Dow Jones Sustainability Indices

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56-1 One Report

Annual Report 2023





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Summary of Financial Information

For Fiscal Years Ending December 31

CP ALL Public Company Limited and its Subsidiaries Consolidated Financial Information (Million Baht) Net Sales and Services Income Total Revenues Net Profit Net Cash Provided by Operating Activities	565,060 587,530 12,985 46,319 931,893 639,085	829,099 852,605 13,272 69,873 924,061 633,760	895,281 921,187 18,482 87,172 926,491		
Total Revenues Net Profit	587,530 12,985 46,319 931,893	852,605 13,272 69,873 924,061	921,187 18,482 87,172		
Net Profit	12,985 46,319 931,893	13,272 69,873 924,061	18,482 87,172		
	46,319 931,893	69,873 924,061	87,172		
Net Cash Provided by Operating Activities	931,893	924,061			
	· ·		926,491		
Total Assets	639,085	633,760			
Total Liabilities			624,896		
Total Equity	292,807	290,301	301,595		
Share Information (Baht)					
Book Value per Share	32.60	32.32	33.57		
Earnings per Share	1.33	1.39	2.01		
Dividend per Share	0.60	0.75	1.00**		
9Financial Ratios (Percentage)					
Gross Margin (Sales and Services)	21.3	21.5	21.9		
EBIT Margin	3.2	4.2	4.6		
Net Profit Margin	2.2	1.6	2.0		
Net Debt to Equity (Times)	1.3	1.3	1.2		
Net Debt to Equity as Determined in the Bond Covenants (Times)*	0.90	0.92	0.82		
Net Debt to EBITDA (Times)	6.4	3.9	3.3		
Return on Total Assets	1.8	1.4	2.0		

^{*} 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 2023 shall be further proposed to the shareholder's meeting on April 26, 2024 for approval.

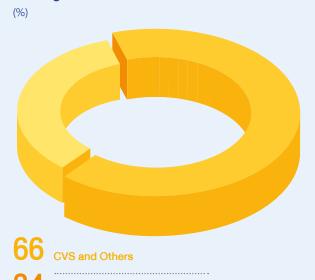
Revenue and Earnings Before Tax

Based on Business Segments*

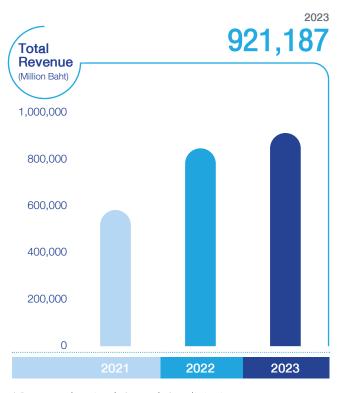


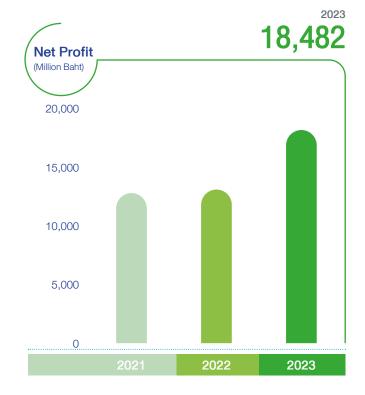


Earnings Before Tax Contribution*



Grocery Wholesaling & Retailing





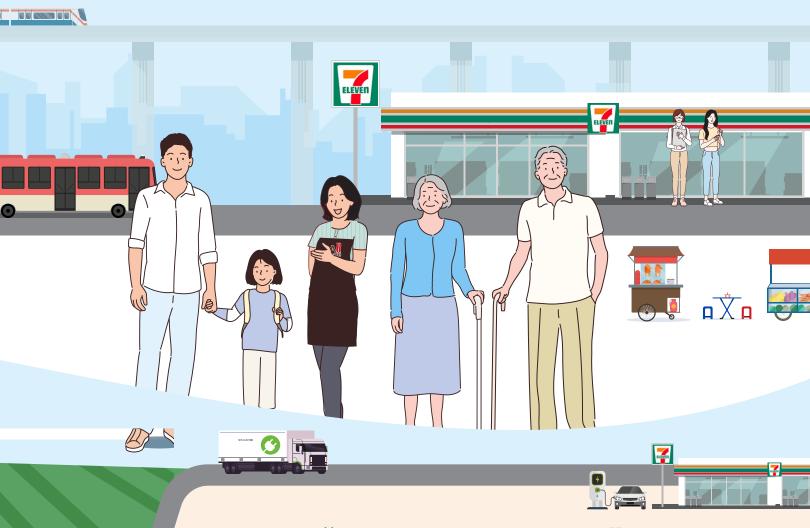
^{*} Revenue and earnings before tax before elimination





Being an "Engine" for Economic Drive

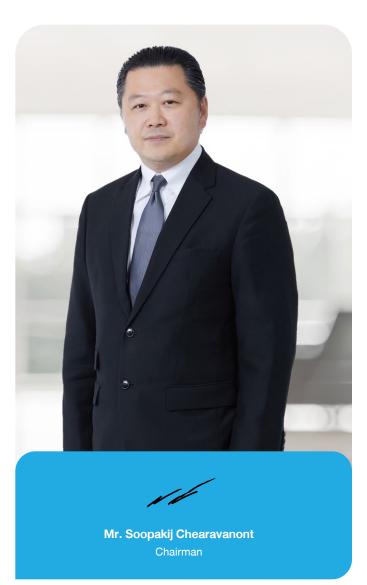
We are the leader in retail and wholesale trading business which is one of the important economic engines to drive the country's economy. We are determined to be the business drive for sustainable growth with the community and society. We are always ready for delivery of products and services to consumers efficiently and respond to all stakeholders' expectations in order to achieve mutual advantage for everyone's sustainable growth.



Being a "Reliable Neighbor"

We value our resolution of "Giving and Sharing" in order to be a sustainable organization for Thai society. We serve new products and services in response to the changing Thai lifestyle. We are also determined in business operation that is responsible for the society & environment, and are highly committed to our corporate culture of "Being Beneficial to the Country, People, and Organization".

Message from Chairman and **Chairman of Executive Committee**



Being an "Engine" for Economic Drive

CP ALL Plc. has been operating convenience store business for more than 36 years pursuing the vision of "We Serve Convenience to All Communities". We determine to conduct the business that strengthens the economy and is environmentally friendly. With technology advancement as our core, we persistently explore varieties of products and services that create value added to our customers and the society. We are one of the "Engines" that drives the Thai economy and economies of the countries in which we operate so as to bring a sustainable growth to all related sectors.

In 2023, the Thai economy continuously recovered as key economic activities; mainly tourism and domestic consumption, revived. With economic recuperation and emerging business opportunities, all of our business units conveyed products and services to the customers efficiently and promptly through various channels; namely online, offline and O2O. CP ALL cooperated with our internal and external business alliances within our business ecosystem to enhance customers' daily convenience and respond to the needs of our diversified groups of customers. As a result, the Company was able to successfully and continuously maintain high business growth in 2023 with 921.19 billion Baht in revenues and 18,482 million Baht in net profit; representing 39% increase from 2022. The great business performance was achieved through the consistently impressive operation results of all business units. Consequently, this raised the Company's financial status towards stability and security. The Company determines to properly manage our financial costs and generate sustainable good return for our shareholders.

Being a Reliable "Neighbor"

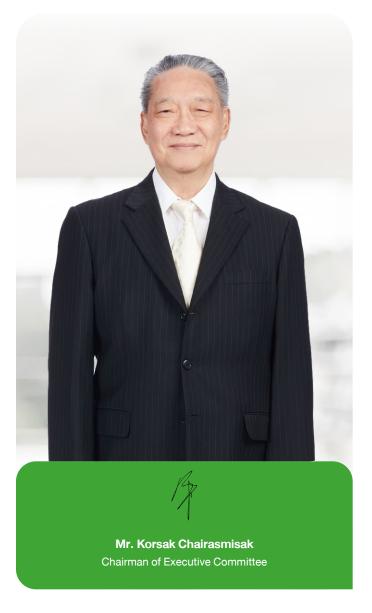
The Company predominantly emphasizes on amity among customers, communities and the society in order to drive our business growth with strength. Our resilient business units under CP ALL are consistently offer products and services serving the ever changing needs of our diverse customer base. We have evolved over times from being convenience stores that lit up the communities for safety at night, to becoming large convenience stores with spacious car parks, and now providing Convenience Store Ecosystem with various products and

services for all groups of customers, and ceaselessly retaining customer base of all age groups. CP ALL is a reliable organization that will be together with the communities through any changes both crises or opportunities. With our business resolution of "Creating and Sharing Opportunities for All" in mind, we determine to expand the network of our business alliances; both large enterprises and, particularly, SMEs. Moreover, we collaborate with government agencies and private sectors to encourage income distribution to the locals, SMEs, farmers and vulnerable groups through creating business opportunities and value, providing sale channels, promoting professional knowledge and supporting skill development, along with facilitating business connection. The establishment of "7-11 SME Support Center" is the confirmation of our commitment and the network of innovation in order to create awareness of innovation, competitive advantage and a truly innovative organization.

Being a "True Friend" in All Communities

Adhering to our corporate philosophy of "Through Happy Employees, CP ALL highly values the importance of Human Resources Management. We take care of more than 250,000 employees in all the countries in which we operate. We believe that the diversification of their ages and thoughts are our strength. With unity, good moral and devotion of our employees, CP ALL is driven by a strong teamwork focusing on the mutual success. We will be able to deliver happiness to customers through our selective products, creative services, and efficient staff making CP ALL a "True Friend" in all communities.

Lastly, on behalf of the Board of Directors and Executive Committee, we are grateful for the consistent trust and support in the Company's business operation of our business partners, customers, debenture holders, shareholders, and all relevant sectors. We are highly thankful to all executives and employees



for your devotion and valuable drive towards our corporate vision and mission. We, CP ALL are determined to operate our business with business ethics and good corporate governance, under the resolution of "Creating and Sharing Opportunities" in order to be an "Engine" driving the nation's economy for a sustainable growth and development.

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



Police General Dumrongsak Kittiprapas**

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

^{*} Resign Effective from August 30, 2023. ** An Effective Date will be Started from November 10, 2023.

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



Ms. Lawan Tienghongsakul Senior Vice President - Human Resource



Mr. Kriengchai Boonpoapichart Chief Financial Officer



Mr. Thupthep Jiraadisawong Senior Vice President - Operation



Mr. Wiwat Pongritsakda Vice President -Information Technology



Part 1 **Business and Operating Performance**

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:



Corporate Philosophy

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



Vision

We serve convenience to all communities.

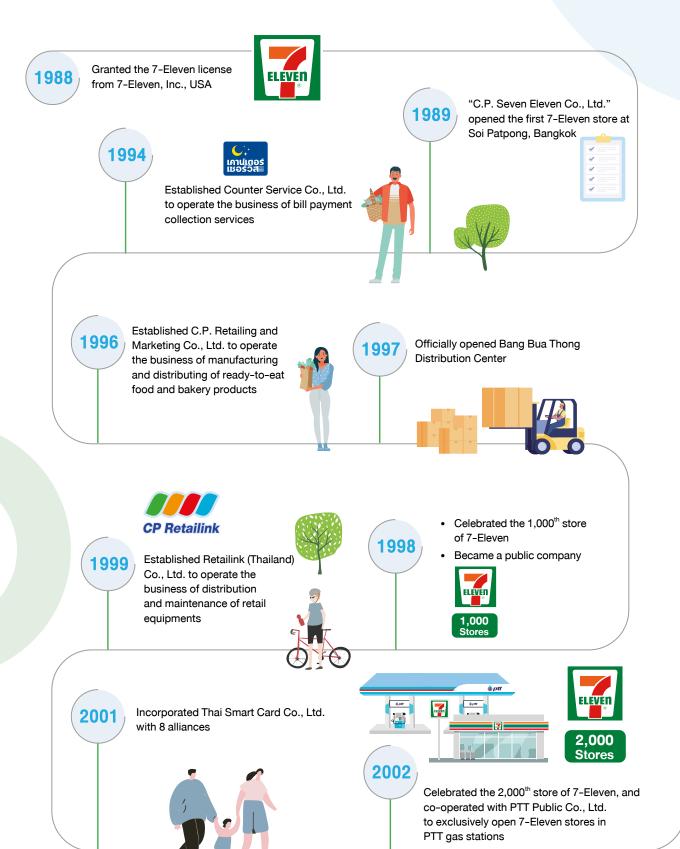


Mission

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

1.1.2 History and Key Milestones

The following outlines any atterations in shareholding, management, business operations, or other significant events





2003

Offered shares to the public and listed the Company on the Stock Exchange of Thailand

2006



Officially launched "Smart Purse" card and became the first convenience store in Thailand to offer payment of products and services with digital cash card

Celebrated the 3.000th store of 7-Eleven

2005







2007



Changed the Company's name to "CP ALL Public Company Limited" and changed trading symbol to "CPALL"



Celebrated the 5,000th 7-Eleven store and moved towards convenience food store



Became the first listed company in the Stock Exchange of Thailand in establishing an Employee Joint Investment Program (EJIP)



Forbe



2013

- Celebrated the 7.000th store of 7-Eleven
- Acquired Siam Makro Public Company Limited
- · Achieved an debenture of Baht 50,000 million, the biggest issuing size of Thailand debenture







Recognized as one of the 50 best biggest listed companies in the Asia Pacific Region (Asia's Fab 50 Companies)

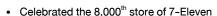


2014









- · Established 24 Shopping Co., Ltd. operating online shopping business
- · Recognized by Forbes Magazine as the only Thai company to be ranked on the Forbes World's Most Innovative Companies



- CPRAM Co., Ltd., CPALL's subsidiary, received the "Deming Prize 2015" which was the first manufacturer in Thailand and the world to receive this prize
- · Recognized by Forbes Magazine as the most innovative company in Thailand for two consecutive years, which ranked no. 3 in Asia Pacific region, and no. 17 in the world

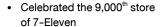












- Issued a new subordinated perpetual debenture for the first time
- Established a demonstration school of "Panyapiwat Institute of Management"





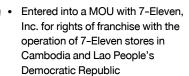


Certified as Private Sector Collective **Action Coalition Against Corruption** Council Member Company organized by Thai Institute of Directors

2017

 Celebrated the 11.000th store of 7-Fleven

2019



Awarded as Most Engaged Official Account and Most **Used Sponsored Stickers** from Line Thailand Awards 2019

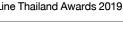


• Disposed common shares of Siam Makro Public Company Limited, representing 4.80 percent of the total issued share capital

Admitted as a member of DJSI World Markets for the first year as well as member of FTSE4Good Emerging Index and FTSE Good ASEAN 5 Index

Admitted as a member of the Thailand Sustainability Investment (THSI) for the first year, as well as received the Sustainability Report Awards at an outstanding level











- Celebrated the 13,000th store of 7-Eleven
- Restructured its investment in All Now Management Company Limited, holds direct shares of 10 percent
- Invested up to 10 percent of Egg Digital Company Limited
- Siam Makro Public Company Limited acquired in CP Retail Development Co., Ltd. by accepting an entire business transfer from CP Retail Holding Co., Ltd.







Celebrated the 12,000th store of 7-Eleven

- Acquired shares or economic interest of up to 40 percent of the total issued shares in Tesco Store (Thailand) Co., Ltd. and Tesco Stores (Malaysia) Sdn. Bhd.
- Established a Share Repurchase Program for financial management purposes
- · CP ALL (Cambodia) Co., Ltd., and CP ALL LAOS CO., LTD, entered into Master Franchise Agreements with 7-Eleven, Inc.
- Selected the number 1 trusted brand in the convenience store category in "2020 Thailand's Most Admired Brand & Why We Buy ???" list in 2020 for the 8th consecutive year

2022

2021

- Issued total debentures of Baht 25,000 million to repay for the upcoming maturing debentures and repay for subordinated perpetual debenture issued in 1/2016
- Selected for the 5th consecutive year as a member of the DJSI World Index as well as for the 6th consecutive year of the DJSI Emerging Markets
- 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
- 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 5 International Awards 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"



2023



- Celebrated the 14,000th store of 7-Eleven
- Celebrated the 80th store of 7-Eleven in Cambodia
- Issued debentures 2 times in a total of Baht 25,000 million to repay for the upcoming debenture maturing
- Opened the first 7-Eleven store in Lao PDR
- Selected as a member of the FTSE4Good Index in the Food Retailers & Wholesalers sector with the highest score in the emerging market group for the 6th consecutive year
- Awarded from Institutional Investor Research 2023, voted as an excellent company and selected as 1 of top 3 companies for the Best CEO, Best CFO, IR Program, IR Professional, ESG and Company Board in Consumer/Staples sector in Rest of Asia (ex-Chaina and Japan) for the 3rd consecutive year
- Admitted in the Asia Money Awards "Most Outstanding Company" list in the Consumer Staples sector for Thailand for the 3rd consecutive year
- Admitted to the ESG100 for the 6th consecutive year

- Received 5-star rating, which means "excellent" in a survey on the corporate governance of Thai listed companies by the Thai Institute of Directors Association
- Received SET Awards 2023 in the Sustainability Excellence category within Highly Commended in Sustainability Awards category. It was also a member of the Thailand Sustainability Investment in SET ESG Rating for the 6th consecutive year
- Received awards of the excellent persons with disabilities 2023 by Disabilities Thailand for the 7th consecutive year
- Received IR Magazine Award South East Asia 2023 from Best overall investor relation (Large Cap) and also 2 certificates for excellence in investor relation consist of Best Investor Relations Officer (Large Cap) and Best Annual Report (Large Cap)
- Received CAC Change Agent Awards 2023 for the 3rd consecutive year and also selected as a number of Thai Private Sector Collective Action Against Corruption
- Selected for the 7th consecutive year as a member the DJSI Emerging Markets index as well as for the 6th consecutive year of DJSI World in Food & Staples Retailing sector



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 2023

CPALL Public Company Limited Debentures No. 1/2023

Use of Proceeds	Estimated Amount	Estimated Term Duration	Description / Progress in Use of Proceeds
To repay the maturing debentures CPALL233A and to provide working capital for the Company.	Baht 9,000 million	Term due within 1 st Quarter 2023	The proceeds will be utilized to repay the debentures, namely CPALL233A and CPALL233B, which are due on March 18, 2023, with an amount of Baht 6,937 million. The remaining proceeds will be allocated as working capital for the purpose of issuing debentures.
To repay the maturing debenture CPALL236A.	Baht 3,000 million	Term due within 2 nd Quarter 2023	The proceeds will be utilized to repay the debentures, namely CPALL236A which is due on June 16, 2023, with an amount of Bath 3,000 million, for the purpose of issuing debenture.

CPALL Public Company Limited Debentures No. 2/2023

Use of Proceeds	Estimated Amount	Estimated Term Duration	Description / Progress in Use of Proceeds
To repay the maturing debentures CPALL230A and CPALL230B.	Baht 13,000 million	Term due within October 2023	The proceeds will be utilized to repay the debentures, namely CPALL230A and CPALL230B which are due on October 31, 2023 for the purpose of issuing debenture.

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, 2023, 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 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:

Dusiness Huit	2021		2022		2023	
Business Unit	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Convenience store	320,479	50	383,186	42	431,532	44
Grocery Wholesale and Retail businesses	273,082	42	468,947	52	489,910	50
Others*	51,660	8	56,993	6	62,359	6
Total revenue	645,221	100	909,126	100	983,801	100

^{*} 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

Marketing and Competitions

At the beginning of 2023, Thai economy started to recover and the inflation rate declined to the target. There was an election which stimulated people's confidence in spending and the tourism sector showed a recovery trend to its normal. However, there were still great challenges due to the slowdown in world economy which adversely effected the export sector, and the rising interest rate had a great impact on household debts, investments and business sector operations. Geopolitical risk from the on–going conflict between Russia and Ukraine, and the new conflict that arose between Isarael and Hamas brought the negative effects to the prices of products and energy. Thai tourism industry was also significantly impacted, especially from the China's property crisis which led to decreasing consumption and caused the number of Chinese inbound tourists to fall below the target.

The government has introduced many schemes to lessen the adverse economic impact and to lower the people's cost of living in order to stimulate the country's continuous economic recovery. The schemes range from decrease in expenses, lowering the cost of living, especially for electricity bills and energy prices, and household debt relief program (formal & informal debts). As a tourism stimulus, the government provides free visa campaigns to encourage long-term inbound tourism and tourism expansion to secondary cities. In spite of these supportive relief factors for an increase in domestic demand, the 2023's economy grew at 1.9 percent which is less than the previous forecast of 2.5 percent.

The year 2023 was an on-going upward trend for retail trading business in response to economic stimuli. People started to do outdoor activities and go out to travel; hence, signals for economic recovery were obvious but it was an imbalanced recovery (K-Shaped Recovery). It was a real challenge for the business sector to apply different strategies to various consumer groups. Most consumers were still vulnerable in their purchasing power, very sensitive to their high cost of living, and had to bear more debt burden due to the interest rate hike. Most consumers focused on worthwhile purchasing so the pricing strategy played a key role for the consumers' buying decision.

On the other hand, business operators had to compete for the high purchasing power consumers who were hardly affected by economic slow-down. Buying decision and consumer spending had to be spurred by emotional buying, self-pampered buying, buying for consumers' beloved ones e.g. pets, etc., including health & beauty products. The marketing strategy focused mainly on the quality of products and services, convenience, easy access of products' data & buying channels. Convenient payment methods are significantly important. The payment system had to facilitate payments at all places, at all time, and with convenient machines.

With a more variety of choices for consumption, brand loyalty was decreased; therefore, competitions for the existing purchasing power were more intense among retail traders, other business operators, and less expensive products from abroad – both online & offline. Retailers had to improve their potential continuously in order to reach more extensive consumers' demand. However, retail stores are still the main channel for consumers to shop for their products and services. In 2023, there was an increase of 878 convenience stores, bringing to the total of 21,481 convenience stores which are Chain Stores. Most of them were 7-Eleven expansion which was emphasized on new-layouts, spreading to extensive communities, potential locations, and suitability for various target groups. For instance, large scale Stand-alone Stores with parking area which could provide more extensive sales of products and services i.e. Customer Daily Life & All Convenience services.

While expansion was emphasized on spreading new stores to secondary cities, existing stores renovations were focused on modernization and application of technology to facilitate easy access of products and services, convenient means of payment, and delivery service in order to enhance more convenience and promptness to the customers. Stores improvement relied more on a mixture of offline and online channels. It was expected that Thailand's retail trading business in 2023 would achieve the value of Baht 4 trillion, with expected growth rate of 9–10 percent. Offline retail trading growth was expected at 7 percent while E–Commerce retail trading growth was expected at 20 percent which representing the portion of 19 percent of total retail trading business. (Sources: Kasikorn Research Center & Euromonitor International).

In 2023 the company's market share of convenience stores was 68 percent, the next largest market share belonged to Lotus's go fresh and Mini Big C with a share of 8 percent and 7 percent respectively.







(Unit : Store)	2021	2022	2023
Stand-alone convenience stores	16,641	17,158	17,971
7-Eleven stores	11,210	11,838	12,465
Others	5,431	5,320	5,506
Convenience stores in gas stations	3,324	3,445	3,510
7-Eleven stores	1,924	2,000	2,080
Others	1,400	1,445	1,430
Total convenience stores	19,965	20,603	21,481

Note: Number of convenience stores are Chain Stores under the big companies' umbrellas.

Sources: Neilsen's data & CP All's forecast.

There is a tendency of economic recovery in Thailand, especially in the first half of the year 2024 which is supported by the government's schemes for domestic spending stimuli, inclusive of Baht 50,000 individual budget of "Easy E-Receipt" and Baht 10,000 individual Digital Wallet handout. The two stimulus schemes are expected to hit extensive target group of people. Export sector is expected to recover in respect to economic recovery of trading partner countries and thus would lead to the recovery of manufacturing sector. Tourism industry is also expected to grow continuously, both domestic tourists and foreign inbound tourists with the forecast of 80 percent increase from the number of inbound tourists prior to COVID-19 pandemic equals to the number of 33 - 35 million inbound tourists. On the other hand, Olympic Games and Euro Football Match which will take place in the 2nd to 3rd quarter of 2024 would bring a positive spree to the retail trading business as well. For overall economic expansion, the Office of the National Economic and Social Development Board (NESDB) and other domestic and international institutions reveal a forecast of 2.2-3.2 percent. Nevertheless, there are still risk factors to be cautious ranging from the risk from economic and global trading slowdown and falling below the forecast, the effects of flood & drought disaster on the output of farming sector, efficiency of household debt management, debt repayment capacity especially SMEs', population demographic change – transition to aged society & low birth rate, high wage and salary while lack of skillful workforce is still a major problem, and technology disruption that impacts on consumers' behavior and business operations. All the previously mentioned risk factors have to be borne in mind and prepared by the business sector.

