of potential employee to increase knowledge and competence to keep up with the rapidly changing environment.

The Audit Committee opined that the internal control system of the Company was efficient, appropriate, and adequate for the business. Additionally, the Company's internal control system is independent, and the audit plan is in line with business strategy and corporate risks.

3. Reviewed the appropriateness in dealing with related transactions and/or transactions which might cause conflict of interest that they were justifiable and yielded the highest benefits to the Company and its shareholders and that they were approved by authorized persons who have no conflict of interest as per the Company's policy. This included observations to ensure that the Company had policies relating to conflict of interest and that disclosure of information and operation complied with relevant laws and regulations of the Securities and Exchange Commission. In addition, the Audit Committee emphasized internal auditors to review related transactions made among the Company, its subsidiaries, and the related parties and to report those transactions to the Audit Committee and the Board of Directors every quarter.

The Audit Committee agreed that the related transactions and/or the transactions which might cause conflicts of interests were transparent, fair, and generated the utmost benefits to the Company and its shareholders and were executed at arm's length basis. In addition, the complete and sufficient disclosure of information and connected transactions in accordance with the laws and the regulations of the Securities and Exchange Commission was also observed.

4. The Audit Committee and the Management emphasized on the risk management. The Risk Management Committee was set up to assess risks covering all aspects, both internal and external factors. The Risk Management Committee also established preventive measures to mitigate potential impacts and keep them to an acceptable level. The Company has given an importance on Emerging Risk which adverse affected to the Company's mission such as cyber security, rapid change of customer behavior, including volatility of economy in relation to geo-political which globally affected (Global Disruption) and impact consumer purchasing power. Consequently, The Risk management Committee shall regularly report on semi-annual basis to the Audit Committee and the Board of Directors.

The Audit Committee agreed that the risk management system of the Company was appropriate and sufficient for its operations. The assessment of risks, the management of risks and its progress monitoring as well as the revision of risks in order to respond to the rapid change of current situation were regularly carried out. According to BitSight's Cyber Security Management Reliability Rating, the Company's assessment results were in good level.

5. The Audit Committee found that the Management had well established the Compliance Unit in order to observe that the Company's operation shall comply with the Securities and Exchange Act, the regulations of the Stock Exchange of Thailand, the Revenue Code, the Personal Data Protection Act, and all relevant laws which are essential for the Company's business including the Anti-Corruption Guideline. According to the review, the Company's operation was fully conformed with all such relevant laws.
6. The Company's Board of Directors and Management were determined to manage the business by adhering to the good corporate governance principles, working in accordance with laws, regulations, and the Company's code of ethic in order to enhance confidence of the shareholders and stakeholders. The Sustainability and Corporate Governance Committee was appointed to drive the sustainability and governance process for more efficient and effective execution. In the meantime, the Company conducted its business with transparency and in accordance with the corporate governance principles, as well as promoting the prevention of anti-corruption. There are channels for receiving complaints and reporting fraud clues or the performance of work that is contrary to business ethics (Whistleblowing). The Company would fairly consider and screen complaints for all parties as well as having protection measures by keeping the information of the whistleblower confidential. The Company also participated in the anti-corruption program arranged by the Collective Action Coalition Against Corruption (CAC) which it received the renewed certification of Thailand's Private Sector Collective Action Coalition Against Corruption for the first

time. Additionally, the Company successfully encouraged its 36 business partners to join the Small and Medium Enterprises (SME) certification program of the CAC. Following such success, the Company received the CAC Change Agent Awards for the second year for its commitment in transparency and encouraging SME suppliers to participate in the Thai business sector's efforts to combat corruption.

7. The Audit Committee considered a revision of Audit Committee charter to ensure that their duties and responsibilities completely comply with principles and guidelines for good practice which determined by the Securities and Exchange Commission of Thailand and the Stock Exchange of Thailand. Every quarter, a summary of the Audit Committee's performance is prepared and presented to the Board of Directors' Meeting to report on the Audit Committee's activities according to the duties stipulated in the Audit Committee Charter.
8. The Audit Committee conducted an annual review of their works and self-evaluation according to the good corporate governance principles of the Stock Exchange of Thailand. As per the evaluation result, the Audit Committee efficiently performed their duties in accordance with the scope of duties responsibilities and complied with Corporate Governance.
9. The Audit Committee reviewed the selection of the auditors and expressed their opinion to the Board of Directors for further endorsement at the shareholders' meeting. The auditor selection was approved at the shareholders' meeting, and Mr. Charoen Phosamritlert, Mr. Veerachai Ratanajaratkul, and Ms. Munchupa Singsuksawat of KPMG Phoomchai Audit Ltd. were appointed as the Company's external auditors for the year 2023 with the total fees of 5,970,000 baht.
10. The Audit Committee has performed all its duties as stipulated in the Audit Committee Charter approved by the Board of Directors. By using knowledge, ability, carefulness, as well as having sufficient independence. In summary, the Audit Committee had an opinion that the Company's Board of Directors, the Executive Directors as well as the Management were determined in working to achieve the goals professionally. They have been working efficiently with transparency and accountability. The risk management, the policy of good corporate governance as well as the internal control systems were appropriate and justifiable.

On behalf of the Audit Committee



(Mr. Padoong Techasarintr)
Chairman of the Audit Committee
January 25, 2023





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CPALL



This book uses green read paper, non-toxic, non-irritating to skin, and makes from sustainable production with soy ink. It is safe for health and environmentally friendly while reduce carbon emissions equivalent to turning off 992 light bulbs in 1 day.