The volume of retail trading business in 2024 is expected to grow 5 percent at minimum. Taking the effects of government's stimulus schemes into consideration, the growth would be higher and expected to reach 7–8 percent (according to Kasikorn Research Center & Euromonitor International). The growth rates of retail business are higher than expected overall economic growth of 2.2–3.2 percent. Specific retail segment that would be able to expand more than other retail segments are Department Stores which could respond to the lifestyle of the new generations, Convenience Stores, and E–Commerce Retailers. Moreover, it is believed that retail business operators would apply pro–active marketing strategies in order to reach out for new generation customers and increase buying opportunities of existing customers. New patterns of retail business expansion would be widely seen to best serve business operators and new generation consumers. For examples, Food Service Wholesale Business Model, and Hybrid Wholesale & Retail, etc.

Convenience Store Business

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 rights 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 2023, the Company has a total of 14,545 stores. In addition, in 2023, 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 : Store)	2021	2022	2023	No. of new store openings in 2023
Corporate Stores	6,280	6,839	7,336	497
Store Business Partner Stores	6,020	6,144	6,335	191
Sub-Area License Stores	834	855	874	19
Total	13,134	13,838	14,545	707

- 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.

In addition, the Company has opened 7-Eleven stores for 82 stores in Cambodia and 3 stores in Lao PDR.









Business Strategies for Sustainable Growth in Relation to New Normal

The year 2023 was a challenging year in various dimensions due to the unwinding COVID-19 global crisis. Thai economy expanded at less than 2 percent. The value of manufacturing and export industry fell below the targets due to the effect of global economic downturn and Thailand relied mainly on tourism for its economic drive. In 2023, the total number of inbound tourists was more than 27 million despite the number of Chinese inbound tourists was less than the forecast. The other key issue that the Company considered for our business strategies was the transition of economic to environmentally friendly and low carbon business operations. It is a true challenge for the business sector to be prepared for the transition by means of technology advancement. Thus, the business strategies applied in 2023 to handle the situations and search for business strength and opportunities were broadening new business opportunities, encouraging domestic consumption, and expanding business to neighboring countries by emphasizing on products that fulfill the needs of various groups of customers including high purchasing power tourists. The Company also emphasized on expansion of branches and improving existing branches to reflect different local customers' needs. Apart from that, the Company renewed marketing campaigns and promotions, e.g. 7-Eleven stamp campaign which was ceased during COVID-19 pandemic. Moreover, the Company highly values the business strategies regarding management for sustainability in order to assure customers, society and investors that we operate the business on the basis of being environmentally friendly and having a target of reducing greenhouse gas practically. Details of individual strategy are as follows:

1. New Business Opportunities

1.1 Expansion of 7-Eleven stores in Cambodia and Lao PDR

South East Asian Countries or "ASEAN" have shown positive economic uptrend with many countries having high population growth, attracting foreign direct investments, reflecting enormous demand for consumption goods; hence an interesting market for the Company. the Company has strategic plans to expand the number of convenient stores and other related business in neighboring countries. We were granted with 7-Eleven franchise from 7-Eleven Inc. to open and operate 7-Elevens in Cambodia and Lao PDR. With this business opportunity, we have been expanding 7-Eleven branches in Cambodia since 2021. In 2023, 40 new branches were opened; therefore, bringing to the total number to 82 branches in Cambodia at the end of the year 2023. In the same year, distribution centers and logistics services were set up to facilitate new branches and business partners. At the same time, we expanded production bases of subsidiary companies, i.e. investment in small size factories as Central Kitchens in order to create Ready-to-Eat (RTE) menus which have been very successful among responsive customers.

Consequently, in the year 2023 the Company expanded the investment into Lao PDR and 3 branches of 7-Eleven were opened in Vientiane. The 3rd branch which was opened in Dongdok Market, Vientiane was the first branch as a joint venture with a Store Business Partner (SBP) from Lao PDR. The business operations received extremely good responses not only from Cambodian and Laotian but expatriates and tourists as well. the Company's good reputation and quality Thai products ensured customers' satisfaction; hence, led to successful business operations and satisfactory sales volume.

Designs and services offered by 7-Eleven are typically the same as in Thailand. There are 24-hour service and more than 5,000 merchandise available on shelves of which 90 percent are quality and healthy products from Thailand that enhance well-being of people in the community. Cambodian and Laotian customers are familiar with Thai products from various media, so this encourage a large turnover of customers coming into 7-Elevens to shop for consumer products, Ready-to-Eat menu, especially our all-time favorite signature Slurpee or All Café refreshments, and local products from both countries which are very popular among domestic consumers and tourists. 7-Eleven is a business platform of opportunities that supports local business operators and SMEs to prosper together sustainably.

For human resources management, the Company has teams of experienced Thai executives to manage human resources and we recruit a large number of local employees to work in operating positions and 7–Eleven stores which is a part of economy growth contribution to the countries where we operate our business. We create opportunities and provide career development under the resolution of "Creating and Sharing Opportunities". Career development is provided for local employees by scholarships offering from Panyapiwat Institute of Management (PIM) and job training in Thailand for Store Managers, Assistant Store Managers, and staff to encourage stability and sustainability in human resources management.

1.2 Lifestyle services - enhancement for new generations

Due to a rapid change in social lifestyle nowadays, there has been a sharp increase in demand for daily facilities; therefore, All-in-One facility centers correspond to a hectic social lifestyle. the Company has enhanced our services for extensive area of demand by joining with our quality alliances, optimizing the strengths of nationwide store network, and utilizing O2O platform which cover the main service area 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 Agent 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.









- External rental area of Stand-alone stores. At present, there are more than 400 Stand-alone stores nationwide with parking areas and large free spaces to support local retailers within the community and provide opportunities for New Generations to start trading or own businesses. These Stand-alone stores are 7-Elevens for the communities, being the communities' central meeting points, and corresponding to the urban living by gathering food and other retail shops all in one single place.
- Health consultation service of eXta Pharmacy by means of "ALL PharmaSee" application with pharmacists giving online consultation and providing home delivery service for household remedies, vitamins, food supplements, cosmeceutical skincare, and medical equipment. The customers can choose to have a pickup at a nearby eXta Pharmacy as well.
- 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 customers also have the option to select delivery destinations at home or 7-Eleven store. SPEED-D also serves as delivery point for parcels or drop point. CPALL also partnered with third party logistics providers e.g., Flash Express, Kerry Express and Post Sabuy for parcel deliver throughout 24 hours to support the needs of online sellers.
- The Company joined forces with a leading laundry service company, "Cleanmate", providing all kinds of clothes washing, laundry services, bag spa and dry cleaning. Customers can deliver clothes for cleaning services at over 400 7-Eleven stores in all Bangkok throughout 24 hours.

2. Beyond Customer Experiences

2.1 Branches expansion and "Store Attraction" in response to local customers' demand and behavior

In 2023, almost 80 percent of new branches opened are Stand-alone stores with spacious parking area for the customers' convenience and to support the increasing number of customers who drive. Stand-alone Stores are able to facilitate high inventory storage and provide larger sales area for a more variety of products. Branches covering most districts (Amphoe) all over Thailand or 50 percent of all subdistricts (Tambon) in Thailand are being used as distribution centers to support 7Delivery of 7App purchases and urgent home delivery. The number of home delivery customers has been increasing every year with the current share of 11 percent of the total sales volume and is still an upward trend.

During the COVID-19 pandemic, some branches of 7-Eleven were adjusted corresponding to household demand by providing household product corners, large package products, Ready-to-Cook fresh food, frozen meat, frozen seafood, fresh cut fruits, herbs and other related ready to cook fresh food in the areas where there is potential demand, especially in residential









areas which reveal rapid sales growth for the previously mentioned products. The other strategy applied for stores with a large number of foreign tourist customers, apart from the well-known food, iced beverage, and alcoholic drinks, is a special corner for souvenirs and tourist attracting consumption products e.g. seaweed snacks, dried fruits, candies, Thai herbs, inhalers, latex pillows. Selections of products are arranged according to the study of demand from various nation tourist customers, i.e. Malaysian, Chinese, Indian, Korean, Russian, etc. The previous year's data shows that sales volume of stores located in tourist destinations highly increased and exceeded the average sales volume of stores in other areas significantly.

2.2 O2O development, a seamless Online-to-Offline 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 18 million members and to satisfy customers from both offline and online channels around 13 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.

In addition, the Company also provides the vending machines that sells food, beverages, and daily life products same as 7-Eleven store. The Company focused on installing the machines in communities, factories, condominiums, or educational institutes. In 2023, the Company has expanded to install over 4,250 vending machines nationwide. 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 to reduce the loss of sales opportunity and always keeping the products fresh and diverse. At the same time branch stores will always analyze sales data in order to match with customers' needs. In addition, customers can pay via a variety of channels. Vending machines, which are near them, are always open for their convenience, and besides, highly hygienic.

2.3 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 and 'When you're hungry, order now' by 7Delivery. 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 2023 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 2023, 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. This group of customers, in particular students, who prefer new flavors and variety of menus at reasonable prices.
- 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 additional 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. In 2023, All Café have launch new products to meet the needs of the latest lifestyles with new experience and taste that is different from world-class coffee growing regions, such as All Café capsules, compatible with capsule machines that popular used in homes and Sumatra coffee drip which a convenient portable drip coffee. Customers can buy in both 7-Eleven stores (more than 1,500 7-Eleven stores) and All Online.

2.4 Health, beauty & wellness centers

Furthermore, the Company has also added generic home medicine and other health products in its "eXta" section in every 7-Eleven store, and pharmacists on duty to give advice in over 400 stores. 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 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 from 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.

2.5 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, and 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 18 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 All Online channel, including the use of quality drugstore services, eXta. As an All Member, customers can earn points from 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 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.

2.6 Broaden customer reach on online and social media platforms

The Company has developed other communication channels to fit with consumers' behavior. Current communication channels include popular social media channels such as Tiktok, Instagram, X (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 consumers' 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.

In 2023, the Company has launch new fantasy platform of shopping channel to new generations in Metaverse under the name "7Verse" is a new shopping experience game in 7App, customers can customize their avatar and select to buy products in 7-Eleven store on Metaverse. The technology can help to create personalized customer journey that customers can play and shopping at the same time.

3. Strategies to Improve Efficiency and Work Process

3.1 Streamlining processes and cutting work times with technology (Digital Transformation)

With the current advancements in technology and innovations, especially retail technologies is to be in trend. the Company is committed to apply with retail business. The integration of technology into stores will increase opportunity to create new innovation that is On-Demand shopping and service to easy for the purchasing. The Company is committed to search and

select 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.

Big Data Analytics Study is used in management of 7-Eleven stores. Data of customers, products and supply chain are used for analysis to fulfill the customers' demand and meet the target of expenses management. For example, using data analysis to forecast the products demand in each branch, by considering the past sales, timing of the day, weather condition, etc. The data assist the Company for suitable purchases, reduce shortage or over-stock problems. Moreover, the data are used in analysis for improvement of store operations e.g. analysis for redundant or erroneous work. The results are used to improve operations efficiency; hence, leading to better performance by decreasing short-lived inventories, decreasing inventory storage costs, and increasing sales volume.

Artificial Intelligence (AI) has been used for operations improvement throughout the supply chain which covers 7-Eleven stores, inventory warehouses, supporting units at the headquarters in order to meet two objectives. Firstly, enhancement of buying experience in all channels, both at the stores and on 7App. On 7App, customers are able to look for the desired products conveniently and promptly by just keying in the product names or related key words, then the application will pop up with related products. This system will consider key words, product groups, brands and prices to help customers to look for the desired products and obtain the best deals from available promotions. On the other hand, the stores could utilize individual customers purchase analysis to identify the products or groups of products that individual customers are interested in. Then Personalization or introducing those products to individual customers could be done. Secondly, stores, warehouses and all supporting units could forecast customers' demand more exactly; hence, able to select and fill in inventories more appropriately in relation to situations and surrounding factors by means of AI Ordering. This would lead to an increase in average daily sales volume for each store.

The Company has a mission to provide knowledge, skills and competencies to Thai youth regarding AI for the future development. The Company initiated "Creative AI Club" to upskill AI knowledge for youth studying in high schools, vocational education, higher vocational education, and higher education, preparing to be AI leaders who drive the business and make the future for Thailand. It has already been the 6th batch currently. The Company joins with Future Skill – our alliance, to provide free online basic AI course to all 600 applicants from all over the country and 40 people were selected for the further knowledge camp program. The further 3-month program provides extensive knowledge by our alliances who are lecturers and experts from educational institutions and Thai & international private sectors. The course provides knowledge in Computer Vision, Natural Language Processing, Neural Network, ChatGPT, etc. Attendants would have a chance to learn from 4 business sectors: Operations, Marketing, Human Resources Management, and Contact Centers. The youth are to do workshops and apply AI knowledge and skills to business sectors according to "Phenomena Work-based Learning" concept in order to improve Thai workforce and enhance AI in Thailand.

3.2 Enhancing the efficiency of product management across the entire value chain

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 2023, 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 2023.
- 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 5 percent 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.

To support overseas retail business, CPALL has invested and established a distribution center as a hub for storing and distributing all types of products to support the stores expansions 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.

3.3 Fostering innovation and elevating SMEs to Innovation-Driven Enterprise (IDE)

The Company values innovation as an important key for business operations as it differentiates the business from the others and supports stable and sustainable business growth. Thus, we emphasize on "Innovative Culture" encouragement both within the organization and in external organizations by co-operating with external organizations to promote continuing learning and creativity in the areas of operations, product development, and new business idea which would lead to innovation corresponding to customers demand and promotion of knowledge exchange among business enterprises to achieve knowledge integration. As a result, Innovation-Driven Enterprise (IDE) could be accomplished and will lead to the actual sustainable business growth.



The Company has consistent support for employees' creativity and innovation about products, services, process, and new business development through "President Award" which is held annually. For Open Innovation, we offer our business partners and Thai SMEs a chance to promote their creative and quality products through "7Innovation Awards" in "Thailand Synergy" forum which has been held consecutively for 10 years. It is a joint cooperation among 10 alliances which are a network of national institutions about innovation from government agencies & private organizations, such as Office of Higher Education Science Research and Innovation Policy Council (NXPO), The National Science and Technology Development Agency (NSTDA), National Innovation Agency (NIA), The Federation of Thai Industries (FTI), Stock Exchange of Thailand (SET), Thai Chamber of Commerce & Board of Trade of Thailand, Thai Bankers' Association (TBA), and The Office of Small and Medium Enterprise Promotion (OSMEP). The forum is an element for each institution to contribute its knowledge in order to create value or value added to the economic, society, and country. The value created is put into practice by generating sales through the Company's marketing channels so the Company creates value added, business opportunities, and drive for SMEs to emphasize on innovation and innovation application to strengthen their competitiveness and prosper as Innovation–Driven Enterprises (IDE). By expenses for development and enhancement as mentioned above for convenience store business were amounted of Baht 30.40 million, Baht 45.65 million, and Baht 45.34 million for 2021, 2022 and 2023, respectively.

In 2023, the Company set up and expanded more than 1,500 business partners, ranging from large scale, medium scale and small scale especially. We consider SMEs as an integral part and try to facilitate them for a sufficient variety of products and decrease the risk of dependency or inventory concentration. Moreover, the Company realizes the importance of society and community as a part of our business operations, so we provide opportunities and create value to the community, SMEs, farmers, including vulnerable groups by means of 3 strategies: "Providing Marketing Channels", "Providing Knowledge and Development", and "Providing Network" through cooperation with government agencies and private sectors. Examples of cooperation programs are Business Accelerator, Big Brother Season 6, and Synergy and Business Matching. For actual support to SMEs, we set up "7-Eleven SMEs Support Center" (7SMEs Center) to contribute knowledge and skills for SMEs' development to be Modern Trade Stores, and provide marketing opportunities through our potential offline stores and online channels. We provide special SMEs shelves (SMEs Shelf) in large scale stores all over the country. For online channels, the marketing is done through "7Delivery" service and "All Online" on 7App. These are applicable to 1,000 business partners. As a result, sales of SMEs' products increased more than 10 percent and this leads to successfully famous Thai SMEs' products which are well known nationwide.

4. Strategies for the Organization's Sustainable Growth

4.1 People Strategy - Developing leadership and managing human resources effectively

One of the business key success factors includes quality & skills of employees, and suitable workload. CP All employs more than 250,000 people and believe that effective performance comes from efficient and happy people who enjoy their work, in relation to our philosophy "Through Happy Employees, We Desire to See Smiles from Customers".

In order to support 700 branches expansion, it has been very challenging for us to recruit new employees from various sources to fill in the positions required by the organization suitably, especially in the present demographic trend that new working age population proportion is decreasing which is in contrast to workforce demand from recovering business sectors, mainly in service and tourism industry. Our human resources management works proactively with our alliances to recruit new employees from educational institutions, government and military agencies, including new recruitment platforms like online and social media recruitment, to reach people more easily and extensively. The other strategy that we give an emphasis to is creating Intelligent Workforce by improving our employees' Skills and Competencies, encompassing online and offline training for Re-skilling & Up-skilling to enrich their digital knowledge. The online training is provided on "All Learning App" for employees and our target personnel.

Moreover, the Company also improves the working process and organization's capabilities through the use of Digital Technologies like AI and Robotic Process Automation (RPA) to facilitate workload and reduce working time of employees in stores and other supporting units. In terms of in-store assistance, these technologies improve store capabilities – converting to Smart Stores, assist in employees' routine repeated work, reduce human errors, support more workload arisen from new branches, increase inventory turnover, and assist in detailed accounting & financial work. As a result, more work efficiency, decreased working time, and more happiness could be achieved; therefore, employees could spend more time to best serve the customers.

For Employee Engagement Strategy, the Company gives importance to Work-Life Balance to ensure that employees have proper time allocation for their families and work. There are relationship and happiness recreation activities for employees, such as Employees' Talents Contest, Sports Day, health promotion activities, and medical consultancy. We also realize the importance of employees' growth in their Career Path, and provide scholarships and activities for the employees' children.

4.2 24-Hour Sustainability Contribution to Society, Community & Environment

The Company values the work operations that would decrease environmental impacts and promote the use of renewable energy. We are determined to be the central assistance for society and communities surrounding 7-Elevens to give opportunities, decrease social inequality, and promote social equality. We operate the business under good governance, honesty, and transparency in order to compensate all stakeholders according to our 3 moral standards: Being Beneficial to the Country, People & Organization. The year 2023 was the 7th consecutive year that the Company was selected by S&P Global as one of Dow Jones Sustainability Indices (DJSI) in global Food & Staple Retailing sector. The Company underwent S&P's assessment regarding efficacy of sustainable business operations development in three dimensions: economic, social, and environment. The Company was selected by Thaipat Institute as one of the securities on the ESG100 list, which had outstanding performance on Environmental, Social and Governance (ESG) in 2023 as well. These awards truly reflect our determined and practical sustainability management.

(For overall performance of sustainability management in the year 2023, refer to Unit 3: Business Drive for Sustainability).

Wholesaling and Retailing Business

CP Axtra Public Co., Ltd. ("CP Axtra")'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, CP Axtra 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 CP Axtra 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, CP Axtra's business will cover two main segments: wholesale and retail and leasing space management in shopping centers.

Wholesale Business

The wholesale business consists of two sub-segments:

- Wholesale business under the brand "Makro" which operates both in Thailand (Makro Thailand) and other countries (Makro International) which under CP Axtra. 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.
- Food service business focuses on premium food import-export-distribution, alongside related services and delivery, where the products vary from the normal wholesale store offerings, be it by variety, price range, or target customer group-the-latter being 4-5 star hotels, fine dining restaurants, high-end restaurants, airline businesses and retail stores.





Retail and Leasing space management in shopping center businesses

CP Axtra'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.

The group of CP Axtra are managed the rental spaces in shopping center by Lotus's. 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 CP Axtra Public Co., Ltd, item 2, "Nature of Business").

1.3 Shareholding Structure of the Group

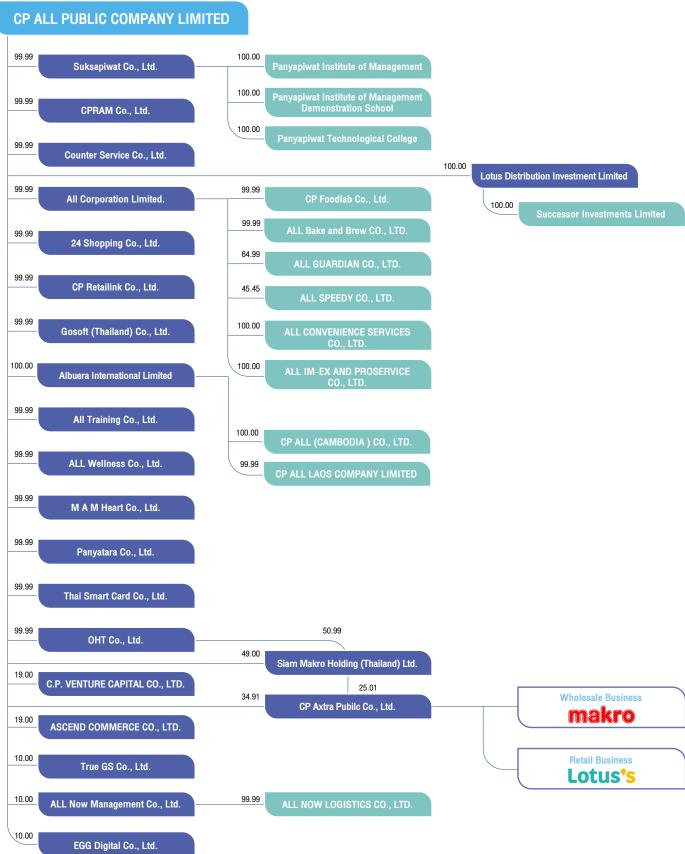
1.3.1 Shareholding Structure of the Group

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 ("M A M 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 e-Commerce 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 discount store, supercenter, and 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.

^{*}in 2023, the Company's name change to CP Axtra Public Company Limited.

(%)



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

Convenience Store Business (CPALL) – Thailand Operations

Company	Type of business	Head office	Share holding (Percent)	Paid up capital
Thai Smart Card Co., Ltd.	Providing EDC equipment service, payment of products and services though smart card	199 Tara Sathorn Tower 4 th Floor, Soi Sathorn 5, South Sathorn Road, Thungmahamek, Sathorn, Bangkok www.thaismartcard.co.th	99.99	Baht 1,600.0 million
Suksapiwat Co., Ltd.	Educational institution	20/29 Moo 2, Ngarmwongwan Road, Bangkhen, Meung Nonthaburi, Nonthaburi	99.99	Baht 810.0 million
All Corporation Co., Ltd.	Investment business	119 Tara Sathorn Tower South Sathorn Road, Thungmahamek, Sathorn, Bangkok	99.99	Baht 700.0 million
CPRAM Co., Ltd.	Manufacturing and sale of ready to eat foods and bakery	177 Moo 4 Pathum Thanee Lat-Lumkaew Road, Raheang, Lat-Lumkaew, Pathum Thanee www.cpram.co.th	99.99	Baht 600.0 million
Panyapiwat Institute of Management	Educational institution	85/1 Moo 2, Changwattana Road, Bang Talad, Prakret, Nonthaburi www.pim.ac.th	99.99	Baht 500.0 million
Panyapiwat Technological College	Educational institution	20/29 Moo 2, Ngarmwongwan Road, Bangkhen, Meung Nonthaburi, Nonthaburi www.panyapiwat.ac.th	99.99	Baht 273.0 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, Tungmahamek, Sathorn, Bangkok	99.99	Baht 176.0 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 100.0 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 100.0 million

Company	Type of business	Head office	Share holding (Percent)	Paid up capital
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 30.0 million
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 20.0 million
Gosoft (Thailand) Co., Ltd.	Information technology services	313 C.P. Tower 24 th Floor, Silom Road, Silom, Bangruk, Bangkok www.gosoft.co.th	99.99	Baht 20.0 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 10.0 million
MAM Heart Co., Ltd.	Marketing and advertising services	313 C.P. Tower, 26 th Floor, Silom Road, Silom, Bangruk, Bangkok	99.99	Baht 1.0 million
Panyatara Co., Ltd.	Training services	54/1-10 Moo 2, Bang Talad, Prakret, Nonthaburi www.panyatara.co.th	99.99	Baht 1.0 million
All Training Co., Ltd.	In-house training & seminar services	54/1-10 Moo 2, Bang Talad, Prakret, Nonthaburi	99.99	Baht 1.0 million
All Bake and Brew Co., Ltd.	Sale foods and drinks	58/28 Moo 2, The tara tower, Bang Talad, Prakret, Nonthaburi	99.99	Baht 1.0 million
All Guardian Co., Ltd.	Distribution of health and beauty	313 C.P. Tower 24 th Floor, Silom Road, Silom, Bangruk, Bangkok	64.99	Baht 510.0 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

 $[\]ensuremath{^{*}}$ The Company owns voting rights of All Speedy Co., Ltd. 99.88 percent.

CPALL – International Operations

Company	Type of business	Head office	Share holding (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 298.0 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 1,862.0 million
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 400.0 million
Nanjing De Yi Management Consulting Co., Ltd.	Providing advise on management organization	L1 Floor, No. 9 Lixue Road, Shiqiu Town, Lishui District, Nanjing City, The People's Republic of China	100.00	RMB 220.0 million
Albuera International Limited	Investment business	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG 1110, British Virgin Islands	100.00	USD 29.0 million
Nanjing Zheng Yi Xin Trading Co., Ltd.	Commercial trading	Room 724, L1 Floor, No. 9 Lixue Road, Shiqiu Town, Lishui District, Nanjing City, The People's Republic of China	100.00	USD 10.0 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 50.0 million
Successor Investments Limited	Investment business	21/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong	100.00	HKD 1.0
CP ALL (CAMBODIA) CO., LTD.	Convenience store	41 and 43, National Road No. 6A, Prek Leap Village, Sangkat Prek Leab, Khan Chroy Changva, Phnom Penh, Cambodia	100.00	USD 14.0 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	1914, National Road No. 6A, Prek Leap Village, Sangkat Prek Leab, Khan Chroy Changva, Phnom Penh, Cambodia	99.99	USD 10.0 million

Company	Type of business	Head office	Share holding (Percent)	Paid up capital
CP ALL LAOS COMPANY LIMITED	Convenience store	Souphanouvong Road, Nongpanai Village, Sikhottabong District, Vientiane Capital, Lao PDR	99.99	LAK 20,000.0 million
ALL CONVENIENCE SERVICES CO., LTD.	Distribution of merchandise services with networks covering all locations	41 and 43, National Road No. 6A, Prek Leap Village, Sangkat Prek Leab, Khan Chroy Changva, Phnom Penh, Cambodia	99.99	USD 0.005 million

Wholesale Business (MAKRO) – Thailand Operations

Company	Type of business	Head office	Share holding (Percent)	Paid up capital
Siam Makro Holding (Thailand) Ltd.	Investment business	119 Tara Sathorn Tower South Sathorn Road, Thungmahamek, Sathorn, Bangkok	99.99	Baht 1,066.0 million
OHT Co., Ltd.	Investment business	119 Tara Sathorn Tower South Sathorn Road, Thungmahamek, Sathorn, Bangkok	99.99	Baht 12.5 million
CP Axtra Public Company Limited (Formly: Siam Makro Public Company Limited)	Wholesale business and sale of consumer products	1468 Phatthanakan Road, Suan Luang, Suan Luang, Bangkok www.cpaxtra.com	59.92	Baht 5,290.2 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	59.91	Baht 6,634.5 million
Siam Food Services Limited	Import and distribution of food from overseas and Thailand and provide freight and delivery service, rental, and storage fees	2439 Old Paknam Railway Road, Prakhanong, Klongtoey, Bangkok www.siamfoodservices.com	59.91	Baht 3,487.0 million

Wholesale Business – International Operations

Company	Type of business	Head office	Share holding (Percent)	Paid up capital
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 32.0 million
Indoguna Vina Food Service Company Limited	Import and distribution food product businesses	44B Phan Xich Long Street, Ward 3, Phu Nhuan District, Ho Chi Minh City, Vietnam www.indoguna.vn	59.91	USD 6.3 million
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 4.5 million
Makro (Guangzhou) Food Company Limited	Wholesale and retail operator and related businesses	No. 193 Room No. 1124, Zhongshanwu Road, Yuexiu, Guangzhou, Guangdong, The People's Republic of China	59.90	RMB 205.0 million
CP Wholesale India Private Limited	Wholesale and retail operator and related businesses	7 th & 8 th floor, WeWork BlueOne Square, 246 Phase IV, Udyog Vihar, Gurugram -122016, India corporate.lotswholesale.com	59.90	INR 1,058.6 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 15.0 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 7.0 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

Company	Type of business	Head office	Share holding (Percent)	Paid up capital
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 1.0 million
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 10.1 million
MAXZI GLOBAL FZCO	Franchise business	Dubai Integrated Economic Zone, Dubai Silicon Oasis, P.O. Box 25748, Dubai, United Arab Emirates	47.93	AED 0.5 million
Indoguna Muscat LLC	Import and distribution food product	Al Harm, Barka, South Al Batinah Governorate, P.O. Box 928, Muscat, Muscat 320, Oman www.indogunamuscat.com	47.93	OMR 0.3 million
Makro (Cambodia) Company Limited	Wholesale 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

Retail Business (Lotus's)

Company	Type of business	Head office	Share holding (Percent)	Paid up capital
C.P. Retail Development Co., Ltd.	Investment business	629/1 Nawamin Road, Nuanchan, Buengkum District, Bangkok	59.91	Baht 253,634.0 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 856.0 million
Ek-Chai Distribution System Company Limited	Sale of consumer products	629/1 Nawamin Road, Nuanchan, Buengkum District, Bangkok	59.90	Baht 5,137.5 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 5.0 million

Company	Type of business	Head office	Share holding (Percent)	Paid up capital
Lotus's Money Services Limited	Credit card and financial services	550 Krungsri Ploenchit Tower, Lumpini, Pathumwan, Bangkok	29.95	Baht 2,080.0 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 210.0 million
Synergistic Property Development Co., Ltd.	Property development	999/9, 31 st Floor, Rama 1 Road, Pathumwan, Pathumwan, Bangkok	29.94	Baht 465.0 million
Sukhumvit Mixed-use Company Limited	Provide Land, Building, and Property service, including development	18 True Tower Ratchadapisek Road, Huay Kwang, Bangkok	22.46	Baht 227.0 million
Sukhumvit Living Company Limited	Real estate development business	695 Moo. 12, Bang Kaeo, Bang Phli, Samut Prakan	22.46	Baht 189.5 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 23,828.1 million

Others

Company	Type of business	Head office	Share holding (Percent)	Paid up capital
C.P. Venture Capital Co., Ltd.	Investment business	313 C.P. Tower, 14 th Floor, Silom Road, Silom, Bangruk, Bangkok	19.00	Baht 3,600.0 million
ASCEND COMMERCE COMPANY LIMITED	E-commerce platform service	101 True Digital Park, Phoenix Building, 9 th Floor, Sukhumvit Road, Bangchak, Prakanong, Bangkok	19.00	Baht 2,037.0 million
All Now Management Co., Ltd.	Warehouse and logistic services, including distribution of general merchandises	127 Panjaphum 2 Building, 15 th Floor, Sathorn Road, Thungmahamek, Sathorn, Bangkok www.allnowgroup.com	10.00	Baht 2,100.0 million
True GS Co., Ltd.	Online channel business	18 True Tower Ratchadapisek Road, Huay Kwang, Bangkok https://www.true-shopping.com/	10.00	Baht 340.0 million
Egg Digital Co., Ltd.	Consulting service, providing knowledge of information both technical and computer-related program development	101 True Digital Park, 10 th Floor, 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 15.96 percent of CP Axtra Public Company Limited ("CPAXT") (formerly Siam Makro Public Company Limited), its subsidiary of the Company.

Although the Company's shareholding in CPAXT may involve person with conflicts of interest with regards to CP ALL (namely CPH) holding more than 10 percent of CPAXT shares, the structure arrangement is appropriate. Taking into consideration various factors, including the capital structure of the Company and CPAXT, which are a listed company on the Stock Exchange of Thailand, the Board of Directors believes that the abovementioned shareholding structure for CPAXT is appropriate and consistent with the Company's policy and long-term strategy. Such a structure would help to support CPAXT to retain its position as the leader in the grocery wholesaling and retailing industry in the region. The structure will also help increase CPAXT'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. In addition, rules and regulations of the Company support with transparency and fairness in entering into all connected transactions that currently exist and may occur in the future. However, stakeholders will not have voting rights as Director of the Company and shareholders in participating in transactions may have conflicts of interests.

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, and 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 laws 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

W : 01	As at Decembe	er 31, 2023
Major Shareholders	No. of shares	Percent
1. CP Group*		
1.1 C.P. Merchandising Co., Ltd.	2,868,217,700	31.93
1.2 C.P. Foods Holding	143,497,656	1.60
1.3 Orient Success International	60,470,000	0.67
1.4 Charoen Pokphand Foods Co., Ltd.	50,000,000	0.56
1.5 Bangkok Produce Merchandising Plc.	32,300,000	0.36
1.6 Worth Access Trading Limited	17,874,000	0.20
1.7 Creative Light Investments Limited	13,860,000	0.15
1.8 Charoen Pokphand Group Co., Ltd.	4,000,000	0.04
2. Thai NVDR Co., Ltd.	954,277,805	10.62
3. South East Asia UK (Type C) Nominees Limited	312,114,079	3.48
4. Citibank Nominees Singapore Pte Ltd-A/C GIC C	274,530,900	3.06
5. State Street Europe Limited	266,960,811	2.97
6. Social Security Office	194,683,600	2.17
7. UBS AG Hong Kong Branch	160,668,000	1.79
8. The Bank of New York Mellon	160,284,919	1.78
9. Mr. Niti Osathanugrah	138,986,600	1.55
10. Mr. Parinya Thienravorn	101,900,000	1.13
11. Others	3,228,475,278	35.94
Total	8,983,101,348	100.00

^{*} Charoen Pokphand Group (CPG) holding a combined shareholding of 35.51 percent of the total paid-up capital.

1.4 The Company Registered Capital and Paid Up Capital

As at December 31, 2023, 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, 2023, CP ALL Public Company Limited offered and issued debentures of 20 times in the total of 43 tranches, which total up to amount of Baht 233,505.80 million as details below:

1. Debentures No. 1/2014 Unsubordinated and secured debentures in registered name form with debenture holder 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	March 27, 2024

Debentures No. 2/2014 Unsubordinated and secured debentures in registered name form with debenture holder 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	August 22, 2024

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

Offering High net worth and/or Institutional investors

Outstanding Debenture Value Baht 4,681 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
10 years	2,074,000,000	4.00	March 18, 2026*
12 years	2,607,000,000	4.15	March 18, 2028**

^{*} The issuer's rights to early redemption from March 18, 2021.

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

Offering High net worth and/or Institutional investors

Outstanding Debenture Value Baht 5,599 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
10 years	748,000,000	3.68	August 26, 2026
12 years	4,851,000,000	4.00	August 26, 2028

5. 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	March 27, 2029

^{**} The issuer's rights to early redemption from March 18, 2023.

6. 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	August 18, 2027

7. Debentures No. 3/2017 Unsubordinated and unsecured debentures in registered name form, and without debenture holder 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	November 15, 2027

8. Debentures No. 1/2019 Subordinated and unsecured debentures in registered name form with debenture holder 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	January 18, 2027
10 years	1,920,000,000	4.12	January 18, 2029
12 years	5,614,000,000	4.40	January 18, 2031

9. Debentures No. 1/2020 Subordinated and unsecured debentures in registered name form with debenture holder 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	May 13, 2027
10 years	2,169,000,000	3.29	May 13, 2030
12 years	3,632,000,000	3.59	May 13, 2032

10. Debentures No. 2/2020 Subordinated and unsecured debentures in registered name form with debenture holder representative

Offering Public offering, institutional investors and/or high net worth

Outstanding Debenture Value Baht 19,000 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

10.1 Public offering

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

10.2 Institutional investors and/or high net worth

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

11. Debentures No. 1/2021 Subordinated and unsecured debentures in registered name form with debenture holder 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.

"A+" by TRIS Ratings Limited Issue Rating

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

12. Debentures No. 2/2021 Subordinated and unsecured debentures in registered name form with debenture holder representative

Offering Public offering, institutional investors and/or high net worth

Outstanding Debenture Value Baht 63,000 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.

"A+" by TRIS Ratings Limited Issue Rating

12.1 Public offering

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

12.2 Institutional investors and/or high net worth

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

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

Offering

Public offering and/or Institutional investors

Outstanding Debenture Value

e 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 onward 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 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 Rights

Issuer has the rights to redeem the debentures in the following cases:

- 1. The Issuer's rights 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 rights) or on each interest payment date the first day to exercise redemption rights.
- 2. The issuer's rights to redeem in case the Revenue Department or related departments changes the rule so that the issuer cannot treat interest paid to debenture holders as tax deductible expense for tax purposes.
- The issuer's rights 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 rights 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

^{*}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.

14. Digital Debentures No. 1/2022 Subordinated and unsecured debentures in registered name form with debenture holder 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	November 27, 2027

15. Debentures No. 2/2022 Subordinated and unsecured debentures in registered name form with debenture holder 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	August 22, 2029

16. Debentures No. 3/2022 Subordinated and unsecured debentures in registered name form with debenture holder 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	August 22, 2027
10 years	899,800,000	3.92	August 22, 2032
15 years	1,386,500,000	4.64	August 22, 2037

17. Debentures No. 4/2022 Subordinated and unsecured debentures in registered name form with debenture holder 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 percent 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	December 11, 2025
		discount rate:	
		3.10 percent per year	

18. Debentures No. 5/2022 Subordinated and unsecured debentures in registered name form with debenture holder 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 percent per year).

Issue Rating "A+" by TRIS Ratings Limited

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

19. Debentures No. 1/2023 Subordinated and unsecured debentures in registered name form with debenture holder representative

Offering Public offering

Outstanding Debenture Value Baht 12,000 million Issue Date February 23, 2023

Interest Payment Date Twice a year on each August 23 and February 23 that the debentures are

outstanding; the first interest payment date on August 23, 2023.

Issue Rating "A+" by TRIS Ratings Limited

Series	Debenture Value (Baht)	Interest Rate (Percent)	Maturity Date
4 years	3,500,000,000	2.95	February 23, 2027
7 years	3,930,000,000	3.55	February 23, 2030
12 years	4,570,000,000	4.20	February 23, 2035*

^{*} The issuer's rights to early redemption from February 23, 2030.

20. Debentures No. 2/2023 Subordinated and unsecured debentures in registered name form with debenture holder representative

Offering Public offering
Outstanding Debenture Value Baht 13,000 million
Issue Date October 31, 2023

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, 2024.

Issue Rating "A+" by TRIS Ratings Limited

Series	Debenture Value (Baht)	Interest Rate (Percent)	Maturity Date
5 years	6,119,200,000	3.55	October 31, 2028
7 years	1,493,500,000	3.80	October 31, 2030
10 years	5,387,300,000	4.20	October 31, 2033

(Please see additional detail in 56-1 One Report of CP Axtra Company Limited in chapter 1.5 Other Security).

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	2019	2020	2021	2022	2023**
1. Earnings per share* – Company only (Baht/share)	2.14	1.48	0.89	1.18	1.66
2. Annual Dividend (Baht/share)	1.25	0.90	0.60	0.75	1.00
3. Dividend payout – Company only (percent)	56	57	60	59	58

Remarks

- * The calculation of earnings per share less cumulative interest on perpetual subordinated debentures.
- ** Dividend payment for 2023 shall be further proposed to the shareholders' meeting on April 26, 2024, 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.

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 2023, 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 2024.

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 74 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.

In 2023 Risk Management training for risk management committee was leveled up which breaking down into 4 courses i.e. Guru or specialized experts, Exercises (Crisis), 3A signaling (Alert, Analysis, Alarm), and external training and provide knowledge to users of information technology systems to the Board of directors and senior executives, employees, and customers by hosting seminars on the risks of the Russia–Ukraine war affecting the Thai economy and industry. The Company also organized a seminar for functional risk management or Risk Champion once every quarter, which in 2023 was conducted for 5 times. The seminar's goal is to enhance its participants' risk management capabilities. With more than 967 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 292 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.

In addition to this, the Company has up-scaled their level of risk management by conducting an assessment from an external agency (Third Party Audit) and through the organization of a drill to model a crisis, the Cyber Crisis Management Exercise. This is completed in the case that important information is faced by a cyber-attack. The Crisis Management Committee members are composed of the Executive Committee, the Chief Risk Officer (CRO), Chief Information Officer (CIO), Data Protection Officer (DPO), Chief Security Officer (CSO) and the Breach Incident Response Team (BIRT). This team will work to help prepare for an emergency crisis response in the case of a cyber crisis, or when faced with data leaks. This will create greater cyber-attack awareness among executives within the Company.

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, laws, human resources, buildings, store locations, cyber security and 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
Risks from 7-Eleven Trademark Termination	\triangle		
Risks of Error or Failure of Distribution Center and Logistic	\triangle		
Risks of Error or Failure of Information Technology System to Support O2O	\triangle		
Cyber Threats		\triangle	
Risks of Laws and Government Policies	\triangle		
Human Rights Risk		\triangle	
Biodiversity Risk		\triangle	
Risks from the Speed of Generative Al Technology in the E-Commerce Business		\triangle	\triangle
Risks Of Entering a Completely Aging Society, Affects the Lack of Products that Meet the Needs of the Elderly		\triangle	\triangle
Risks from Governmental Regulations Promoting Packaging Waste Reduction		\triangle	\triangle

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 rights 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 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 August 28, 2020 to operate 7-Eleven stores (with 99.99 percent of shares held by Albuera 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 rights 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 the past 36 years of good 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 2023 the Company operated 14,545 of 7-Eleven stores nationwide, 82 of 7-Eleven stores in Cambodia and 3 of 7-Eleven stores in Lao PRD, 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 Charoen Pokphand Group 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. There are chances of the relationship changing negatively less and at this time there are no distress signals. It should be believed that there will be an event that will have a negative impact on the relationship between the Company and Charoen Pokphand Group and 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 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. In 2023, there were simulations in training exercises in the form of Simulation Test and Table Top Test at the department level, a total of 16 plans and 4 plans at the organization level, and raising the standard of the ISO 22301 system that has been certified at the Bang Bua Thong Warehouse by Expanded the results to the Suvarnabhumi warehouse area. 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 13 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.

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. In addition to this, the Company has up-scaled their level of risk management by conducting an assessment from an external agency (Third Party Audit) and through the organization of a drill to model a crisis, the Cyber Crisis Management Exercise. This is completed in the case that important information is faced by a cyber-attack. The Crisis Management Committee members are composed of the Executive Committee, the Chief Risk Officer (CRO), Chief Information Officer (CIO), Data Protection Officer (DPO), Chief Security Officer (CSO) and the Breach Incident Response Team (BIRT). This team will work to help prepare for an emergency crisis response in the case of a cyber crisis, or when faced with data leaks. This will create greater cyber-attack awareness among executives within the Company, allowing for the safeguard of the Company's information technology systems which will persistently work in a variety of situations.

Cyber Threats

Operational changes from offline to online have introduced the Company to additional cyber security risks almost all the time. Therefore, the Company has set up to manage cyber security 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. Cyber attacks, 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 laws.

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 Company also arrange for an evaluation of security measures from outside agencies (BITSIGHT Security Rating Service) once a year. To manage effectively according to the National Institute of Standards and Technology's cyber security framework, which comprises of five areas of how to deal with cyber attacks, 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 cyber security 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 cyber security strategy annually. Additionally, the subsidiary works to promote cyber security awareness amongst employees through various internal communication channels, training 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 cyber security in order for them to safely and correctly work with such technology, and to be able to correctly deal with any cyber security threats that may occur in every quarter.

Risks From Laws and Government Policies According to Rapidly Changing International Regulations

The Company would be affected on the business from the issuance of new regulations, such as changes in the laws of government agencies various laws enforcement including terms that may arise in the future, for example, new regulatory on climate change, geopolitical conflict and the fluctuating economic, which these regulations often have smaller chapters or area specific requirements corresponding to local characteristics and operated international businesses. 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 relative units for to submit any clues or complaints via telephone, postal mail, E-mail, and online media.

The Risks Associated with the Violations of Human Rights in the Company's Value Chain

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 growth of technology is largely dependent on labor which helps act as an important driving force for both direct and indirect business activities such as production processes, transportation, and services. The business activities predominantly undertaken by the Company hold the potential to present risks related to the violation of human rights and may contribute to various issues concerning labor practices. This is to say, the equal treatment according to the human rights principles, the safety, and the working environment helps promote the well-being for employees and our business partners. This is an important aspect that the Company consistently gives priority to, enabling for the understanding of the possible short-term and long-term risks. For the time being, humans' rights are a dimension of social sustainability that the world places importance on as a prime principle in conducting business. Thus, the Company is fully committed and prepared to reduce the possible risks of human rights through regular review and assessment. Furthermore, the Company will set operational guidelines to be in line with the principles of the comprehensive human rights protection guidelines which are in accordance with the international and national laws. This is completed for the prevention of the violation of human rights from the Company's business operations with all groups of stakeholders throughout the value chain.

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 has conducted a process in evaluating important issues, possible impacts, and the risks of human rights (Human Rights Risk Assessment: HRRA) on a regular cycle of every 3 years to help assess the risk of human rights violation throughout the value chain. This is covered in all areas of the Company's activities and involves the analysis of procedures (Full Time Equivalent: FTE), particularly targeting the departments that are at risk. This enables the Company to be ready to establish measures for the prevention and the reduction of the impacts of high-risk issues that are integrated within the human rights process.

The Company creates awareness and correctly complies with human rights principles to ensure for the prevention of the violation of human rights both internally within the Company and externally outside the Company. The Company also runs a training program by the name of "Human rights and the business sector." For employees within the CPALL group that are at or above the management level, the course covers content that is relevant to important human rights matters. These matters include the international standards regarding their expectations of human rights, human rights risks assessments, guidelines

for preventing the violation of human rights and the culture of the Company which greatly respects and beholds human rights. There are also plans in place to expand the scope of awareness and understanding to employees at all levels, of all areas and to business and store partners of the Company. Furthermore, it is to note that these plans include proactively creating further awareness of human rights among employees and business partners (store partners) in communication through various channels such as email, the CPALL Connect system, Pop-Ups on computer screens used to control the back-end systems of 7-Eleven stores, Bellinee's stores as well as SBPMALL stores.

Risks from The Company in Locations that can Affect the Biodiversity

The current changes in the climate have resulted in a loss of ecological balance and effects on the biodiversity. Therefore, to reduce the impacts of the business operations on the environment and ecosystem. The global business industry is increasingly directing its attention towards operations guided by researched information, emphasizing essential measures for the protection and restoration of the world's ecosystems and biodiversity. The Company is fully aware that in the crisis of the loss of biodiversity, the loss of natural resources could rapidly follow. This includes the loss of agricultural land which could act as the stimulant for causing problems in the quality of life of farmers and people within these communities. Along with this, the supply chain could also be affected due to a decrease in the quantity and quality of agricultural products. This would occur in response to the unstable ecosystem and the reduction of biodiversity in the soils and forests. Furthermore, there is potential for ongoing loss of genetic diversity in both land and livestock. As a result of these factors, the Company aims to create a network of co-operation between the business sector and other sectors to jointly work together to protect and restore the biodiversity of both land and aquatic ecosystems. To achieve these objectives throughout the supply chain, responsible operations that do not exert influence upon the environment and living creatures in the ecosystem have been taken place.

The Company's Risk Management

The Company operates under the policy of biodiversity and natural resources which covers the areas that the Company, alongside its Tier one business partner and other business partners in the value chain operate under. This has been established to avoid any activities that could have a negative influence or cause there to be a loss in biodiversity (No Net Loss: NNL) and instead follows a path in creating a net positive impact (Net Positive Impact: NPI), helping achieve an increase in abundance and restoration of balance to the ecosystem. The Company's large variety of biodiversity tool usage, (Biodiversity Assessment Tool: IBAT) is effectively used in the assessment of the risks and impacts of the early stages of changes to biodiversity. This is important as it ensures that the operating area that is occupied by the business is not located in a protected area that is standing on the definitions of the agreement (The International Union for Conservation of Nature: IUCN). It is also not to be located on areas that have been registered as a world heritage site on the report of UNESCO. In addition to this, the Company has also established guidelines for mitigating impacts at different stages (Mitigation Hierarchy). The regulations and laws regarding biodiversity conservation in local areas are strictly respected and followed. This is completed in an attempt to not cause any impacts on the ecosystem and biodiversity from business operations. The Company also focuses their attention to collaborating with partners to carry out rehabilitation projects and to conserve natural resources in environments that are both of terrestrial and aquatic ecosystems in order to preserve biological diversity and abundance.

The Company has worked to establish a group that plants perennial trees to support the growth of a sustainable community. Carrying out forest restoration work and following projects under the operational framework like the established tree planting project of the Company will enable for the creation of a good environment and further restoration of the ecosystem. Collaborative projects that are in alliance with the Company's partners encourages employees to plant seedlings to help contribute to restoring ecosystems and protecting biodiversity in both aquatic and land conditions. This tree planting project

and campaign creates career opportunities and possibilities of joint projects with other co-operations. For instance, local communities, foundations, government sectors and local organizations. All of which to restore and rejuvenate the ecosystem and biodiversity with the aim of promoting reforestation, greater green space to the community, and creating a spirit of sustainable environmental conservation. Together with this, the management of resources is completed with great value.

The Company has also worked on promoting and providing knowledge on sustainable agricultural products to the SMEs Group, to agricultural productivity groups and farmers. All of which have been targeted to focus on factors like the reduction of the use of fertilizers and pesticides, reduction of water use, and the maintenance of soil quality. Besides this, support has been given to emerging technology and innovations in cultivation such as the fogging technology which is a relatively new technique in helping reduce heat and increasing the humidity in the air. With this, reduction in water use has taken place for banana trees in dry areas and encouragement has been provided in completing crop rotation for effective water management and to reduce the risk of diseases and the accumulation of insects. Over and above this, plantation near sources of irrigation has also been deeply encouraged as it will greatly contribute to good water management and help reduce risk in the damaging of products. Beyond this, the development of packaging will aid in maintaining longevity in the product quality. This can be instrumental in reducing the impact of unstable ecosystems, and the reduction of biodiversity in soils and forests on the supply chain.

Emerging Risk

In 2023, the emerging risks that affect the Company's operations are as follows:

1. Risks From Rapid Changes in Generative AI Technology in the E-Commerce Business

Trends in sales via online channels in the year of 2024 and Generative AI technology becoming more increasingly used within the E-Commerce business, where "merchants" have the ability to be able to analyze customer needs and consumer information in order to find and provide products and services that will best meet the consumer demand.

Likewise, customers will have the ability to analyze the reliability of stores and the sales of past products provided by the Company in fine detail. This is beneficial as it helps customers effectively analyze the history and the reliability of merchants so that they are able to examine and verify whether products sold or provided in the past have ever sustained any problems. This is effective in the way that the E-Commerce business in Thailand has become very successful with a soaring growth rate increase of 23 percent. From the summary of Google's Southeast Asia's digital economy report in the past year, it exhibited a growth of more than 9.6 percent in CPALL's E-Commerce business. However, despite this, it is important to note that the use of Generative AI technology is still likely to affect new investment projects. This includes investments in subsidiaries and distribution centers in the conducting of business operations by greater groups. This helps aid in the ability in creating a good experience whilst using services at 7-Eleven stores.

Impacts on the Business

The rapid introduction and materialization of Generative AI in the E-Commerce business causes impacts on new investment projects. This includes investments in its subsidiaries and distribution centers, which are crucial in conducting further business operations by more groups. In the completion of this, the services at 7-Eleven will create a better experience which will be able to be maintained through time. In the year of 2023, there were investments that possessed values equivalent to approximately Baht 4,000–4,100 million. However, if Generative AI technology were able to be simultaneously brought in and fully utilized to help analyze products and services for consumers, then in the next 3-5 years –an increase in investment could take place. The Company's new investment projects in its subsidiaries and distribution centers will work significantly in maintaining and creating a good experience for customers who employ service at 7-Eleven both currently, and in the future.

Measures and Management Approach

The Company follows the trend of rapid changes in the Generative AI technology of which plays an important role in the Company's business operations. Nowadays, by defining a clear and definitive business strategy, growth is enabled to occur from this point onwards, allowing for answers to be formed in response to the ever changing way of life and the fast-changing digital society. To be able to cope with changing trends, improvements to the formatting have been explored to create a good experience for consumers. For example, promoting products that are more consistent with consumer's demands and needs within their different areas. From the surveying results of 7-Eleven stores, the framework supports having a large variety of products and services like fresh food, frozen food, vegetables, fruit, and freshly prepared food. In conjunction with this, the expansion of 7-Eleven branches also contributes to creating increased access and convenience for communities that may be limited to products and services. This is considered to create virtue and promote access for consumers who conduct the E-Commerce businesses. However, it may still not be able to respond to creating this same value towards the consumer group.

Despite this, operating an E-Commerce business with Generative AI technology is able to act as a support in analyzing the consumer demand for products and services. This is an issue that the Company places great importance upon to allow for growth in 7-Eleven and in the E-Commerce business of the Company, which accounts for 11 percent of the Company's revenue. In focusing its expenditure on Generative AI technology, the Company uses it as a tool to assist in the analysis of trends in a large variety of products to meet the needs of current consumers and for the preparation of the future. Aside from this, CPALL also aims to expand 7-Eleven stores to promote access to products and services in remote communities that do not have access to the advanced technology that is equipped with complete service.

2. Risks from Entering a Completely Aging Society, Increasing the Societal Demand for Health and Well-being Products

Thailand has entered a Completely Aged Society. According to the data from the Department of Provincial Administration, the Ministry of Interior in 2023 indicated that the senior citizens, aged above 60 years within Thailand's population accounts for 1 in 5, (13 million individuals) of the whole populace (60 million individuals). This is set with the tendency to rise over the next 5 to 10 years, respectively. It is predicted that Thailand will transition into Super Aged Society where the elderly population will surge to 28 percent of the entire country's population. This may directly affect a rise in demand for healthcare and services to come into effect. To cater the expanding elderly population, particularly those with a keen emphasis on wholesome nutrition, there is a notable emphasis on supporting their needs through the provision of health-conscious functional foods and foods featuring adjusted ingredients. This may affect CPALL's strategic planning, budgetary considerations, and their ongoing research endeavor, relating to products and services. Additionally, there may also be an expansion in their supply of healthcare products in response to these societal changes.

Impacts on the Business

CPALL remains committed to overseeing products that contribute to the promotion of health and nutrition. This completed through their various support projects and the promotion of research into healthy products through both internal and external agencies. However, with the shift towards being a Complete Aged Society, and the trajectory towards a Super Aged Society, CPALL finds itself compelled to adapt and proactively prepare for products and services that cater to the evolving needs of the future. However, this may result in a loss of opportunity to sell healthy products for the elderly population, which has a sales proportion of 12 percent compared to total sales in all food and beverage products which is distributary sold in 7-Eleven. This may affect the direction and the Company's strategy. In addition to this, CPALL is actively preparing to enhance its response capabilities by its range of products and services tailored to better meet the needs of the elderly group. This is completed by increased budget for researching products and services to appropriate for the elderly group. To prepare to procure more than Baht 17.1 million or 38 percent of the budget.

Measures and Management Approach

The Company consistently evaluates its strategy emphasizing a strong commitment to consumers' rights, with a particular focus on health as a fundamental right. This dedication extends to the effective delivery of nutritious products. The safety and the products being up to standard for the consumer groups, particularly the elderly group is also closely monitored. The Company has also heightened its level of ability and its research endeavors into healthy food products with increased fund. This has been completed through the appointment of consultants to meticulously curate and develop new products (Functional Foods) with a specific nutrition that is catered for people, particularly the elderly who perceive health to be of great focus. This helps promote health in a variety of aspects as the food products are composed of essential nutrients that are suitable for any individual's lifestyle, health, and genetics (Personalized Foods). In addition to this, there has been development in other product groups such as food groups with reduced additives, preservatives, reduced sugar content, reduced amount of palm oil, no color added, no fat, alternative protein products and superfood products. This is to be able to respond and satisfy the changes in consumer behavior and reduce health risks for different consumer groups. Along with supporting the trend of changing products and services for the elderly group of the future. The service standards to address customers, like the elderly who may not have the convenience of accessing 7-Eleven stores, have been elevated by ordering through last mile delivery "7App" application.

3. Risks from Government Enforcement of Laws Promoting Packing Waste Reduction

The Company's main businesses are retail, convenience stores, wholesale, cash transactions, services, and food production. All of these business operations primarily take place in Thailand, a country that is actively working to broaden its efforts in reducing the usage of single-use plastics. This initiative aligns with the country's plastic waste management guidelines outlined in the Thai Plastic Roadmap 2018–2030 as well as the development of the country's systems and infrastructure for reusing and circulating waste. One of the tools that is being studied in order to act upon the policy is the principle of the Extended Producer Responsibility (EPR) or the "increased responsibility of the producer". This is where the producers must have full responsibility from the designing, distributing of products, receiving returns, collecting, reusing, and recycling to the post-process packaging waste treatment. This principle is widely recognized and practiced in Europe, North America, South Africa, and a few Asian countries. It is most likely to be heavily enforced as law in Thailand in the next 3–5 years which will serve as a direct impact on the Company's business. It will mean that there will be requirements of additional costs in the system preparation throughout the supply chain where co-operation will be vital enabling for more intensive collaboration with more partners.

Impacts on the Business

In 2023, 7-Eleven stores have an average of 13 million customers per day, sales of goods and services revenues (consolidated financial statement) at Baht 921,187 million with an average plastic packaging consumption is 53,956.53 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 538 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. By 2023, the packing within the Company's control must be
 reusable or biodegradable 97.74 percent.
- 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.
- Operated a take-back system of used packaging to be brought into the process of reuse (Recycle) or reuse (Reuse) as appropriate, including developed a more efficient packaging waste recycling system. In 2023, 0.16 percent of used-packaging can be take-back 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. In 2023, single-used plastic can be reduce by 45.93 percent.
- 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 such as the project to "Reduce and Replace" single-used plastic, ongoing projects environmentally friendly coffee shop (Green Coffee Shop), ongoing project Recycling Station and recovery bags, and the 24-hour save the Island project-brick saves the world.

Financial Risk

Financial Risk Management Policies

Credit Risk

Credit risk is the risk of financial loss to the Company which arises principally from trade account receivables. The Company has established a credit policy under which each new customer is analyzed individually for creditworthiness before trade terms and conditions are offered. The Company 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 related department. The Company 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. While, an impairment analysis is performed by the Company at each reporting date.

In addition, the Company'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 Company considers to have low credit risk.

Liquidity Risk

The Company 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.

Foreign Currency Risk

The Company is exposed to foreign currency risk relating to borrowings from financial institutions, purchases and sales of goods which are denominated in foreign currencies. The Company primarily utilizes forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies.

Interest Rate Risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Company's operations and its cash flows because some of loan interest rates are variable. The Company manages the interest rate risk of financial assets and financial liabilities by considering fixed and floating rates depend on the market situation.

As of December 31, 2023, the Company has interest-bearing debt of Baht 427,526 million, of which Baht 293,220 million is fixed interest rate debentures, accounting for 69 percent of the total interest-bearing debt. The net debt to adjusted equity ratio, defined in accordance with the debenture's covenants, is equal to 0.82 time, which is not higher than the level stipulated in the debenture's covenants for 2023. In 2023, the Company does not have long-term loans from financial institutions in foreign currencies

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 1–10 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 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 percent of the Total Issued Shares

As of December 31, 2023, the Charoen Pokphand Group, represented the Company shares equal to 35.51 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 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's 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's 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 shareholders' meeting.

Provided that, in the invitation to the shareholders' 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's securities, investors shall consider other risk factors as well.

2.2.3 Risk of Investing in Foreign Securities

None

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 Management Goals and Progress

The Company sets goals and indicators for sustainability with the consideration of the correlation between the United Nations Sustainable Development Goals (SDGs) and the long-term sustainability strategy plan for 2021-2030, considering the current context and global trends, as well as the potential and directions in the Company's business operations.

Environmental: 7 Go Green







Climate Resilience

To achieve Carbon Neutral by 2030 and Net Zero GHG Emissions by 2050

Efficient use of resources and Energy

To reduce the final energy consumption by comparing with the business as usual case (BAU)

CARBON NEUTRAL

Performance 2.02 mtco,e

25%

Performance 2.53%

Sustainable Packaging Management

Private Brand utilizing plastic packaging must be reusable, recyclable, or compostable

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

Ecosystem & Biodiversity Protection

All areas of business operations have projects in collaboration with local and national stakeholders or independent third parties

100%

Performance 97.74%

100%

Performance 65.60%

100%

Performance

Social: 7 Go Together

Social Impact and Economic Contribution

To develop skills and promote jobs to generate income for Small and Medium Enterprize (SMEs). and small entrepreneurs, agriculturists, and vulnerable groups

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

250,000

Performance

544,335

500,000

Performance 442,130

Good Health & Well-being

Increase the number of new health & nutrition products and services

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

Stakeholders Engagement

All key stakeholder group engagement level

25%

Performance 27.2%

5,000,000

Performance

4,842,338

Goal

80%

Performance

Governance and Economic: 7 Go Right

Corporate Governance and Anti-Corruption

The Company's corporate governance rating is at excellence by an internationally recognized institute

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

EXCELLENCE

Performance **EXCELLENCE**

Goal 100% Performance

100%

Human Capital Development

All leaders and employees will be involved in the learning process and activities on sustainability

Innovation and Value Creation

Income from products and services innovation and new businesses including process innovation

Responsible Supply Chain

Tier 1 Suppliers Significant Sustainability It must be comprehensively assessed and improved.

100%

Performance 100%

Goal 20%

Performance 10.77%

Goal

100%

Performance 100%

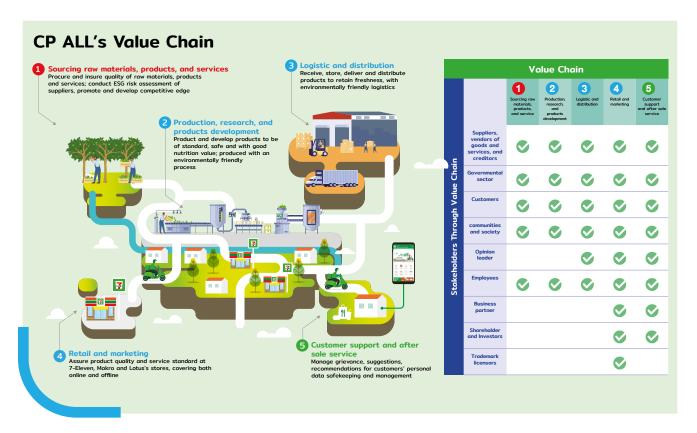


"Sustainability Performance", please see additional details in CP ALL Sustainability Report 2023, in chapter of "Progress Towards 2030 Sustainability Goals" and "Building on Ambition, Strategy for Sustainability" https://www.cpall.co.th/sustain/sd-report

3.2 Managing Impact on Stakeholders in Corporate's Value Chain

Corporate Value Chain

The Company business operations are divided into 5 main activities, all of which impact stakeholders in the value chain. Details are as follows:



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

Sustainable Supply Chain Management Process



Additionally, the Company promotes core activities to be more efficient through supporting activities, such as recruitment, development, and retention of personnel, information technology management processes, risk management processes, data protection and cybersecurity, and building positive relationships with stakeholders.

3.2.2 Stakeholder Analysis in the Business Value Chain

The Company is aware of the importance of supporting stakeholders from all groups, which is crucial for the sustainable development, growth, and achievement of the organization's goals. The Company aims to create engagement and participation with stakeholders in all 9 groups through surveys, interviews, website communication, social media, and seminars to listen to their opinions and expectations. The Company then assesses both positive and negative impacts on sustainability together with stakeholders. This encompasses economic, social, and environmental dimensions, as well as human rights issues, considering the scope and level of impacts that have occurred or are likely to occur, both in a normal situation and crisis situations. The Company has analyzed and prioritized key sustainability issues significantly affecting stakeholders, along with planning actions and response strategies for all stakeholder groups.



"Building relationship and encouraging participation with all stakeholders", please see additional details in CP ALL Sustainability Report 2023, in chapter of "Stakeholder Engagement" https://www.cpall.co.th/sustain/sd-report

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, In addition, the Company implements projects in collaboration with stakeholders to promote environmental quality under 4 main approaches:



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 2023, in chapter of "Climate Resilience" https://www.cpall.co.th/sustain/sd-report

• 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 2023, in chapter of "Energy Efficiency" https://www.cpall.co.th/sustain/sd-report

• 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 Replace." 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 which single-used at the consumption stage, 3) reduce plastic and non-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. Furthermore, the Company carries out projects to design and develop environmentally friendly packaging (Eco-Design), such as reducing plastic thickness, changing packaging formats or production methods, eliminating or replacing stickers, reducing paper usage, as well as projects to reuse plastic packaging waste, such as Recycling Stations, 7-Eleven shopping bag made from pallet wrapping film from Distribution Centers, shopping baskets made from recycled plastic crates, and employee uniforms made from plastic bottles.



"Performance of sustainable packaging management", please see additional details in CP ALL Sustainability Report 2023, in chapter of "Sustainable Packaging Management" https://www.cpall.co.th/sustain/sd-report

• 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 Waste reduction projects in the production process, surplus food donation projects through foundations, the ongoing project: No Waste Bin expanded to schools, community networks, entrepreneurs, and offices.



"Performance of sustainable waste management", please see additional details in CP ALL Sustainability Report 2023, in chapter of "Sustainable Waste Management" https://www.cpall.co.th/sustain/sd-report

• 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 and projects following a sequenced approach to impact, etc.



"Performance of ecosystems and biodiversity protection", please see additional details in CP ALL Sustainability Report 2023, in chapter of "Ecosystem & Biodiversity Protection" https://www.cpall.co.th/sustain/sd-report

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). Additionally, the Company provides online training and knowledge assessment about the environment on the topic "Adapting to Climate Change with the 7 Go Green Strategies" through the E-Learning system to raise awareness and understanding among employees at all levels.



"Performance of environmental", please see additional details in CP ALL Sustainability Report 2023, in chapter of "Building on Ambition, Strategy for Sustainability: 7 Go Green Strategy" https://www.cpall.co.th/sustain/sd-report

3.4 Sustainability Management in Social Dimensions

3.4.1 Social Policies and Practices

7 Go Together Strategy

The Company implements social operations according to the Company's social responsibility policy announced in 2017. The Company focuses on education and providing social value that aligns with the UN Sustainable Development Goals (UN SDGs) through social and community support. This includes children, youth, adults, and vulnerable groups to increase access to education, income sources, vocation, as well as access to safe and quality food and water. The Company collaborates with stakeholders from all groups through various social projects under 3 main approaches, as follows:



Building a Future Through Learning, focusing on supporting and creating opportunities for children, youth,
and vulnerable groups to access education both within and outside the formal education system. Additionally,
the Company aims to develop necessary skills for employees, technical and vocational skills, and entrepreneurship
to create career opportunities, generate income, and improve quality of life through lifelong education and learning.



"Performance of Education and Livelong Learning", please see additional details in CP ALL Sustainability Report 2023, in chapter of "Education and Livelong Learning" https://www.cpall.co.th/sustain/sd-report

• Enhancing Skills and Providing Distribution Channels for Entrepreneurs, aiming to support the well-being of communities through the strategy of 3 "Provides": "Providing Sales Channels, Providing Knowledge for Development, and Providing Connections" under the "Corporate Social Responsibility Policy". This involves supporting the necessary knowledge and skills for entrepreneurship and creating diverse income-generating opportunities. This encompasses agricultural groups, SMEs, as well as socially vulnerable groups. The initiative aims to continuously generate positive impacts on communities in both the short term and the long term. This includes establishing 7SMEs support centers, promoting integrated management systems for SMEs (SME Journey Line), supporting agricultural and community products through procurement, sales channel establishment, sales area support, sales stimulation activities, and knowledge sharing seminars, among others.

• Establishing Partnerships for a Good Quality of Life by focusing on developing processes to engage stakeholders, understanding their expectations, and efficiently responding to the needs of each stakeholder group. This includes supporting local employment and participating in community relief activities, as well as listening to community feedback through organization's grievance channels to build relationships, reduce concerns, and create shared value. This strengthens resilience and enables sustainable self-development. Initiatives include public morale projects, community development collaborations, Boonnithi Stamp Seven for Charities across regions, Encouragement to "My Hero" for community disaster relief project, vocational enhancement projects, income generation for communities, and support programs for underprivileged and vulnerable groups to ensure their well-being and access to safe food and water in both normal and crisis situations.



"Performance of Enhancing skills and providing distribution channels for entrepreneurs", please see additional details in CP ALL Sustainability Report 2023, in chapter of "Social Impact and Economic Contribution" and "Good Health and Well-being" https://www.cpall.co.th/sustain/sd-report

3.4.2 Social Performance

The Company operates to support stakeholders both within and outside the organization under the "7 Go Together" strategy. It promotes jobs and income generation for communities, encompassing farmers, Small and Medium-sized Enterprises (SMEs), and vulnerable groups. This includes promoting agriculture in line with Good Agricultural Practices (GAP) standards and fair purchasing of agricultural products, as well as supports lifelong learning and education. Furthermore, the Company conducts stakeholder surveys on various issues concerning the Company to understand their perspectives and suggestions, facilitating communication through diverse channels to foster positive relationships with stakeholders. The Company discloses its social performance transparently through the Global Reporting Initiative (GRI) Standard framework, ensuring accountability and verifiability.



"Social Performance", please see additional details in CP ALL Sustainability Report 2023, in chapter of "Building on Ambition, Strategy for Sustainability: 7 Go Together Strategy" https://www.cpall.co.th/sustain/sd-report





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 Inspire ethical employee conduct. Respect and comply with international human rights, Labor Practice and occupational health management, and safety principles. Enterprise risk management. Inter-organization (Change Agent) 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. Human Rights Impact Assessment (HRIA) and the training on "Human Rights" are conducted for employees to raise awareness of human rights issues. The objective is to ensure that the work area and environment are strictly safe according to the laws 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 2023, 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" https://www.cpall.co.th/sustain/sd-report

Inter-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 2023, in chapter of "Responsible Supply Chain" https://www.cpall.co.th/sustain/sd-report

3.5.2 Governance and Economy Performance

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 laws. 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.

Responsible Supply Chain Management

The Company operates in responsible supply chain management to promote understanding of sustainability through Buyer Development Training on Sustainability Procurement. This training aims to raise awareness among managers, employees, and stakeholders involved in the procurement process, as well as to promote knowledge and support for SMEs to join the Thailand's Private Sector Collective Action against Corruption (CAC). The training also communicates Supplier Code of Conduct and Guideline. This includes risk screening for all suppliers and assessing the significant suppliers through on-site inspections. In cases where risks are identified, the Company shall support suppliers in developing internal sustainability risk management measures and continuously monitor progress in addressing supplier risks. Furthermore, the Company supports the development and enhancement of suppliers' capabilities in conducting business to increase efficiency and sustainable growth alongside the organization.

Furthermore, the Company regularly holds meetings with suppliers to exchange ideas and collaborate on joint business plans. This provides an opportunity to build strong relationships with suppliers and collectively drive efforts for sustainable environmental and social initiatives.



"Governance and Economy Performance", please see additional details in CP ALL Sustainability Report 2023, in chapter of "Building on Ambition, Strategy for Sustainability: 7 Go Right Strategy" https://www.cpall.co.th/sustain/sd-report

4. Management Discussion and Analysis (MD&A)

4.1 Analysis of Financial Position and Operating Results

Business Operation for Sustainability... "Giving and Sharing Opportunities for All"

The Company insists on business strategies for sustainable growth and profit, and provides creative merchandise and service that bring value added to the customers and society through the quality and resilient business operation. Besides, we focus on employees' learning culture and development. Our strategic performance in the year 2023 are as follows:

The Company has 24-hour environmentally friendly policy with the objective of planting trees to create more green area and absorb greenhouse gas all over the country. We aim for Carbon Neutrality by the year 2030, and Net Zero Emission by the year 2050. It is the mutual goal of CP All and subsidiaries to persist on reducing the Global Warming, and harmful effects from the Climate Change which have a great effect not only on economic stability, but on the society and global environment as well. We, as the key business operator, value the importance of the globally environmental protection to facilitate global prosperity and support a "Better Tomorrow" for the next generation, parallel to our sustainable business operation. The Company operates business under the 7 Go Green Policies which comprise the following:

"Green Store" is Environmentally Friendly Store Design & Management. This emphasizes on efficient energy management, inclusive of improvement on electrical system and electrical instrument e.g. fan coil (evaporator) improvement for refrigerators & cold storage, using inverter air conditioners in stores, using LED light bulbs, electricity generation from solar cells, improvement of refrigerator cooling system to be centralized unit, Knockdown Stores application by reusing the external facades, and providing EV chargers for electric vehicles. All these examples are to support 7-Eleven as true "Environmentally Friendly Stores".

"Green Packaging" is Environmentally Friendly Packaging Design for 7-Eleven stores. We aim to reduce plastic waste by means of "Reduce & Renew" concept, starting from packaging design to packaging usage that bring every process of the products life cycle into consideration. This includes acquiring materials from renewable resources which could be Reusable, Recyclable, or Compostable. The company insists on a strong objective that 100 percent of the plastic packaging used have to be Reusable, Recyclable, or Biodegradable.

"Green Logistics" is Environmentally Friendly Delivery and Distribution of Merchandise. The Company persistently emphasizes on efficiency improvement on logistics and nationwide distribution centers design by means of several energy management projects in order to reduce greenhouse gas emission, under the "Logistics for Environment" strategy. We apply "Leadership in Energy & Environmental Design" (LEED) in our nationwide distribution centers design and development. At present there are 20 Green Distribution Centers (with LEED application) in 12 provinces. Besides, Solar Cells are installed nationwide for electricity generation.

"Green Living" is "Reducing and Renewing" under the concept of "Building Environmental Concern" by means of encouragement campaign to eliminate the idea of "Single-use Plastic". This aims at environmentally harmful effects prevention, and sustainable development on Circular Economy practice which urges "Waste Separation" campaign. Under "Waste Separation" Campaign, Thai people are encouraged to separate Plastic Waste from other waste for recycling purpose. Examples of waste separation campaign are "Ton Klar Rai Tang" (Young Sprouts Waste-Free), "Ton Klar Chum Chon Rai Tang" (Young Sprouts Waste-Free Community), and "Chum Chon Rai Tang" (Waste-Free Community) which are projects for plastic waste reduction.

In pursuance of "Giving & Sharing" aspiration, the Company provides education opportunities; and necessary skills for career advancement, and community income generating through education institutions establishment which comprises Panyapiwat Technological College (PAT), Panyapiwat Institute of Management (PIM), and Panyapiwat Institute of Management Demonstration School (PIM Demonstration School). We provide scholarships for youth, underprivileged people, and vulnerable

group. Apart from that, we stimulate everyone to access to all levels of quality education by collaboration with government agencies and private enterprises through Connext Euducation (CONNEXT ED) project to promote lifetime learning; elevate non-formal education, and community education. For the past 5 years, the Company has supported more than 573 schools, comprehensive of 140,000 students. Moreover, we build up "School Enterprises" to support career development and community income generation.

For farmers and SMEs, the Company supports career development, income generation, social well-being, and communities' quality of life through various projects, e.g. Community Health Centers, Disaster Mitigation, and Community Relation Activities. Examples of Community Relation Activities are "Chum Chon Khon Rak Mah See Kah Na Seven" (7-Eleven Dogs Lovers Community) which provides knowledge and exchange of knowledge for proper pets caring and eliminate pet abandon. We work collaboratively with government agencies to provide dogs & cats sterilization, rabies vaccination, ticks and fleas elimination, and dogs & cats health follow up. All the services are free of charge and aim to reduce reproduction disease, reduce aggressiveness, and promote lasting health for pets. CP's subsidiary company also provides dogs and cats food for the people who join our activities.

With 7-Eleven network of 14,545 stores and more than 100,000 employees rotating for service nationwide, 7-Eleven employees have continually done a lot of good deeds, such as, assisting patients & injured persons, assisting in community fire accidents, etc. which are apparently visible to the social and could be seen from news and various social media. Therefore, the Company set up a campaign called "Saen Khon, Saen Kwam Dee Mee Dai Took Wan" (100,000 People, 100,000 Good Deeds Every Day) to show appreciation, encouragement, and inspiration for our employees to do good deeds every day in order that 7-Eleven and 7-Eleven' employees could amplify their act of kindness to the community and society. We wish 7-Eleven could be places for communities to rely on.

In 2023, 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 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 921,187 million, increased by 8.0 percent YoY and net profit were Baht 18,482 million, increased by 39.3 percent YoY from an improved performance in all business units following an incremental economic activities.

Regarding the growth of the convenience store business, the 7-Eleven store, the Company has achieved store expansion plan and focused on delivering value to customers under the slogan "All Convenience", through the combination of online and offline channels. At the end of the year 2023, the Company had a total of 14,545 stores nationwide, an increase of 707 stores from last year, including sales and service channels on the 7App application that has been provided through 7Delivery and All Online.

Analysis of Operating Results for the Year Ended December 31, 2023 compared to the Operating Results for the Year Ended December 31, 2022

Total Revenues

In 2023, CP ALL reported total revenue at amount of Baht 921,187 million, increased by 8.0 percent YoY. Revenue from sale of goods and rendering of services was Baht 895,281 million, increased by 8.0 percent YoY as a consequence of the Company's adjustment in product and service strategies including the O20 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.

In addition, total revenue from all business units improved from previous year according to an increase in economic activities and domestic consumption, including tourism that number of foreign tourists also increased in 2023. 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.

Total revenues before elimination contributed from three businesses were, (Group 1) convenience stores business accounted for 44 percent (Group 2) grocery wholesaling and retailing business accounted for 50 percent, and (Group 3) other businesses in Thailand accounted for 6 percent which revenue contribution from Group 1 increased from previous year.

Gross Profit

In 2023, the Company reported gross profit at Baht 196,271 million, increased by 10.3 percent YoY mainly due to an increase of sales revenue from convenience stores business and grocery wholesaling and retailing business, including Makro and Lotus's businesses. According to reasons above, the Company reported higher consolidated gross profit margin at 21.9 percent in 2023 from 21.5 percent in 2022.

Distribution Costs and Administrative Expenses

In 2023, the Company reported distribution costs and administrative expenses at total amount of Baht 179,912 million, increased by 8.8 percent YoY which mainly from electricity cost, employee benefits from an increase of minimum wage and store management fee. 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 149,807 million, increased by 9.5 percent YoY mainly due to an increase of employee benefits, electricity cost, store management fee and advertising and sales promotion expenses. The Company still implemented stringent cost control and continually reduced unnecessary expenses together with a striving for leverage distribution channels as well as expand stores in potential areas to achieve long term goals.

Administrative expenses were Baht 30,104 million, increased by 5.0 percent YoY mainly from an increase of employee benefits.

Profit before Tax and Net Profit

In 2023, the Company reported profit before tax at amount of Baht 26,454 million, increased by 31.7 percent YoY and reported Net Profit at amount of Baht 18,482 million, increased by 39.3 percent YoY according to an improved performance of all business units, particularly convenience store business and Lotus's business. In addition, CPALL recorded a share of gain of associate and joint ventures under the equity method of Baht 746 million. Nevertheless, the Company reported a decrease of finance costs as a consequence of debenture issuance that Lotus's and CP AXTRA Public Company Limited (CPAXT) had issued Debenture in Thai Baht 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 in consolidated financial statement. For earnings per share according to the consolidated financial statements in 2023, it amounted to 2.01 baht.

Proportion of profit before tax expense before elimination contributed from three major businesses, included (Group 1) convenience stores business accounted for 51 percent (Group 2) grocery wholesaling and retailing business accounted for 34 percent, and (Group 3) other businesses in Thailand accounted for 15 percent. The proportion of Group 1 increased from previous year, mainly from higher operating profit growth of the convenience store business.

Operating Results by Business Segments

Convenience Stores Business

In 2023, CPALL continued to focus on expanding "7-Eleven" stores in prime locations and in different formats to meet customer's needs in various profiles and to serve convenience to all communities in Bangkok and upcountry. 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. In this year, the Company has expanded new stores in total of 707 stores, including

corporate, Store Business Partner (SBP) and sub-area stores, which reached target of 2023 at 700 new stores. At the end of 2023, CPALL operated 14,545 stores nationwide, which consisted of 7,336 corporate stores (50 percent of total stores), increased by 497 stores, 6,335 SBP stores (44 percent of total stores), increased by 191 stores, and 874 sub-area stores (6 percent of total stores), and increased by 19 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 2023, food and beverage products accounted for 75.2 percent of sales mix, while non-food items accounted for 24.8 percent of sales mix. 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 that 7-Eleven store is the No.1 destination for food and beverage, following the slogan of "Whenever you're hungry, stop by" and "Whenever you're hungry, order now" for all customer groups anywhere and anytime.

In 2023, the convenience store business had total sales revenue and service income of Baht 399,558 million, increased by Baht 44,584 million or 12.6 percent YoY. In 2023, SSSG was at 5.5 percent with average sales per store per day at amount of Baht 80,837, along with average spending per ticket at Baht 83 and there were 965 customers per store per day. In this year, economic activities continued to improve, along with higher number of both Thai and foreign tourists from the previous year. 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 convenience. Customer can access through physical stores, vending machine, as well as online platform i.e. 7Delivery application which is an on-demand delivery and All Online, shopping place near you, all of online channels were offered customers with alternative options 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 112,792 million, increased by Baht 15,634 million or 16.1 percent YoY. Gross profit margin in 2023 was at 28.2 percent, increased from previous year as a result of product strategy adjustment as mentioned above. Also, emphasizing on product margin by continually enhance the proportion of high margin products.

Meantime, other income of the convenience stores business was at Baht 23,714 million, increased by Baht 1,835 million or 8.4 percent YoY. The primary reason is the income generated from the utilization of the store area, including revenue from renting space, royalties, and other sources related to granting rights for managing 7-Eleven stores and others.

Distribution costs and administrative expenses were Baht 115,846 million, increased by Baht 12,534 million or 12.1 percent YoY mainly due to employee benefits, electricity cost, store management fee and advertising and sales promotion expenses. 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 707 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 26,813 million, an increase of 25.5 percent from the previous year, and a net profit of Baht 15,403 million, an increase of 35.1 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 such as E-commerce, which help customers to be more convenient and generate revenue growth for the Company in the future.

In 2023, other businesses reported profit before tax before elimination at Baht 4,851 million, increased by 41.4 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 2023, Grocery Wholesaling and Retailing businesses reported profit before tax before elimination at Baht 10,973 million, increased by 7.1 percent YoY mainly from an increase of revenue from sales of goods and services which contributed from both Makro and Lotus's businesses, together with an efficient cost control, particularly from Lotus's business. (Note: investors can find additional details in MD&A for the year 2023 of CPAXT)

Non-recurring Items and Other Income

In 2023, the Company reported other income at amount of Baht 25,092 million, increased by Baht 1,869 million from last year or 8.0 percent YoY. Other income in 2023 was divided into sales promotion income of Baht 14,850 million, increased by 12.1 percent YoY, and royalties and other fees relating to license income of Baht 2,498 million, increased by 8.0 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 7,744 million, increased by 1.0 percent from previous year.

Analysis of the Company and its Subsidiaries' Financial Status for the Year Ended December 31, 2023

Total Assets

As at December 31, 2023, the Company and its subsidiaries reported total assets of Baht 926,491 million, increased by Baht 2,430 million or 0.3 percent from last year. Assets with significant changes were as follows:

Cash and cash equivalents was Baht 67,234 million, or 7.3 percent of total assets, a decrease of Baht 4,190 million or 5.9 percent YoY, similar to current investments that also decreased to Baht 82 million or 0.01 percent of total assets, decreased by Baht 384 million, mainly due to repayment of long term borrowings from financial institutions from CP Axtra Public Company Limited.

Trade accounts receivable was Baht 3,326 million, or 0.4 percent of total assets, decreased by Baht 294 million or 8.1 percent YoY, most of the trade accounts receivable was from grocery wholesaling and retailing businesses. A decrease of trade accounts receivable were both not overdue and overdue accounts receivable. As a result, the average collection period decreased from the previous year to 1.40 days.

Other current receivable was Baht 15,407 million, or 1.7 percent of total assets, increased by Baht 395 million or 2.6 percent YoY. Majority of other current receivable were accrued revenue from joint promotion, royalty or service income including prepaid expenses which increased mainly from other businesses, following an increase of sales revenue.

According to the aging analyses for trade and other accounts receivable, 99 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 57,501 million, or 6.2 percent of total assets, decreased by Baht 682 million or 1.2 percent YoY, which mainly from a decrease of finished goods. As a consequence, inventory turnover ratio was 12.08 times in 2023, similar level with last year at 11.98 times due to the Company's efficient inventory management, together with normalize economic activities.

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 2023, investments in subsidiaries were Baht 282,236 million, slightly increased by Baht 315 million or 0.1 percent YoY. This was due to an increase of investment in Albuera International Limited to support the Company's overseas investment in the future.

Property, plant and equipment amounted to Baht 213,792 million or 23.1 percent of total assets, increased by Baht 382 million or 0.2 percent YoY. This was from store expansion of 7-Eleven convenience stores and an expansion of Subsidiaries Company before elimination at amount of Baht 105,399 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 38.9 percent of total assets, same level with last year. Most of the goodwill was from CP Axtra Public Company Limited (old name: 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.

Intangible assets other than goodwill were Baht 54,400 million or 5.9 percent of total assets, increased by Baht 597 million or 1.1 percent YoY. A majority of which was an intellectual property amounted Baht 46,521 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, business license 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, some types of 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, 2023, the Company and its subsidiaries had total liabilities of Baht 624,896 million, decreased by Baht 8,864 million or 1.4 percent. Liabilities with significant changes were as follows:

Trade accounts payable were Baht 128,096 million or 20.5 percent of total liabilities, increased by Baht 12,132 million or 10.5 percent YoY which mainly from other businesses.

Interest-bearing liabilities were Baht 427,526 million or 68.4 percent of total liabilities, decreased by Baht 19,356 million or 4.3 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 17,309 million or 2.8 percent of total liabilities, increased by Baht 136 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. 33.

Total Shareholders' Equity

As at December 31, 2023, the Company had total shareholders' equity of Baht 301,595 million, increased by Baht 11,294 million or 3.9 percent YoY mainly due to an increase of unappropriated retained earnings.

Analysis of Statements of Cash Flows, Liquidity and Sources of Funds of the Company and its Subsidiaries for the Year Ended December 31, 2023, compared to the Year Ended December 31, 2022

Liquidity

As at December 31, 2023, the Company reported cash and cash equivalent of Baht 67,234 million, accounting for 7.3 percent of total assets. Nevertheless, the Company's liquidity remained healthy from efficient working capital management, having negative cash cycle more than 30 days in 2023 which resulted from inventory period of 30 days, payable period of 64 days, and receivable period of 1 day.

Cash Flow from Operating Activities

In 2023, net cash flow from operating activities totaled Baht 87,172 million, increased by Baht 17,299 million or 24.8 percent from last year. This was caused by better operating results which had been shown in higher profit. In addition, the Company had higher cash flow from working capital, resulted from an increase of trade accounts payable while inventories and trade accounts receivable decreased.

Cash Flow from Investing Activities

In 2023, net cash flow used in investing activities amounted to Baht 28,067 million, decreased by Baht 2,439 million or 8.0 percent from last year, as a consequence of a decrease of cash paid for the purchase of intangible assets other than goodwill and cash paid of the purchase of property, plant and equipment.

Cash Flow from Financing Activities

In 2023, net cash flow used in financing activities totaled Baht 62,988 million, decreased by Baht 1,324 million or 2.1 percent from last year. Net cash from financing activities were mainly from repayment of long-term borrowings from financial institutions at amount of Baht 61,795 million, and repayment of debentures maturing during the year at amount of Baht 25,559 million and repayment of short-term borrowings from financial institutions at amount of Baht 7,665 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, 2023, the Company net debt to adjusted equity according to definition of debenture covenants was at 0.82 time, decreased from 0.92 time in 2022 due to a decrease of liabilities from repayment of short term and long term borrowings from financial institutions, while equity increased from an increase of unappropriated retained earnings.

As at December 31, 2023, the Company outstanding debentures were at Baht 293,220 million. The Company is obligated to comply with debenture covenants with net debt to equity ratio not more than 2:1, based on the consolidated financial statements for the period ended December 31 of each year which audited by the Company's auditor.

Debt-Service Coverage Ratio¹

As at December 31, 2023, the Company's debt-service coverage ratio was at 1.27 times, decreased from 1.70 times in last year. This was mainly due to the increase of current portion of debentures for repayment borrowings from financial institutions during the year. Meanwhile, earnings before interest, taxes, depreciation and amortization increased at lower rate.

Interest Coverage Ratio²

As at December 31, 2023, the Company's interest coverage ratio was at 4.76 times, increased from 4.31 times in 2022 mainly due to growth rate of earnings was higher than growth rate of finance costs as a consequence of debenture issuance for repayment of borrowings from financial institutions.

Liquidity Ratio and Quick Ratio

As at December 31, 2023, the Company's liquidity ratio was 0.60 time. Meantime, quick ratio was at 0.30 time, decreased from the previous year as a result of the decrease in current assets. Meanwhile, current liabilities increased from the issuance of debenture and trade accounts payable.

Return on Shareholder's Equity³

In 2023, the Company's return on shareholder's equity increased to 17.5 percent compared with 13.0 percent in last year. The DuPont Analysis is as follows:

The DuPont Analysis	2023	2022
Profit Margin (Percent)	2.01	1.56
Total Asset Turnover (Times)	1.00	0.92
The Equity Multiplier (Times)	8.74	9.06

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

Calculated by profit attributable to equity holders of the Company / equity attributable to equity holders of the Company

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. At the same time, the new store will be Stand-alone format with ample storage space, also has space for rent which tend to be a center for community, etc.

However, consumer behavior which requires convenience, speed, living, communicating and transacting through online, attention to health care and focus on value for money amidst the rising cost of living, all of these factors cause the Company to accelerate to adapt to satisfy the needs of consumers by relying 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.

CP ALL (Cambodia) Co., Ltd. and CP ALL LAOS CO., LTD. (Indirect subsidiary, 100 percent holding by Albuera International Limited which is the Company's direct subsidiary with 100 percent 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 2023, the Company opened a total of 82 7-Eleven stores both in Phnom Penh and the surrounding provinces in Cambodia and opened the first store in Laos in 2023, operated 3 stores in Laos at the end 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, deposit and withdrawal 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.

4.3 Key Financial Information

(Unit: Million Baht)

Items	2021	2022	2023
Statement of income			
Revenue from sale of goods and rendering of services	565,060	829,099	895,281
Other income	22,470	23,506	25,906
Total revenues	587,530	852,605	921,187
Cost of sale of goods and rendering of services	444,771	651,100	699,010
Gross Profit	120,289	177,999	196,271
Distribution costs and Administrative expenses	124,026	165,414	179,912
Profit from operating activities	18,733	36,082	42,265
Finance costs	12,643	16,832	16,558
Gain on step acquisition	6,714	-	-
Share of gain/ (loss) of associate and joint venture accounted	(226)	831	746
for using equity method			
Profit before income tax expense	12,578	20,082	26,454
Income tax expense	525	3,861	4,602
Non-controlling interests	933	(2,949)	(3,370)
Net Profit	12,985	13,272	18,482
Statement of financial position			
Total assets	931,893	924,061	926,491
	931,893 165,773	924,061 148,955	926,491 143,798
Total assets			
Total assets Total current assets	165,773	148,955	143,798
Total assets Total current assets Cash and cash equivalents	165,773 96,323	148,955 71,424	143,798 67,234
Total assets Total current assets Cash and cash equivalents Current investments	165,773 96,323 811	148,955 71,424 466	143,798 67,234 82
Total assets Total current assets Cash and cash equivalents Current investments Trade accounts receivable	165,773 96,323 811 3,341	148,955 71,424 466 3,620	143,798 67,234 82 3,326
Total assets Total current assets Cash and cash equivalents Current investments Trade accounts receivable Other current receivables	165,773 96,323 811 3,341 13,745	148,955 71,424 466 3,620 15,012	143,798 67,234 82 3,326 15,407
Total assets Total current assets Cash and cash equivalents Current investments Trade accounts receivable Other current receivables Inventories	165,773 96,323 811 3,341 13,745 50,535	148,955 71,424 466 3,620 15,012 58,183	143,798 67,234 82 3,326 15,407 57,501
Total assets Total current assets Cash and cash equivalents Current investments Trade accounts receivable Other current receivables Inventories Other current assets	165,773 96,323 811 3,341 13,745 50,535 1,019	148,955 71,424 466 3,620 15,012 58,183 249	143,798 67,234 82 3,326 15,407 57,501 247
Total assets Total current assets Cash and cash equivalents Current investments Trade accounts receivable Other current receivables Inventories Other current assets Non-current assets	165,773 96,323 811 3,341 13,745 50,535 1,019 766,119	148,955 71,424 466 3,620 15,012 58,183 249 775,106	143,798 67,234 82 3,326 15,407 57,501 247 782,693
Total assets Total current assets Cash and cash equivalents Current investments Trade accounts receivable Other current receivables Inventories Other current assets Non-current assets Investment in related company	165,773 96,323 811 3,341 13,745 50,535 1,019 766,119 821	148,955 71,424 466 3,620 15,012 58,183 249 775,106 1,568	143,798 67,234 82 3,326 15,407 57,501 247 782,693
Total current assets Cash and cash equivalents Current investments Trade accounts receivable Other current receivables Inventories Other current assets Non-current assets Investment in related company Investment in associate	165,773 96,323 811 3,341 13,745 50,535 1,019 766,119 821 9,139	148,955 71,424 466 3,620 15,012 58,183 249 775,106 1,568 9,053	143,798 67,234 82 3,326 15,407 57,501 247 782,693 1,983 9,081
Total current assets Cash and cash equivalents Current investments Trade accounts receivable Other current receivables Inventories Other current assets Non-current assets Investment in related company Investment in joint venture	165,773 96,323 811 3,341 13,745 50,535 1,019 766,119 821 9,139 4,875	148,955 71,424 466 3,620 15,012 58,183 249 775,106 1,568 9,053 5,335	143,798 67,234 82 3,326 15,407 57,501 247 782,693 1,983 9,081 5,703
Total current assets Cash and cash equivalents Current investments Trade accounts receivable Other current receivables Inventories Other current assets Non-current assets Investment in related company Investment in associate Investment in joint venture Other long-term investments	165,773 96,323 811 3,341 13,745 50,535 1,019 766,119 821 9,139 4,875 2	148,955 71,424 466 3,620 15,012 58,183 249 775,106 1,568 9,053 5,335 2	143,798 67,234 82 3,326 15,407 57,501 247 782,693 1,983 9,081 5,703 2
Total current assets Cash and cash equivalents Current investments Trade accounts receivable Other current receivables Inventories Other current assets Non-current assets Investment in related company Investment in associate Investment in joint venture Other long-term investments Other non-current receivables	165,773 96,323 811 3,341 13,745 50,535 1,019 766,119 821 9,139 4,875 2 224	148,955 71,424 466 3,620 15,012 58,183 249 775,106 1,568 9,053 5,335 2 50	143,798 67,234 82 3,326 15,407 57,501 247 782,693 1,983 9,081 5,703 2 59
Total current assets Cash and cash equivalents Current investments Trade accounts receivable Other current receivables Inventories Other current assets Non-current assets Investment in related company Investment in associate Investment in joint venture Other long-term investments Other non-current receivables Net fixed assets	165,773 96,323 811 3,341 13,745 50,535 1,019 766,119 821 9,139 4,875 2 224 257,022	148,955 71,424 466 3,620 15,012 58,183 249 775,106 1,568 9,053 5,335 2 50 257,540	143,798 67,234 82 3,326 15,407 57,501 247 782,693 1,983 9,081 5,703 2 59 258,326

(Unit : Million Baht)

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Items	2021	2022	2023
Rights-of-use assets	77,266	82,246	86,543
Leasehold rights	-	_	-
Intangible assets other than goodwill	51,115	53,803	54,400
Deferred tax assets	2,599	2,273	2,658
Other non-current assets	2,414	2,596	3,298
Total liabilities	639,085	633,760	624,896
Total current liabilities	215,072	207,443	238,197
Short-term borrowings from financial institutions	42,691	16,810	9,472
Trade accounts payable	106,863	115,963	128,096
Other payables	31,987	31,719	31,716
Current portion of debentures	16,998	25,555	46,391
Current portion of long-term borrowings from financial institutions	2,369	348	6,319
Other current liabilities	14,165	17,049	16,203
Total non-current liabilities	424,013	426,317	386,699
Debentures	205,351	221,707	246,829
Long-term borrowings from financial institutions	106,328	87,354	18,334
Lease liabilities	78,597	84,811	88,582
Deferred tax liabilities	17,848	17,173	17,309
Other non-current liabilities	15,888	15,272	15,644
Total equity	292,807	290,301	301,595
Equity attributable to equity holders of the Company	104,134	100,724	110,995
Non-controlling interests	188,673	189,577	190,600
Perpetual subordinated debentures	19,911	9,955	9,955
Statement of cash flows			
Net cash from operating activities	46,319	69,873	87,172
Net cash used in investing activities	1,878	(30,506)	(28,067)
Net cash from (used in) financing activities	7,510	(64,312)	(62,988)
Net increase (decrease) in cash and cash equivalents	55,707	(24,945)	(3,883)
Cash and cash equivalents at December 31	96,323	71,424	67,234
Liquidity ratios			
Current ratio (times)	0.77	0.72	0.60
Quick ratio (times)	0.47	0.36	0.30
Cash flow liquidity ratio (times)	0.45	0.34	0.28
Account receivable turnover (times)	226.44	238.21	257.75

(Unit: Million Baht)

		(-	mit : William Bant,
Items	2021	2022	2023
Average collection period (days)	1.59	1.51	1.40
Inventory turnover (times)	10.81	11.98	12.08
Average sale period (days)	33.30	30.06	29.79
Account payable turnover (times)	4.95	5.84	5.73
Average payment period (days)	72.69	61.60	62.85
Cash cycle (days)	(37.81)	(30.03)	(31.66)
Profitability ratios			
Gross profit margin	21.3	21.5	21.9
Operating profit margin	3.2	4.2	4.6
Net profit margin	2.2	1.6	2.0
Debt to equity ratio (times)	1.3	1.3	1.2
Debt to equity ratio by definition of terms and conditions (times) ⁴	0.90	0.92	0.82
Debt to EBITDA (times)	8.4	5.2	4.6
Debt to EBITDA (times) ⁵ exclude lease liabilities	6.4	3.9	3.3
Return on Assets (%)	1.8	1.4	2.0
Operating efficiency ratios			
Return on assets (%)	1.8	1.4	2.0
Return on fixed assets (%)	9.9	14.0	16.4
Assets turnover (times)	0.8	0.9	1.0

⁴ Calculated by interest-bearing debt excluding lease liabilities, deduct cash and cash equivalents and current investments / (shareholders' equity + deferred tax liabilities - deferred tax assets)

⁵ Calculated by interest-bearing debt excluding lease liabilities deduct cash and cash equivalents and current investment / profit before interest, tax, depreciation and amortization

5. General Information and Other Key Information

5.1 General Information

Other References

Register	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 st Floor, Sathorn Road, Yannawa, Sathorn, Bangkok 10120 Telephone: 0-2677-2060
The Registrar and Bondholder Representative	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, 1/2023, 2/2023 and Perpetual Subordinated Debenture No. 1/2021 The registrar and bondholder representative – Krungthai Bank Public Company Limited 977/3, SM Tower, 4 th Floor, Paholyothin Road, Sam Sen Nai, Payathai, Bangkok 10400 Telephone: 0-2298-0830 Ext. 129 Debenture No. 1/2016, 2/2016,1/2017, and 2/2017 The registrar – Krungthai Bank Public Company Limited 977/3, SM Tower, 4 th Floor, Paholyothin Road, Sam Sen Nai, Payathai, Bangkok 10400 Telephone: 0-2298-0830 Ext. 129

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 November 7, 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 2023, there are a total of 14,545 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 with be terminated immediately without any requirement of a written notice from 7-Eleven, Inc.
- 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 listening 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 of 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) It 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 in Thailand

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

: CP ALL Public Company Limited ("the Company") and operators. Counterparty

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) 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.

2. 7-Eleven Store Management Contract - Overseas

Cambodia

(1) STORE BUSINESS PARTNER AGREEMENT (Type C-Store 1)

: CP ALL (CAMBODIA) Co., Ltd. and other contract called "SBP" (SBP owns the Counterparty

rights of store locations)

: 10 years from the beginning of store management unless the contract is Contract period

terminated for other reasons as specified in the Contract.

Fees for entering into

: The fees are a fixed amount, stipulated by the criteria set by the Company.

the contract

Management compensation : SBP will receive compensation for their management according to the Company's

compensation formula for Type C-Store 1.

Other important conditions : (1) SBP agree to be the Company's store manager and will manage stores

using the 7-Eleven system only.

(2) SBP 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) STORE BUSINESS PARTNER AGREEMENT (Type ORKH)

Counterparty : CP ALL (CAMBODIA) Co., Ltd. and PTT (CAMBODIA) LIMITED called "ORKH"

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 : ORKH will receive compensation for their management according to the

Company's compensation formula for ORKH.

Other important conditions : Same as SBP Type C-Store 1

(3) STORE BUSINESS PARTNER AGREEMENT (Type ORKH Dealer)

: CP ALL (CAMBODIA) Co., Ltd. And Dealer of PTT (CAMBODIA) LIMITED or Counterparty

SBP Dealer

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 : SBP will receive compensation for their management according to the Company's

compensation formula for ORKH Dealer.

Other important conditions : Same as SBP Type C-Store 1

Laos

(1) 7-Eleven Store Management Contract (Type C)

: CP ALL Laos Co., Ltd. and other contract called "SBP" (SBP owns the right of Counterparty

store locations)

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 fees are a fixed amount, stipulated by the criteria set by the Company.

the contract

Management compensation : SBP will receive compensation for their management according to the Company's

compensation formula for Type C.

Other important conditions : (1) SBP agree to be the Company's store manager and will manage stores

using the 7-Eleven system only.

- (2) SBP 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.
- 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 : 0-2230-2328, 0-2353-5421 and 0-2230-1704 Telephone

Bank of Ayudhya Public Company Limited

Head office address : 1222, Rama III Road, Bang Phongphang, Yan Nawa, Bangkok 10120

Contract address : 550, Pleonchit Road, Lumpimi, Pathumwan, Bangkok 10330

: 0-2296-4776 Telephone

KASIKORNBANK Public Company Limited

: 1, Soi Rat Burana 27/1, Rat Burana Road, Rat Burana, Rat Burana, Bangkok 10140 Head office address

: 400/22, Phahon Yothin Road, Sam Sen Nai, Phaya Thai, Bangkok 10400 Contract address : 0-2470-3274 (Institutional investor) or 0-2470-3074 (High net worth) Telephone

Siam Commercial Bank Public Company Limited

Address : 9, Ratchadapisek Road, Chatuchak, Chatuchak, Bangkok 10900

Telephone : 0-2544-5740



Part 2
Corporate
Governance

6. Corporate Governance Policy

6.1 Corporate Governance Policy Overview

CP ALL Public Company Limited ("the Company") is fully intent to conduct 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 which are Rights of Shareholders, Equitable Treatment for 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 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 laws, the Company also encourages shareholders to exercise 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 2023. 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 19, 2022 to December 31, 2022. This was done 90 days before the last day of the fiscal year to allow time for the Executive Committee and the Company Secretary to review 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 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 2023 was held on April 21, 2023 through the electronics means (E-AGM) 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 2023 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, 2023 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. Agenda item on appointment of directors stating information of 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.
- 4. Agenda to appoint an external auditor stating 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 to consider the competency and appropriateness of the auditor.
- 5. Agenda item on the approval of dividend payment stating the dividend policy, proposed dividend payment amount with supporting information, and dividend payment statistics.
- 6. Agenda on approval an amendment to the Company's Articles of Association regarding electronic advertising in place of printing advertising aiming to modernize communication channels, provide convenience to businesses, and adapt to the rapidly changing technological landscape. A comparison between the original Article and the proposed amendment was also provided.

- 7. Agenda on approval an amendment to the Company's Memorandum of Association, Article 3 regarding the Company's objectives for the purpose of the Company's future operations. A comparison between the original objectives and the new objectives post-amendment was also provided.
- 8. 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.
- 9. Information of Independent Directors to be appointed by the shareholder to attend and vote on his/her/its behalf.
- 10. The Company's Articles of Association regarding the shareholders' meeting.
- 11. Annual Report 2022 (56-1 One report) and Sustainability Report 2022 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.
- 12. Each agenda item clearly stated whether the matter was 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 were 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 who had numerous documents, especially financial institutions, mutual funds or those overseeing the securities for investors, the Company asked 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.

On 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 had 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 2023 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, abstentious 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, abstentious 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 at 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.

When the meeting started, the shareholders who logged in E-AGM system late could 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 in the Company, relationship with the executive, 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. The appointment was complied with the regulations of the SEC regarding the auditor rotation.
- Any important agendas which are specified by the laws and regulations or may have impacts on the Company's

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 submitting 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 the 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 2023 Annual General Meeting of Shareholders (AGM checklist) conducted by the Thai Investors Association, the Company received a score of 98 out of a total of 100.

Section 2 Equitable Treatment for Shareholders

Even though each shareholder has unequal votesdue 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 2023, 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 2023. 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 arranged the vote individually.
- Recording 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 conflict 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 during the one-month period prior to and one day after the release of the Company's financial reports to the public. Moreover, one day prior notice is required for making any transaction relating to 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 percentage 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 insider trading in the Handbook on Business Ethics and Code of Conduct.
- The related transactions which occurred in 2023 were 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 conflict 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 an equitable treatment, 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 for personal benefit that might cause conflict 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 with regards to the Treatment for 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 solve 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 2023").

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".

Human resource Management management system



The Company has a human resource management process that correlates with activities in the business value chain. This includes development of HR policy, plan, and strategy; recruitment and personnel selection; performance management and employee development; rewards and employee retention; as well as information management. All of these processes aim to manage and develop the employee working life in a way that allows the business to achieve its goals. This includes attracting and retaining talented individuals, maximizing the potential and abilities of employees, and fostering a collaborative work environment towards common goals with happiness.

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 upholding the principles of the UN Global Compact, particularly those related to human rights (Principles 1 and 2) and labor practices (Principles 3–6). This commitment extends to international standards, including the Universal Declaration of Human Rights (UDHR) by the United Nations and the Declaration on Fundamental Principles and Rights at Work by the International Labour Organization (ILO).

Operating Guidelines on Human Rights and 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.
- Establish procedures for investigating allegations of human rights abuses and violations upon receiving grievance 4. 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 which are not caused by 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 an individual freedom of expression and 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 2023".

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 Discrimination and Harassment
- Policy on Foreign Workers Recruitment
- 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.
- Establish transparent and fair investigation process and appropriate remedial action. 17.
- 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. Continuously communicate and raise awareness about diversity, equity and inclusion among suppliers, business partners, consumers and stakeholders.
- 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 2023".

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 2023".

Treatment of the Workforce

Employee Development

The Company places importance on developing the knowledge and skills of its employees at all levels to align with the organization's strategy, adapt to rapid changes in business operations, and transition into the digital era. The focus is on elevating digital skills to an intermediate level through the Intermediate Digital Capability Development Program and to an advanced level through diverse skill development programs such as the Advanced Data Analytics Development Program, Modern Design Strategies for Business Presentation, Advanced Digital Marketing, MSSQL Database Performance Tuning, Quantitative Forecasting Techniques, and programs for elevating work processes to Digital & Automation using Power APP & Power Automate. In addition, the Company has enhanced skills to support the O2O (Online to Offline) strategy, with courses such as ALL Online Sales Mastery, TRUE Sales Mastery, and 3 Fresh Sales Mastery for branch employees. Leadership skills have also been developed to effectively manage teams and drive operational performance. There are readiness programs for position transitions at each level and a People Manager Skills development program comprising five courses: The Art of Understanding Your Team, Reading People Expertly, Passion for People Development, The Art of Mentoring, and The Art of Coaching. There is also a course on providing feedback for supervisory and managerial levels. Furthermore, there is a Talent Development Program aimed at cultivating high-potential employees to prepare them for leadership roles. The Company provides a diverse learning environment with online and offline formats, cross-functional learning through projects, and action learning. Executives serve as mentors, offering guidance and assessing business-oriented results.

Furthermore, to align with the organization's sustainability strategy, the Company has promoted awareness in ESG (Environmental, Social, and Governance) aspects through various courses and channels. This includes safety and legal compliance courses, chemical management courses following the GHS system, holistic development programs, PDPA (Personal Data Protection Act) & Cyber Security Webinars, as well as corporate governance campaigns. There is also annual assessment of ESG knowledge and understanding. In addition, the Company has fostered employee engagement through various initiatives such as the Team Power Project, which helps employees understand the organization's goals, direction, values, and positive thinking. This has been implemented for all employee groups since 2005 and continues to date across various job functions, including operations, distribution, office staff, and store partners. Each year, specific topics and issues are emphasized in communication. Various activities are organized to build love and commitment among employees and different job functions can choose activities according to the nature of their work. The "Sustainability Report 2023" presents the average training hours per employee per year and the number of employees trained annually.

The Company also organizes various projects that are beneficial to employees, such as physical fitness activities and online health knowledge, Fit & Firm for Fun 2023 activity, to exercise correctly and efficiently under the guidance of a specialized fitness trainer, healthcare consulting service from eXta as a company welfare, 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 of these activities do 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:

- The basic 5 Working Principles that employees must have are: love your work, love your customers, love morals, love the 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

Since 2017, Charoen Pokphand Group and the Company have given great importance to making the organization with sustainability. The Company started the associated Project and also issued various related initiatives together with many measures aiming 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, the Company has given importance to people development through education by creating work-based education 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 develop human resources from the new generation of people, who are 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 enhance the quality of working life of its employees and on the basis of an equitable treatment. There are various Employee Welfare projects such as:

- Employee Engagement projects aiming at enabling its employees to be happy in working for the Company. There are also regular employees' 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 employees' welfare to meet their needs. Details on the employee resignation rate (percentage) and the ratio of employee engagement (percentage) can be found in the "Sustainability Report 2023".
- Financial assistance benefits in case of disasters.
- Housing loan program (Government Housing Bank).
- Welfare credit program for employees of CP ALL Public Company Limited and its subsidiaries (Islamic Bank).
- Accident insurance and life insurance for employees and group health insurance (inpatient coverage) for management-level employees.
- Voluntary group health insurance program (inpatient coverage) for employees and their families.
- Children's education fund program for Charoen Pokphand Group employees.
- Medical expenses coverage for employees and their family.
- Emergency loan assistance for employees and their family.
- Financial aid in case of employee and family member demise.
- Presents to visit sick employees.
- Employee health checkup policy.
- Financial assistance benefits for heroic employees (deceased or disabled).
- CP ALL health care center.
- Dormitory accommodation for store employees in locations as deemed necessary by the Company to provide convenience.
- Education loan program for employee's children.
- Inpatient medical expenses coverage program for employees' parents.

Furthermore, the Company has implemented various programs to promote savings and financial security for employees as follows:

- Employee Joint Investment Program (EJIP), which the Company has continuously operated for the fourth time, with a 3-year duration (October 1, 2023 September 30, 2026).
- Provident Fund (details can be found in section 7.5 "Information of Personnel").
- Training sessions to provide financial literacy through various courses such as Design Your Life and Happy Money Happy Life.

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 2023".

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 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 developed 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. The 7 Go Green Strategy consist of the following factors.

- 1. GREEN Store & Building: Managing office buildings and stores in an environmentally friendly manner, with a focus on efficient energy management. This includes upgrading systems and electrical appliances in 7-Eleven stores under the "24-Hour Eco-Friendly 7-Eleven Buildings and Stores" strategy. This involves reducing energy consumption from system upgrade projects and refrigerants, increasing the proportion of renewable energy use to help reduce greenhouse gas emissions, and more.
- 2. GREEN Packaging: Operating under environmentally friendly packaging policies and practices, establishing sustainable packaging policies, and fostering collaboration with stakeholders through the design and selection of packaging materials under the Company's control (Private Brand) that are environmentally friendly. Projects include reducing the use of single-use plastic packaging, reintroducing reusable packaging, or repurposing used packaging as a guideline for selecting and managing product packaging within 7-Eleven stores to be appropriate and effective in preventing negative environmental impacts. The approach considers the development of sustainable practices in line with the Circular Economy concept throughout the product lifecycle, and aims to raise awareness of the environmental value, supporting behavioral changes.
- 3. GREEN Logistics: Operating environmentally friendly transportation and distribution practices.
- 4. GREEN Living: Advocating and instilling environmental awareness to create a culture and behavior that reduces plastic waste, through the concept of "Reduce, Stop, and Quit".

7. Business Partners

Suppliers are critical links in conducting business. The Company believes that sustainable 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.

The Company provides communication channels with suppliers through the Supplier Relations Call Center at Tel. 0 2826 7771. Additionally, sustainable development seminars are organized to share knowledge with all partner groups and communicate the organization's policy direction. The Company visits business partners, listens to feedback or complaints, initiates joint innovation projects, evaluates the performance of partners, provides consultation, and develops the capabilities of partners. Moreover, the Company implements the Joint Business Plan with key suppliers annually to establish guidelines for continuous and sustainable business growth. The Company also supports and elevates the standards of partners to jointly preserve the environment, prevent pollution, and reduce the impact on communities through various projects such as the environmentally friendly packaging development project, energy efficiency improvement project, renewable energy proportion increase project, and electric vehicle proportion increase in the transportation system project. Furthermore, the Company

provides sales channels to partners through the "CP ALL Market" which is a project that promotes the development of community enterprises and small enterprises, direct product sourcing from farmers project, and local products project.

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 be ensure that every business partner of the Company will receive both equal and equitable treatment. Further, business partners are advised and overseen that they 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.

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 trust of creditors, the Company gives importance to the 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:

- Execute contracts with all creditors legally, fairly and transparently without taking advantage. 1.
- 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 with transparency. It will not create any unfair competitive advantage in an unfair manner through undertaking any dishonest activities that will then have 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 breaching its agreement not to disclose any information about its competitors regardless of whether having received such information from customers or other persons.

Remark : With regards to details on the Role of Stakeholders, additional information has been included on this matter in "the Company's Sustainable Development Report 2023".

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 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 of "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 2023, 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 are prepared in accordance with generally accepted accounting standards and have been audited without conditions by the appointed independent external Auditor as well as 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, and the submission of both the Quarterly and Annual Financial Statements of the Company are always done before the deadline as specified by the 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, Guidelines according to the organization's business plan to be in accordance with the laws, Guideline for the Trade Competition Commission, Policies and guidelines regarding conflict of interest.
- 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 0.144 percent of the total issued and paid-up shares.
- 3. Report on the conflict of interest 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. The 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 2023.

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 (the 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 of 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 continuously encourages and supports every director to attend directors' training programs arranged by the Thai Institute of Directors Association and other relevant institutes and to attend lectures from qualified and specialized speakers, so as to increase their effectiveness and productivity in their capacity as a Company's director. This will increase confidence among the shareholders and investors that the directors possess knowledge about and understanding on discharging the duties and responsibilities as a director according to the principles of good corporate governance. In this regard, the Company Secretary is responsible for managing this matter.

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, the 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 for the Company's directors and top executives holding positions in external organizations as the Company's directors and top executives are all professional experts who are able to efficiently and effectively manage their time.

However, the 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 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 and also the trade competition and trade practices guideline related to trade competition. 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 the 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 in accordance with the Best Practice Guidelines for the Audit Committee of the SEC Office which aims to elevate corporate governance and sustainability standards for listed companies, by expanding the authority, duties, and responsibilities of the Audit Committee related to the execution and monitoring of transactions involving the acquisition or disposal of significant assets, the Audit Committee's authority concerning matters related to auditors, and the consideration of the independence of auditors in non-audit services or other services that are not audit-related, including the determination of fees for such services.
- 2. Developed projects and activities related to good corporate governance, business ethics and code of conduct, and sustainable development, including training on corporate governance policies and anti-corruption measures, as well as testing participants' knowledge. Organized training programs to develop sustainable organizations. Communicated to raise awareness and encouraged employees to adhere to governance principles, anti-corruption policies, and sustainable social and environmental development. Promoted and disseminated stories of employees who performed good deeds and are named in the Company's Hall of Fame. Conducted activities to comply with the Personal Data Protection Act (PDPA), Data Governance, Data Privacy Status, and Cyber Security, including conducting the Cyber Resilience Survey for listed companies conducted by the Stock Exchange of Thailand. Complied with the Company's IT Security Policy. Implemented activities for all managers and employees to report potential conflict of interest electronically. Implemented environmental support projects such as surplus food delivery programs, among others.
- 3. Developed an operational plan for corporate governance and anti-corruption, including key performance indicators for each aspect for the year 2023. The objective is to achieve an excellent Corporate Governance Rating from globally recognized institutions.
- 4. 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.
- 5. 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 2023, 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, their qualifications, extensive experience and reputation will result in 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 the 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 of Directors 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 the Board of Directors, each director, and the Sub-Committees 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 and its subsidiaries regularly review, improve and update the Corporate Governance Policy every year to be in line with the national and international CG standards such as the Corporate Governance Code published by the Securities and Exchange Commission (the 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.

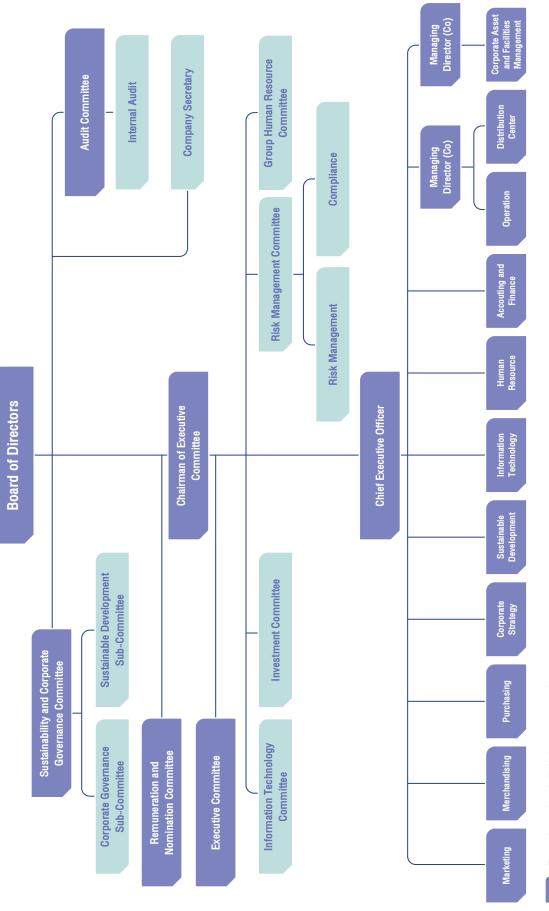
The Company and its subsidiaries received the major corporate governance evaluations and awards as follows:

- 1. For the fifth 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 2023, and the Company is in the Top Quartile group of companies with a market capitalization of more than Baht 10,000 million.
- 2. The Company was selected as a member of the Thailand Sustainability Investment ESG Ratings 2023 in the Services industry by the Stock Exchange of Thailand for the 6th consecutive year and received SET Awards in the sustainability excellence awards in type of Highly Commended in Sustainability Awards of more than Baht 100,000 million Market Capitalization Company for the 3rd consecutive year.

- 3. The Company was selected to be a member of the Dow Jones Sustainability Indices 2023 (DJSI World) for the 7th 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.
- 4. The Company has been selected to be a member of the FTSE4Good Index 2023 (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 6th consecutive year, and the Company maintained a score higher than the industry average in every dimension.
- 5. The Company received an A score from the MSCI ESG Ratings (Morgan Stanley Capital International) 2023.
- 6. Selected by the Thaipat Institute, who examines listed firms with outstanding performance in terms of Environmental, Social, and Governance (ESG) criteria, to be one of the 2023 ESG 100 companies in the service sector for the 6th consecutive year.
- 7. Received the CAC Change Agent Awards 2023 for the third consecutive year, organized by the Thai Institute of Directors (IOD), in which the Company collaborated in developing capabilities by providing training and encouraging SMEs business partners to sign the Declaration of Intent against corruption, aligning with the Thai Private Sector Collective Action Against Corruption (CAC) initiative. More than 10 companies participated within one year. In 2023, SMEs quality improvement training was conducted as part of the CAC SMEs Certification program, with 58 participants, and 15 SMEs signed the Declaration of Intent with CAC. In addition, the Company's CAC membership was renewed for the second time with an extension for another 3 years until June 30, 2026.
- 8. The Company received an A score from the CEP (Carbon Disclosure Project) 2023.
- 9. "THE TARA" office building, designed with a focus on key components of renewable energy use in the form of a Smart Building, received the Outstanding Awards for Energy Conservation in the New and Existing Building category from the "Thailand Energy Awards 2023" event organized by the Department of Alternative Energy Development and Efficiency, Ministry of Energy. It was also selected to participate in the "ASEAN Energy Awards 2023" regional-level competition for outstanding energy-efficient building projects, held in Bali, Indonesia. It won the ASEAN Best Practices for Energy Efficient Building Awards in the New and Existing Building category.
- 10. Received Score 4.43 out of 5 (better score comparing to score 4.23 of last year) from Cyber-security Resilience Survey 2023 of National Institute of Standards and Technology (NIST) conducted by the Stock Exchange of Thailand. The Company's score is higher than the overall average score of 194 participated listed companies which is 2.11 and higher than the industry average of the listed companies in the same industry group Service group which is 2.01. In summary, the Company has guidelines for controlling Cyber-security, has policy, clearly procedure and sufficient resources for set up Cyber-security 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 and improve Centralizing security information SOC, and getting certified ISO 27001 and ISO 027701.
- 11. The Company received a score of 98 out of 100 for the AGM Checklist 2023 from the Thai Investors Association.
- 12. The Company received the Organization that Empowers Persons with Disabilities Awards 2023 for the 7th consecutive year from the "International Day of Persons with Disabilities 2023" event organized by the Ministry of Social Development and Human Security.
- 13. The Company received the "Anti-Corruption Awards 2023" organized by Anti-Corruption Journalists Association (Thailand).

The Board Of Directors, Sub-committees, Executives and Other Staffs Corporate Governance Structure and Important Information of





Executives who shall declare remuneration

7.2 Information of the Board of Directors

As of December 31, 2023, 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

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

<u>Non-Executive Directors:</u> 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.

<u>Independent Directors:</u> 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. At least half of the total number of Directors must reside within the Kingdom of Thailand and represent the major shareholders who are not executives or part of the management team or nominated by 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 according to the Public Limited Company Act and the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand. Directors must possess knowledge, capabilities, extensive expertise and experience that will be genuinely beneficial for the Company. They must also be dedicated 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 the qualifications specified by the SEC and SET.
- 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 the Board of 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, each Director is limited to be a 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 are to be disclosed.

In regards to the power of the Chairman of the Executive Committee and the Chief Executive Officer, 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 ensuring that the Board of Directors' activities will be in compliance with the related laws and regulatory requirements; 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 are 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. In the event that a new director is appointed, the Company Secretary will be responsible for preparing and providing documentation to the newly appointed director.

7.2.2 Information of the Board of Directors and the Controlling Person

Names of the Board of Directors

Name - Surname			Position			
1. Adj. Pro. Prasobsook Boondech			Independent Director, Chairman of Sustainability and Corporate Governance Committee			
2. Pol. Gen. Dumrongsak Kittiprapas ²		gsak Kittiprapas ²	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	Kittayarak	Independent Director			
7.	Mr. Soopakij	Chearavanont	Chairman			
8.	Mr. Korsak	Chairasmisak ¹	Vice Chairman and Chairman of Executive Committee			
9.	Mr. Suphachai	Chearavanont ¹	Vice Chairman and Remuneration and Nomination Committee			
10.	Mr. Tanin	Buranamanit ¹	Vice Chairman and Vice Chairman of Executive Committee			
11.	Mr. Adirek	Sripratak ¹	Director			
12.	Mr. Umroong	Sanphasitvong ¹	Director, Member of Executive Committee, Sustainability and Corporate Governance Committee			
13.	Mr. Narong	Chearavanont ¹	Director			
14.	Mr. Prasert	Jarupanich ¹	Director			
15.	Mr. Pittaya	Jearavisitkul ¹	Director and Vice Chairman of Executive Committee			
16.	Mr. Piyawat	Titasattavorakul ¹	Director and Vice Chairman of Executive Committee			

Remarks:

- 1. Directors No. 8 16 are Authorized Directors.
- 2. Director No. 2 Pol. Gen. Dumrongsak Kittiprapas was appointed as an Independent Director on November 10, 2023 to replace Pol. Gen. Pacharawat Wongsuwan, who resigned from directorship on August 30, 2023.

All 16 members of the Company's Board of Directors do not have any prohibited qualifications as follows:

- 1. No criminal record related to offenses committed with dishonest intent regarding property; and
- 2. No history of transactions that may cause conflict of interest with the Company in the past year.

Authorized Directors

Documents will be considered legally binding the Company when signed by 2 authorized directors – consisting of any authorized director from both Executive 1 and Non–Executive 2 members, excluding the Chairman and Independent Directors for the existence of independence in compliance with good corporate governance principles, and affixed with the Company's seal.

There is a diversity among the Board's members in terms of qualifications, gender, age, educational background, and experience, without limiting other differences. Members possess skills aligned with the Company's business strategy, as outlined in the Board Skill Matrix as follow:

Name - Surname		Skill matrix										
		Accounting & Finance	Economics & Banking	Administration & large organization management	Risk Management	Crisis Management	Business & Marketing	International Competition	Digital	Research & Development	Law & Case	Security & Society
1. Adj. Pro. Prasobs	1. Adj. Pro. Prasobsook Boondech			Х	Х	Х					Χ	X
2. Pol. Gen. Dumror	2. Pol. Gen. Dumrongsak Kittiprapas			Х	Х	Х					Х	Х
3. Mr. Padoong	Techasarintr	Х	Х	Х	Х	Х			Х		Χ	Х
4. Mr. Pridi	Boonyoung	Х			Х						Χ	
5. Mrs. Nampung	Wongsmith	Х	Х	Х	Х							
6. Pro. Dr. Kittipong	g Kittayarak			Х				Х		Х	Χ	Х
7. Mr. Soopakij	Chearavanont	Х	Х	Х	Х	Х	Х	Х				Х
8. Mr. Korsak	Chairasmisak		Х	Х	Х	Х	Х	Х		Х		Х
9. Mr. Suphachai	Chearavanont			Х	Х	Х	Х	Х	Χ	Х		Х
10. Mr. Tanin	Buranamanit			Х	Х	Х	Х			Х		Х
11. Mr. Adirek	Sripratak	Х		Х	Х	Х	Х	Х				Х
12. Mr. Umroong	Sanphasitvong	Х	Х	Х	Х		Х	Х				Х
13. Mr. Narong	Chearavanont	Х		Х		Х	Х	Х	Х	Х		Х
14. Mr. Prasert	Jarupanich			Х			Х	Х	Χ			
15. Mr. Pittaya	Jearavisitkul	Х	Х	Х	Х	Х	Х					
16. Mr. Piyawat	Titasattavorakul			Х	Х	Х	Х			Х		Х

Remarks

- 1. Administration and management of large organization include determining corporate visions and missions and human resource management.
- 2. Business and marketing include logistics and distribution.
- 3. Digital includes E-commerce, technology, information security & cyber security.
- 4. Law and litigation include business laws, securities laws, and tax laws.
- 5. Security and society include environment, community, and safety.
- 6. Economics and banking include financial and investment institutes.

Furthermore, the following is a list of directors who have expertise in working and being an executive in the Company operating in the Food and Staples retailing industry or directly involved.

Name -	Surname	Year	Experience			
1. Mr. Soopakij	Chearavanont	2010	Chief Executive Officer, Shanghai Lotus Supermarket Chain Store Co., Ltd.			
2. Mr. Korsak	Chairasmisak	2002-2012	Chief Executive Officer, CP All Public Co., Ltd.			
		1983-1987	Executive Vice President (Trading), Charoen Pokphand Group Co., Ltd. (Based in Hong Kong)			
		1979-1983	Managing Director, Bangkok Produce Merchandising Co., Ltd. C.P. Agro-Industry Co., Ltd. C.P. Intertrade Co., Ltd.			
3. Mr. Suphachai	Chearavanont	2021	Chairman of the Executive Committee, C.P. Retail Holding Co., Ltd.			
4. Mr. Adirek	Sripratak	2003-2023	Vice Chairman, Chairman of Executive Committee, Charoen Pokphand Foods Public Co., Ltd.			
5. Mr. Narong	Chearavanont	1997	Managing Director, Ek-Chor Trading (Shanghai) Co., Ltd.			
		1995-1997	Managing Director, Ek-Chor Distribution (Thailand) Co., Ltd.			
6. Mr. Prasert	Jarupanich	1988-2023	Vice President – Marketing and Distribution Group, Charoen Pokphand Group Co., Ltd.			
7. Mr. Pittaya	Jearavisitkul	2002-2012	Deputy Chief Executive Officer, CP All Public Co., Ltd.			
		1993-1998	Vice President – Marketing and Distribution Group, Charoen Pokphand Group Co., Ltd.			
8. Mr. Piyawat	Titasattavorakul	2002-2012	Managing Director, CP All Public Co., Ltd.			
9. Mr. Tanin	Buranamanit	2013-2021	Chief Executive Officer and Managing Director, CP All Public Co., Ltd.			

Appointment and Removal of the Board of Directors

The appointment of the Board of 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 the 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 business sectors, industry, 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 shall 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 other than by rotation, the Board of Directors shall elect a person who is qualified and does not possess any prohibited description according to the law to replace such Director at the following meeting of Directors, except when the remaining duration of office of such Director is less than two months. The assigned Director in the foregoing paragraph may retain in his office only for the remaining of the duration of office of the Director whom he replaces. The resolution of the Board of Directors to elect the director under this paragraph must be approved by a vote of not less than three-fourths of the number of Directors.

The shareholders may remove any Director from office prior to the end of his term at the shareholders' meeting 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 the Board of 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 the Board of 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 as specified in the Charter for the Board of Directors of the Company, are as follows:

- 1. Report any individual situations of conflict of interest or those of related persons that are related to the management of the Company and its subsidiary 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 to perate 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 conflict of interest 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 value added 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 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, and Chief Executive Officer; 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 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 'whistleblowing' 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 the Company's subsidiaries, through considering that appropriateness of those persons to be appointed as Directors of the Company's subsidiaries 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 the Board of 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 the 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, the Company's Articles of Association, 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 of the Board of Director

Number of years for each term

Each Director has a total of 3 years for each full term of office, except a person appointed to replace the 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, such Director shall serve only for the remaining period of the term of office and can be re-elected as a Director for another full term.

Number of consecutive terms of an 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 (April, 20 2018). Nevertheless, the AGM may consider the reasons and necessity as proposed by the Company and approve 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. The committees under the Chairman of the Executive Committee are the Executive Committee and the Risk Committee.

1. Audit Committee

The Company's Audit Committee is appointed by the Board of Directors and consist of at least 3 directors; whereby all are required to be Independent Directors who are not the Executives of the Company. The Manager of the Internal Audit Office shall act as the Secretary of the Audit Committee.

The Audit Committee are as follows:

Name - Surname	Position			
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 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 in 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 an 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 are disclosed in "Attachment 3".

Qualifications of Members of the Audit Committee as specified in the Charter of the Audit Committee

- Owning not more than 0.5 percent of the total number of shares with the rights to vote of the Company, parent company, subsidiary, associated company, the major shareholder, or a person with a controlling power over the Company.
 The 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, associated company, the major shareholder, or a person with a controlling power over the Company; unless the person is no longer in such a position for at least 2 years prior to being appointed as the Audit Committee. Nevertheless, 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, 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 its subsidiaries.
- 4. Not being or having been a person with a business relationship with the Company, parent company, subsidiary, associated company, 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 parent company, subsidiary, associated company, or a person with a controlling interest of the Company. This is unless the person is no longer in such a position for at least 2 years prior to being appointed to the Audit Committee.
- 5. Not being or having been an Auditor of the Company, parent company, subsidiary, associated company, 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, associated company, or a person with a controlling power over the assigned Company. This is unless the person is no longer in such a position for at least 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, associated company, 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. This is unless the person is no longer in such a position for at least 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 its subsidiaries; 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 percent 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 its Subsidiaries.
- 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, subsidiaries, associated company, 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 Company's parent company, subsidiary, or affiliate in the same level which are 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

Each member of the Audit Committee shall have a term of office of 3 years, which is also concurrent with being an Independent Director of the Company, and a member of the Audit Committee can be re-elected 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 the required qualifications or possessing any prohibited qualifications, as specified by regulations of the SEC and SET and the Public Limited 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 replace a 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 submits the financial reports correctly, accurately and adequately.
- 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 the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand, 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 transactions involving the acquisition or disposal of significant assets, and related transactions or those transactions that may involve a conflict of interest, so that they comply with the applicable laws and regulatory requirements of the Stock Exchange of Thailand. As such, this is to ensure that such transactions are appropriate and for the maximum benefits of the Company. The Audit Committee is also responsible for monitoring the progress of the execution of related transactions and transactions involving the acquisition or disposal of significant assets according to the plans approved by the Company's Board of Directors and shareholders.
- 6. Prepare the Report of the Audit Committee, through disclosing 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 as follows:

- (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, the regulations of SET, and all laws applicable to the Company's businesses
- (d) Opinion on the appropriateness and suitability of the external Auditor
- (e) Opinion on those transactions that may involve a conflict of interest
- (f) Number of Audit Committee meetings held during the year, and the attendance record of each Member of the Audit Committee
- (g) Overall opinion or comments that the Audit Committee has received in discharging its responsibilities in accordance with the Charter for the Audit Committee
- (h) 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's 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 including names of the members and the scope of responsibilities of the Audit Committee in accordance with the format as well as procedures specified by SET within 3 (three) working days from such changes becoming effective via SET's electronic communications system.

Additionally, the Audit Committee meets on a regular basis every month 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 is 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:

Name - Surname	Position
1. Adj. Pro. Prasobsook Boondech*	Chairman, Sustainability and Corporate Governance Committee
2. Pol. Gen. Dumrongsak Kittiprapas*	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, conflict of interest issues, Policy on Protecting Personal Information and Data, Data Governance, Cyber Security, Business Ethic 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 re-elected 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.

^{**} Pol. Gen. Dumrongsak Kittiprapas was appointed on November 10, 2023, to replace Pol. Gen. Pacharawat Wongsuwan who resigned on August 30, 2023.

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

- 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 (the 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.
- Oversee and ensure that the Company's executives act in full compliance with the established Policy on Corporate 4. 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.
- Report the results of the various activities undertaken and the results of the assessment of the compliance with the 6. 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.
- Act in compliance with the Policy on Anti-Corruption together with associated guidelines on preventing fraud 10. 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 is appointed 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:

Name - Surname	Position
1. Pol. Gen. Dumrongsuk Kittiprapas*	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. Being independent to 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.

^{**} Pol. Gen. Dumrongsak Kittiprapas was appointed on November 10, 2023, to replace Pol. Gen. Pacharawat Wongsuwan who resigned on August 30, 2023.

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 corresponds 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.
- Undertake any other activities as considered appropriate and assigned by the Board of Directors. 8.

To fulfill the duties under the scope of authority, the Remuneration and Nomination Committee is authorized to call for and order the management or relating employees 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's 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:

Nar	ne - Surname	Position
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

^{*} Directors of the Company

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:

Name - Surname	Position		
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

- 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 2023, 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 sub-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.
- Giving 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, budgets, 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.
- Trained or attending seminars relating to risk management both internally and externally to keep up 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 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:

- = Strongly disagree and does not undertake the respective activity nor address the matter at all.
- Disagree and undertakes the respective activity/addresses the matter in a small extent. 1
- 2 Agree and undertakes the respective activity/addresses the matter in a fair extent.
- 3 Agree in a greater extent and undertakes the respective activity/addresses the matter in a good extent.
- 4 Strongly agree and undertakes the respective activity/addresses the matter to an excellent degree.

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

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

Audit Committee

Strongly agree or the Committee's activities address that respective aspect/matter to an excellent degree, with the total average score = 100 percent.

Sustainability and Corporate Governance Committee

Strongly agree or the Committee's activities address that respective aspect/matter to an excellent degree, with the total average score = 100 percent.

Remuneration and Nomination Committee

Strongly agree or the Committee's activities address that respective aspect/matter to an excellent degree, with the total average score = 100 percent.

Executive Committee

Strongly agree or the Committee's activities address that respective aspect/matter to an excellent degree, with the total average score = 93 percent.

And strongly agree or the Committee's activities address that respective aspect/matter well, with the total average score = 7 percent.

Risk Committee

Strongly agree or the Committee's activities address that respective aspect/matter to an excellent degree, with the total average score = 93 percent.

And strongly agree or the Committee's activities address that respective aspect/matter well, with the total average score = 7 percent.

7.4 High-level Executives

7.4.1 Executive Committee

As of 31 December 2023, the Company had a total of 14 high-level executives consisting of

- Executive Committee 10 persons; and
- Executive Officers 8 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 August, 7 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
- 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 the Articles of Association of the Company.
- 5. The increment or decrement of capital, the issuance of debentures, the consolidation or dissolution of the Company.
- The approval of annual balance sheet and income statement. 6.
- 7. The allocation of profits and payment of dividends.
- 8. Approval of remuneration for directors.

- 9. Appointment of auditor and determination of audit fees.
- 10. 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. Lending of money to other companies in the amount exceeding Baht 500 million per time.
- 12. The investment, joint-venture, increment of capital in the subsidiaries, associated company, 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 or proceed with one or several matters as the Chairman of the Executive Committee considers appropriate, provided that such assigning matters shall not cause or have a conflict of interest between the Chairman of the Executive Committee or the delegate and the Company or its subsidiaries, unless such matters are 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 December, 31 2023, the Company's Executive Officers consist of:

Name - Surname		- Surname	Position		
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*	Managing Director (Co) and in Charge of Corporate Asset and Facilities Management – CAFM		
4. Mr.	Taweesak	Kaewrathtanapattama*	Senior Vice President – Accounting and Finance		
5. Ms.	Lawan	Tienghongsakul*	Senior Vice President – Human Resource		
6. Mr.	Kriengchai	Boonpoapichart	Chief Financial Officer		
7. Mr.	Thupthep	Jiraadisawong	Senior Vice President – Operation		
8. Mr.	Wiwat	Pongritsakda	Vice President – Information Technology		

^{*} 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 December 23, 2021 effective on January 1, 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 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 will hire 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 are 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.

Since 2018, the Board of Directors has 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 bonus	17	561.393
2020	Salary bonus and special bonus	16	403.098

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Year	Description	No. of Executives (Person)	Remuneration (Million Baht)
2021	Salary bonus and special bonus	18	429.425
2022	Salary bonus and special bonus	17	474.950
2023	Salary bonus and special bonus	14	484.366

2023 Total company accumulated cash remuneration Baht 34,963 million.

Payment for Executive Committee and Executive Officers 1.39 percent.

(2) Other Remuneration

1. Provident Fund

The Company has established a provident fund, with the Company contributing 2 percent of monthly salary. In 2023, the Company contributed a total of Baht 6.530 million to the provident fund for high-level executives, and paid Baht 8.990 million, Baht 8.521 million and Baht 6.642 million in 2022, 2021 and 2020 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. This 4th EJIP has a three-year term (October 2023 – September 2026). Executives who are eligible for the EJIP must work for the Company for at least 3 years. The Company will deduct 5 percent from the executives' monthly salary and the Company will contribute 80 percent of the deductible amount from the executives each month. In 2023 (October – December), the Company paid total amount of Baht 2.383 million for high-level executives who joined the EJIP, and paid Baht 4.286 million, Baht 12.205 million and Baht 11.604 million in 2020, 2019 and 2018 respectively.

Remark: The Company suspended the 3rd Employee Joint Investment Program (EJIP) from the end of May 2020 to its ending period to relieve the burden of employees who 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.

Convenience Store Business	2023	2022	2021	2020
Store employees (Persons)*	68,187	57,929	49,557	50,313
Head office staff (Persons)*	16,909	15,557	13,857	13,583
Total (Persons)	85,096	73,486	63,414	63,896
Remuneration for Employees (Million baht) (Comprises of salary, bonus, EJIP, provident fund and other fringe benefits)	34,963	30,554	25,564	24,114

^{*} Only the Company's permanent employees

In 2023, the Company's subsidiaries (excluding companies under CP Axtra Public Company Limited and its subsidiaries) paid the remuneration to employees in the same way, totaling Baht 7,978 million.

Executives and Other Staffs

Employees joining the Provident Fund - PVD

Company (in Thailand Only)	PVD Yes/No	Employees joining PVD (Persons)	Percentage of Total Employees
1. CP ALL Plc.	Yes	33,284	38
2. CPRAM Co., Ltd.	Yes	2,022	68
3. CP Retailink Co., Ltd.	Yes	994	49
4. Panyapiwat Institute of Management	Yes	363	49
5. 24 Shopping Co., Ltd.	Yes	566	65
6. Gosoft (Thailand) Co., Ltd.	Yes	479	36
7. Panyapiwat Technological College	Yes	174	54
8. Counter Service Co., Ltd.	Yes	143	61
9. Panyatara Co., Ltd.	Yes	87	70
10. MAM Heart Co., Ltd.	Yes	54	71
11. All Training Co., Ltd.	Yes	51	78
12. Panyapiwat Institute of Management Demonstration School	Yes	14	13
13. CP Foodlab Co., Ltd.	Yes	9	69
14. ALL Guardian Co., Ltd.	Yes	6	43
15. ALL Wellness Co., Ltd.	Yes	3	100

The Company has a policy to support the Company's 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 August 13, 2008. The detail of the Company Secretary is shown in Attachment 1.

In case 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 authorized to assign any director to temporarily perform the duty during such period.

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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 the 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, 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 its subsidiaries. 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 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 2023, the Company held activities for 938 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 14 times (Virtual Conference).
- Virtual conference with the investors and analysts for 36 times and phone call for 132 times.
- Analysts and investors physical meeting for 32 times.
- Marketing activities by inviting analysts and investors to visit the operating area of the Company 3 time.
- Held Press conference to public on the Company's performance and newsletter for a total of 16 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 Mahamaek,

Sathorn, Bangkok 10120

Executives and Other Staffs

7.6.3 Audit Fee

1. Audit Fee

In 2023, the Company paid audit fees to the external independent Auditor of the Company, Mr. Veerachai Ratanajaratkul, CPA No. 4323 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 CP Axtra Group) located in Thailand and 2 Subsidiary Companies located in overseas, including Lotus Distribution Investment Limited and Albuera International Limited, totaling Baht 5,760,000.

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 2023, the Company and Subsidiary Companies did not receive any other non-audit services from KPMG Phoomchai Audit Co., Ltd.

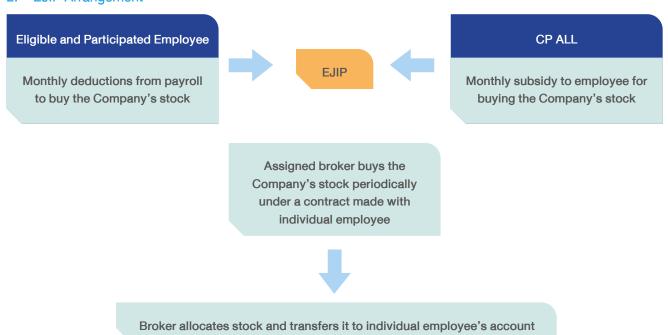
7.6.4. Employee Joint Investment Program - EJIP No. 4

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. 4 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	Employee - 5 percent of salary		
(per Employee)	Company - 80 percent of the deductible amount from the employee each month		
Duration	October 2023 – September 2026 (Total 3 years)		
	Buying – employee's deduction from monthly salary and the Company's contribution		
Method of Payment	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's account opened with the broker		
	Dividend Gain		
Benefits to Employee	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.		
	Employee must pay personal income tax on the contribution amount received from		
Tax	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, early termination of the program, including determines the subsidiary companies that can participate in the project.

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.

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

- 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 percent 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 2023, a total of 9 Board of Directors' Meetings were held which was appropriate for the duties and responsibilities of the Board and the operations of the Company, 94.37 percent of the Directors attended the meetings according to their respective terms. The Company also held one meeting for the Non-Executive Directors in 2023 which 9 directors from 10 directors attended, accounting for 90 percent.
- 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, accounting for 66.67 percent 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 2023, 9 Board of Directors' meetings were held. There were 3 meetings which all of the directors were present, and there were 3 meetings which 15 directors from 16 directors attended, accounting for 93.75 percent of attendance rate. There was one meeting which 13 directors from 16 directors attended, accounting for 81.25 percent of attendance rate, and there were 2 meetings which 14 directors from 15 directors attended, accounting for 93.33 percent of attendance rate.

- 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 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, and 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 the Board of Directors, namely Mr. Pridi Boonyoung, Mr. Padoong Techasarintr, Pol. Gen. Dumrongsak Kittiprapas*, Adj. Prof. Prasobsook Boondech, Mrs. Nampung Wongsmith, and Prof. Dr. Kittipong Kittayarak.

* Pol. Gen. Dumrongsak Kittiprapas was appointed as an Independent Director on November 10, 2023, to replace Pol. Gen. Pacharavat Wongsuwan, who resigned on August 30, 2023.

• 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 percent of the total number of shares with the rights to vote and issued by the Company, parent company, subsidiary, associated company, the major shareholders, or a person with a controlling power over the Company. As such, the total shareholding shall also include the 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, associated company, the major shareholders, or a person with a controlling power over the Company; unless the person is no longer is in such a position 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
- 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 children, an Executive of, a major shareholder, 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 its Subsidiary.
- 4. Not being or having been a person with a business relationship with the Company, parent company, subsidiary, associated company, a major shareholder, or a person with a controlling power over the Company in a way that could 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, associated company, a major shareholder, or a person with a controlling interest of the Company. This is unless the person is no longer in such a position for not less than 2 years prior to being appointed.
- 5. Not being or having been an auditor of the Company, parent company, subsidiary, associated company, a major shareholder, 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, associated company, a major shareholder, or a person with a controlling power over the assigned Company. This is unless the person is no longer in such a position or 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 annually of the Company, parent company, subsidiary, associated company, a major shareholder, 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. This is unless the person is no longer in such a position for not less than 2 years prior to being appointed.
- 7. Not being a director appointed to represent the directors of the Company, a major shareholder, or a shareholder associated with a major shareholder.
- 8. Not operating a business which is similar to or the same as or that is a significant competitor of the Company or its subsidiaries; or not being a significant shareholder in a business partnership, or a director actively involved in managing the business operation, employee or staff of, or an advisor who receives a monthly retainer to; or owning more than 0.5 percent 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 its subsidiaries.

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, associated company, 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 such person 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 the shareholders in advance together with the letter of invitation for 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 for any 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.
- 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 2023, the Company has conducted a review of the model for preparing Talent within the organization as well as developed tools for assessing potential on par with international standards. These tools are used for selection and development purposes to ensure that Talent are appropriately positioned to be future leaders. 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 the 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, the Company also focuses on developing high-potential employees to have a positive attitude, knowledge, and skills, making them proficient both in their work and interpersonal relationships. The Company aims to cultivate good people in line with the organization's values and culture. This is achieved through diverse methods such as training, coaching from supervisors or experienced individuals, and practical hands-on projects at both the departmental and organizational levels.
- 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 2023, 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, including attending the lectures by highly qualified and experienced experts in the field of expertise. 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 provide various background information and relevant documents that are beneficial for their work for them to study as guidelines on how the Company operates its business, 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 the position to suddenly become vacant. As such, the selection of the successor will consider that person's readiness for advancement primarily based on achieved past performance, CPALL Leadership DNA, and career interest and aspiration.
- 4. During the past year, the Company 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".

16. Mr. Piyawat Titasattavorakul (2023)

Training Courses/ Year of Attendance Accreditation Program (DAP) 1 Adjunct Professor Prasobsook 2017/ (2023) 2016 Boondech 2. Pol. Gen. Dumrongsak Kittiprapas* 2001 2021 3. Mr. Padoong Techasarintr 2008 2008 2003 4. Mr. Prid Boonyoung 5. Mrs. Nampung Wongsmith 6. Professor Dr. Kittipong Kittayarak 2014 2015 2011 7. Mr. Soopakij Chearavanont 2023 8. Mr. Korsak Chairasmisak 2006 2000 9. Mr. Suphachai Chearavanont 2011 2010 10. Mr. Tanin Buranamanit 11. Mr. Adirek Sripratak 12. Mr. Umroong Sanphasityong 2006 2022 (2023) (2023) 13 Mr Narong Chearavanont 2004 2004 14. Mr. Prasert Jarupanich (2023)2000 15. Mr. Pittava Jearavisitkul

Attendance of Directors in Training Courses held by the IOD

Remark: On November 10, 2023, Pol. Gen. Damrongsak Kittiprapat was appointed to replace Pol. Gen. Phatcharavat Wongsuwan, who resigned on August 30, 2023.

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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 a consultant on corporate governance of 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 Charoenpokpan 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.

In 2023, the Company organized a training session regarding the Global Trends on Sustainability and its Impact on CP ALL Public Co., Ltd. for the Board of Directors. The session was conducted by Mr. Prasit Vaiyavatjamai, Partner: Corporate Sustainability & Climate Change Service, Thailand and Director of ERM-Siam Limited, an expert in sustainability. Key topics included preparing for climate change, caring for and restoring nature and ecosystems, responsible consumption and production, and integrating ESG issues into disclosure.

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 summaries 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 of Directors.
- 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 interest on an arm's length basis; any transaction with conflict of interest 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.
- 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.

• Development of the Directors, i.e., the directors understand their role, duties and responsibilities in accordance with both legal and fiduciary duties; the directors have sufficient knowledge and understanding of the Company's business to effectively perform their duties; the directors are encouraged to attend the training and development program for directors to improve their knowledge, skills, and understanding of their responsibilities and to stay abreast of changes in the business environment.

Self-Assessment of a Director 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 between the Board of Directors and the 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,

- O = Strongly disagree or no activity undertaken in this matter.
- 1 = Disagree 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 = Strongly agree and excellent degree of activity undertaken in this matter.

Additionally, there has space for the 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 percent; whereby there was only a good degree of agreement and only a good level of activity undertaken with an achieved overall score of 4 percent.

Summary of Performance Self-Evaluations of 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 98 percent; whereby there was only a good degree of agreement or only a good level of activity undertaken with an achieved overall average score of 2 percent.

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 2023.

	Name - S	urname	Positions	Board of Directors (9 times)	Non-Executive Directors Meeting (1 time)	Shareholders' Annual General Meeting (1 time)
1.	Adj. Pro. Prasobs	ook Boondech	Independent Director	9/9	1/1	1/1
2.	Pol. Gen. Phatcha	aravat Wongsuwan**	Independent Director	6/6	-	1/1
۷.	Pol. Gen. Dumror	ngsak Kittiprapas***	Independent Director	1/1	-	-
3.	Mr. Padoong	Techasarintr	Independent Director	9/9	1/1	1/1
4.	Mr. Pridi	Boonyoung	Independent Director	9/9	1/1	1/1
5.	Mrs. Nampung	Wongsmith	Independent Director	9/9	1/1	1/1
6.	Pro. Dr. Kittipong	; Kittayarak	Independent Director	8/9	1/1	1/1
7.	Mr. Soopakij	Chearavanont	Chairman	7/9	0/1	1/1
8.	Mr. Korsak	Chairasmisak *	Vice Chairman	8/9	-	1/1
9.	Mr. Suphachai	Chearavanont	Vice Chairman	7/9	1/1	0/1
10.	Mr. Tanin	Buranamanit *	Vice Chairman	9/9	-	1/1
11.	Mr. Adirek	Sripratak	Director	9/9	1/1	1/1
12.	Mr. Umroong	Sanphasitvong *	Director	9/9	-	1/1
13.	Mr. Narong	Chearavanont	Director	7/9	1/1	1/1
14.	Mr. Prasert	Jarupanich	Director	9/9	1/1	1/1
15.	Mr. Pittaya	Jearavisitkul *	Director	9/9	-	1/1
16.	Mr. Piyawat	Titasattavorakul *	Director	9/9	-	1/1

Remarks:

- * Executive Director.
- ** Pol. Gen. Phatcharavat Wongsuwan resigned on August 30, 2023.
- *** Pol. Gen. Dumrongsak Kittiprapas was appointed as an Independent Director on November 10, 2023.

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 2023 Annual General Meeting of Shareholders dated April 21, 2023, approved the remuneration for directors at the same rate as approved in the Annual General Meeting of Shareholders Year 2022 dated April 22, 2023, which is also the same rate as approved in the Annual General Meeting of Shareholders dated April 21, 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 percent 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 January 1 to December 31, 2023

(Unit: Baht)

Name - Surname		Positions	Remuneration	Bonus	Total
1.	Adj. Pro. Prasobsook Boondech	Chairman of Sustainability and Corporate Governance Committee, and Independent Director	1,440,000	2,847,000	4,287,000
2.	Pol. Gen. Phatcharavat Wongsuwan	Chairman of Remuneration and Nomination Committee, Sustainability and Corporate Governance Committee, and Independent Director	960,000	2,847,000	3,807,000
	Pol. Gen. Dumrongsak Kittiprapas*	Chairman of Remuneration and Nomination Committee, Sustainability and Corporate Governance Committee, and Independent Director	204,000	-	204,000
3.	Mr. Padoong Techasarintr	Chairman of Audit Committee, Sustainability and Corporate Governance Committee, Remuneration and Nomination Committee, and Independent Director	1,440,000	2,847,000	4,287,000

(Unit: Baht)

Name - Surname		name	Positions	Remuneration	Bonus	Total
4.	Mr. Pridi	Boonyoung	Audit Committee and Independent Director	1,200,000	2,372,000	3,572,000
5.	Mrs. Nampung	Wongsmith	Audit committee and Independent director	1,200,000	2,372,000	3,572,000
6.	Pro. Dr. Kittipong	Kittayarak	Independent Director	960,000	1,898,000	2,858,000
7.	Mr. Soopakij	Chearavanont	Chairman	1,440,000	2,847,000	4,287,000
8.	Mr. Korsak	Chairasmisak	Vice Chairman	1,200,000	2,372,000	3,572,000
9.	Mr. Suphachai	Chearavanont	Vice Chairman, and Remuneration and Nomination Committee	1,200,000	2,372,000	3,572,000
10.	Mr. Tanin	Buranamanit	Vice Chairman	1,200,000	2,372,000	3,572,000
11.	Mr. Adirek	Sripratak	Director	720,000	1,423,000	2,143,000
12.	Mr. Umroong	Sanphasitvong	Director, and Sustainability and Corporate Governance Committee	720,000	1,423,000	2,143,000
13.	Mr. Narong	Chearavanont	Director	720,000	1,423,000	2,143,000
14.	Mr. Prasert	Jarupanich	Director	720,000	1,423,000	2,143,000
15.	Mr. Pittaya	Jearavisitkul	Director	720,000	1,423,000	2,143,000
16.	Mr. Piyawat	Titasattavorakul	Director	720,000	1,423,000	2,143,000
	Total			16,764,000	33,684,000	50,448,000

^{*} Pol. Gen. Dumrongsak Kittiprapas was appointed as an Independent Director on November 10, 2023, to replace Pol. Gen. Pacharawat Wongsuwan, who resigned on August 30, 2023.

In addition, the Company's Audit Committee received the remuneration of Baht 38,000 from the Company's subsidiary (i.e., Panyapiwat Institute of Management) for being their Audit Committee in 2023.

Remuneration for Directors of the Company's Subsidiary (CP Axtra Public Co., Ltd.) from January 1 to December 31, 2023

(Unit: Baht)

Name - Surname	Positions	Remuneration	Bonus	Total
1. Mr. Supachai Chearavanont	Chairman	1,860,000	2,455,400	4,315,400
2. Adj. Pro. Prasobsook Boondech	Independent director / Chairman of the Nomination and Remuneration Committee	1,380,000	1,745,600	3,125,600
3. Mr. Korsak Chairasmisak	Director/First Vice Chairman/ Member of the Nomination and Remuneration Committee	1,260,000	1,663,300	2,923,300
4. Mr. Tanin Buranamanit	Director/Second Vice Chairman/ Chief Executive Officer	1,200,000	1,104,500	2,304,500

(Unit: Baht)

Name - Surname		Surname	Positions	Remuneration	Bonus	Total
5.	Mr. Umroong	Sanphasitvong	Director and Member of the Corporate Governance Committee	1,260,000	1,663,300	2,923,300
6.	Mr. Adirek	Sripratak	Director	1,200,000	1,584,100	2,784,100
7.	Mr. Narong	Chearavanont	Director	1,200,000	1,584,100	2,784,100
8.	Mr. Prasert	Jarupanich	Director	1,200,000	1,584,100	2,784,100
9.	Mr. Pittaya	Jearavisitkul	Director	1,200,000	1,584,100	2,784,100
10.	Mr. Piyawat	Titasattavorakul	Director	1,200,000	1,584,100	2,784,100

(2) Other Remuneration

The Company has USD 40 million of the Directors' and Officer's Liabilities Insurance, which the premium is approximately Baht 3.2 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 a director, 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 securities laws.
- 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 2023, the Company monitored to ensure compliance with corporate governance regarding 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 fully complied with the framework and objectives of each issue.

In addition, the Company monitored 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 the Board of 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 the 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 the 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, the Board of 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 interest 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 interest to ensure clear understanding.
- Providing knowledge and understanding to the management and employees at all levels regarding the meaning of
 conflict of interest 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 conflict of interest.
- 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 the Board of 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 2023, the Company had related party transaction as follows;

1. Approved the Company or its subsidiaries to enter into a connected transaction in relation to the investment in the newly issued ordinary shares of Ascend Commerce Co., Ltd. ("Ascend Commerce"), which operates an online business offering e-commerce services and is a subsidiary of Ascend Digital Commerce Group Co., Ltd. ("ADCG"), in the proportion not exceeding 19 percent of the total registered capital after capital increase, which accounted for value not exceeding Baht 704 million. The investment value is within the price range appraised by an independent appraiser. Entering into such transaction is considered as a connected transaction as Charoen Pokphand Group Co., Ltd. ("CPG") is a major indirect shareholder of both the Company and ADCG. In addition, Mr. Suphachai Chearavanont, the Company's Director, is a major indirect shareholder of ADCG.

Calculating the total connected transaction size of this connected transaction relating to assets or services, the transaction value is 0.80 percent of the Net Tangible Assets (NTA) of the Company according to the consolidated financial statements of the Company and its subsidiaries for the 3-month period ending March 31, 2023, which have been reviewed by the auditor. The size of this transaction is more than 0.03 percent but less than 3 percent of NTA; therefore, it is considered a medium-sized transaction which requires the Company to receive approval from the Board of Directors who have no conflict of interest and disclose information to the Stock Exchange of Thailand.

3. Approved to enter into a connected transaction regarding trademark and service mark licensing agreement with CP Axtra Public Co., Ltd. ("CPAXT"). The Company and CPAXT first entered into the agreement on January 1, 2015, regarding the Royalty Fees at the rate of 0.5 percent of annual sales of the first 10 stores of Makro. The contract period is 1 year and the contract is renewed on a year-to-year basis. The renewal of the contract will commence from January 1, 2024, with the same key provisions remaining unchanged. The said transaction is considered as a connected transaction between the Company and CPAXT, which is a subsidiary that is not exempted and has to comply with the announcements of the Stock Exchange of Thailand, as CPAXT has connected persons of the Company that hold more than 10 percent of shares in CPAXT and such connected persons have control over CPAXT. The value of the transaction accounts for 0.24 percent of the Net Tangible Assets (NTA) of the Company according to consolidated financial statements of the Company and its subsidiaries for the 9-month period ending September 30, 2023. The size of this transaction is more than 0.03 percent but less than 3 percent of NTA; therefore, it is considered a medium-sized transaction which requires the Company to receive approval from the Board of Directors who have no conflict of interest and disclose information to the Stock Exchange of Thailand.

In addition to the aforementioned connected transactions, there were only transactions between the Company and its subsidiaries with related persons under general trade agreements that management can execute under the principles established by the Company's 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 the Board of 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 the Directors, Executives and employee 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 the Board of Directors, Executives and employee 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 confidential information which are not disclosed to the 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 of Directors, and by their spouses, as well as children and adopted children who are not yet of legal age.

As such, during 2023, there was no incidents relating to any breach of inside information on the part of the Board of Directors, Executive Directors, high-level Executives and employee of the Company.

Shareholdings of the Company by Directors

as at December 31, 2023 and December 31, 2022.

	20	23	2022	Increase/
Name - Surname	% to paid-up	no. of share	no. of share	Decrease
	8,983,101,348	(shares)	(shares)	(Shares)
Adj. Pro. Prasobsook Boondech	-	-	-	-
Spouse and minor child	-	-	-	_
Pol. Gen. Dumrongsak Kittiprapas*	-	-	-	-
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	0.07759	6,969,588	9,067,580	(2,097,992)
Spouse and minor child	-	-	-	-
Mr. Suphachai Chearavanont	-	-	-	-
Spouse and minor child	0.00040	36,000	24,000	12,000
Mr. Tanin Buranamanit	0.00586	526,094	517,366	8,728
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	_	_	_	-
Mr. Pittaya Jearavisitkul	0.02196	1,972,785	1,966,209	6,576
Spouse and minor child	_	_	_	-
Mr. Piyawat Titasattavorakul	0.00104	93,811	91,256	2,555
Spouse and minor child	0.00002	2,000	2,000	0
Total shareholding by Directors	0.12043	10,818,778	12,886,911	(2,068,133)

^{*} On November 10, 2023, Pol. Gen. Damrongsak Kittiprapat was appointed to replace Pol. Gen. Phatcharavat Wongsuwan, who resigned on August 30, 2023.

Shareholdings of the Company by Executives

as at December 31, 2023 and December 31, 2022.

	20	23	2022	Increase/
Name - Surname	% to paid-up 8,983,101,348	no. of share (shares)	no. of share (shares)	Decrease (Shares)
Mr. Yuthasak Poomsurakul	0.00173	155,426	150,348	5,078
Spouse and minor child	-	-	-	-
Mr. Wisade Wisidwinyoo	0.00109	97,507	59,055	38,452
Spouse and minor child	0.00334	300,000	230,000	70,000
Mr. Vichien Chuengviroj	0.00046	41,468	39,236	2,232
Spouse and minor child	-	-	-	-
Mr. Vichai Janjariyakun	0.00186	167,223	164,491	2,732
Spouse and minor child	0.00002	1,600	1,600	0
Mr. Taweesak Kaewrathtanapattama	0.00124	111,696	105,679	6,017
Spouse and minor child	0.00537	482,103	482,103	0
Ms. Lawan Tienghongsakul	0.00374	336,023	333,183	2,840
Spouse and minor child	0.00004	3,500	3,500	-
Mr. Kriengchai Boonpoapichart	0.00393	352,815	345,078	7,737
Spouse and minor child	-	-	-	-
Mr. Thupthep Jiraadisawong	0.00052	47,022	45,171	1,851
Spouse and minor child	-	-	-	-
Mr. Wiwat Pongritsakda	0.00040	35,562	33,223	2,339
Spouse and minor child	-	-	-	
Total Shareholding by Executives	0.02373	2,131,945	1,992,667	139,278
Total Shareholding by Directors and Management	0.14417	12,950,723	14,879,578	(1,928,855)

^{*} Executives' shareholding have included shares from the Employee Joint Investment Program (EJIP) beginning in October 2023.

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. Therefore, the Board of Directors supported the Company to join the declaration of intent and, consequently, the Company was approved as a member of the Collective Action Coalition Against Corruption (CAC) for anti-corruption of the public sector. On June 30, 2023, the Company was approved for another renewal of the membership for another 3-year term and also joined 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 whole 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 2023, 58 SMEs joined the program and 15 SMEs 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 from the CAC for the third 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 2023, the Company implemented projects to enhance anti-corruption risk management, namely the "Mister & Miss Good Governance: Awakening the Power of New Generation Leaders of Good Governance" project, the project to assess the effectiveness of internal controls to prevent risks, and the project to enhance the efficiency of monitoring through CCTV cameras to reduce the risk of corruption. These CP ALL projects are part of the organization's efforts against corruption by working collaboratively with the government network.

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.

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.

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 2023, the Company organized training in relation to anti-corruption for employees at all levels, as well as developed and improved the content of good corporate governance. The Company also developed anti-corruption courses as a standard program through the Company's E-learning system. Additionally, regular training sessions and online testing were provided to all employees annually to enhance knowledge, understanding, and the ability to implement practices 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 in order to prevent the impact of complaints or reports regarding corruption, unethical business conduct, legal violations, regulatory breaches, or inappropriate actions by directors, executives, and employees of the Company and its subsidiaries, all matters raised in complaints or reports will be investigated to establish the truth. Punishment will be imposed on wrongdoers, and corrective measures will be implemented to prevent recurrence.

Channel to Report

- 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 Co., Ltd.

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, 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: CPALL Connect>Portal>Whistleblowing (Internal Use Only)

8.2 Report of Audit Committee during the past year

8.2.1 Number of Audit Committee Meetings

During 2023, the Audit Committee held a total of 13 meetings, with the Members attending every meeting as follows:

Name - Surname	Position	Number of Attendance
1. Mr. Padoong Techasarintr*	Chairman, Audit Committee	13/13
2. Mr. Pridi Boonyoung*	Member of Audit Committee	13/13
3. Mrs. Nampung Wongsmith*	Member of Audit Committee	13/13

^{*} Independent Director

8.2.2 Report of Audit Committee

(Shown in Attachment 6).

8.3 Report of Other Sub-Committees

Number of Sub-Committee Meetings

Sustainability and Corporate Governance Committee

During 2023, the Sustainability and Corporate Governance Committee held 4 meetings, with the Members attending every meeting, as shown below.

Name - Surname		Position	Number of Attendance
1.	Adj. Prof. Prasobsook Boondech*	Chairman, Sustainability and Corporate Governance Committee	4/4
0	Pol. Gen. Phatcharavat Wongsuwan*	Member of Sustainability and Corporate Governance Committee**	3/3
2.	Pol. Gen. Dumrongsak Kittiprapas*	Member of Sustainability and Corporate Governance Committee**	-
3.	Mr. Padoong Techasarintr*	Member of Sustainability and Corporate Governance Committee	4/4
4.	Mr. Umroong Sanphasitvong	Member of Sustainability and Corporate Governance Committee	4/4

Independent Director

Remuneration and Nomination Committee

During 2023, the Remuneration and Nomination Committee held 4 meetings, with the Members attending every meeting, as shown below.

Name - Surname		Position	Number of Attendance
1	Pol. Gen. Phatcharavat Wongsuwan*	Chairman of Remuneration and Nomination Committee**	2/2
1.	Pol. Gen. Dumrongsak Kittiprapas*	Chairman of Remuneration and Nomination Committee**	1/1
2.	Mr. Padoong Techasarintr*	Member of Remuneration and Nomination Committee	4/4
3.	Mr. Suphachai Chearavanont	Member of Remuneration and Nomination Committee	4/4

Independent Director

^{**} Pol. Gen. Dumrongsak Kittiprapas was appointed as an Independent Director on November 10, 2023, to replace Pol. Gen. Phatcharavat Wongsuwan, who resigned on August 30, 2023.

^{**} Pol. Gen. Dumrongsak Kittiprapas was appointed as an Independent Director on November 10, 2023, to replace Pol. Gen. Phatcharavat Wongsuwan, who resigned on August 30, 2023. And Pol. Gen. Dumrongsak Kittiprapas has been appointed as the Chairman of Remuneration and Nomination Committee since November 13, 2023.

Executive Committee

During 2023, the Executive Committee held 12 meetings, as shown below.

Name - Surname	Position	Number of Attendance
1. Mr. Korsak Chairasmisak	Chairman of Executive Committee	11/12
2. Mr. Pittaya Jearavisitkul	Vice Chairman of Executive Committee	12/12
3. Mr. Piyawat Titasattavorakul	Vice Chairman of Executive Committee	12/12
4. Mr. Tanin Buranamanit	Vice Chairman of Executive Committee	12/12
5. Mr. Umroong Sanphasitvong	Member of Executive Committee	10/12
6. Mr. Yuthasak Poomsurakul	Member of Executive Committee	9/12
7. Mr. Wisade Wisidwinyoo	Member of Executive Committee	12/12
8. Mr. Taweesak Kaewrathtanapattama	Member of Executive Committee	12/12
9. Mr. Vichien Chuengviroj	Member of Executive Committee	12/12
10. Ms. Lawan Tienghongsakul	Member of Executive Committee	12/12

Risk Committee

During 2023, the Risk Committee held 2 meetings, as shown below.

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

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).

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 Company's Board of Directors set up an Audit Committee which comprises 3 Independent Directors who have complete qualifications according to rules and regulations set by the Securities and Exchange Commission. Independent Directors are responsible for auditing financial reports to assure the validity and reliability; scrutinizing acquisitions & disposals of valuable assets and other relevant transactions; scrutinizing transactions that might cause conflict of interest to ensure that they are properly handled to enhance the company's greatest value; examining the operation conformity to Anti-corruption Policy, Information Technology Policy, Data Security and Cybersecurity, and other related policies; governing the Company's Internal Audit, Risk Management, compliance with Securities and Exchange Act, and other related regulations. Internal Audit Division is responsible for examination and evaluation whether the Internal Control is appropriate, sufficient, effective, complying with all rules and regulations; overseeing Assets Management; and optimizing the Company's resources effectively.

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 encourages good internal control environment, and value Corporate Governance Policy and Business Ethics. We consistently convey our Governance Policy and Business Ethics to our executives and employees. All levels of executives and employees have to sign for their commitment and be disciplined to the Company's Governance Policy and Business Ethics. We provide CG Quiz for all employees to revise and undergo at least once a year to ensure that all levels of employees truly understand and are in compliance with our good governance. We set up policies and operation guidelines regarding Personal Data Protection Act (PDPA), and Information Technology Security; and communicate them with all levels of executives and employees by means of e-mails and websites in order to promote understanding and awareness of Personal Data Protection Act (PDPA), Usage of Company's Internal Data, cybersecurity, and motivate proper conduct. We provide appropriate corporate structure in the way to support our business plans, and do regular adjustments in order to adapt to the changing business operation. The corporate structure separates roles; and balance authorities in order to enhance efficient operation and management, clear traceability, proper audit, and effective evaluation. Moreover, the Company emphasizes on sustainable human resource development. We provide training to upskill and reskill employees for their responsible tasks. We work on Succession Plan and recruitment plan to obtain successors for important positions to ensure continuously ongoing business operation. We focus on compliance to laws and regulations relating to trade competition, and being a good entrepreneur to the society. Hence, we set up our Trade Policy to provide trade competition guidelines for all levels of employees to comply in order that the Company's intention could be practically achieved.

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 rules and regulations. The Business Ethics and Code of Conduct and the Company's corporate governance policy provide in written guidelines for performance of duties. All employees are informed with business ethics, policy and guidelines since their first orientation. Key Performance Indicators or KPIs, which are tools for planning, control, monitoring and tracking. 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 conflict 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, have Business Information Disclosure Policy, and Restrictions on Internal Data Usage. The policy, restrictions, and other important news are conveyed to all employees for their awareness through our communication channels. We provide disclosure of necessary information in the 56–1 One Report Annual Report through the Company's website www.cpall.co.th and the Stock Exchange of Thailand in order that all stockholders, stakeholders, directors, and the Company's management could make the best decisions based on accurate, sufficient, trustful and up–to–date information. The Company provide good Information Technology data storage to support future use in business operation. All the data are stored in proper grouping especially accounting reports which are vital for the preparation of financial reports. 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 via email 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 the 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, ISO 27701, PCI/DSS, and ISO 20000. The Company has appointed Data Protection Officer (DPO), Chief Security Officer (CSO) 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. Security Operation Center was initiated for cybersecurity in order to Protect, Detect, and Respond to the problems occurred from cyber operation; and promote consistency and security in cyber operation. Prompt notifications will be alarmed when there are harmful incidents relating to cyber security. All levels of employees are trained consistently and tested for their reaction to the cybe rattack by means of 4 Phishing Simulation Tests annually. Executive Levels are tested with Cyber Crisis Response twice a year for their preparation to handle and manage the virtual cyber crisis. Executives have to be acquainted to corrective actions when cyber crisis arises, take proper responsive actions, make correct decisions, and do other related process to settle the situation timely. The Company collaborates with external expertise to analyze the system loopholes, assess the Information Technology Risk on the internet, and do Security Rating persistently. Audit Division is responsible for inspection and review of operation relating to Information Technology security where necessary in order to assess whether the Company's requirements are sufficiently and appropriately complied.

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 2023, 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 the 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 Audit Committee consider the qualifications of the internal audit supervisor. Regarding education, experience, and training that are appropriate and sufficient to perform such duties. Including the appointment, removal and transfer of any person holding the position of 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 consulting 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 Model" 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 Officer encourages auditors to attend audit trainings and other regulative trainings to enhance their audit capability. Also, encourage the auditors to apply for tests and obtain audit certificates to enrich their capability, knowledge, skills and work performance professionally and efficiently and to further develop in their profession sustainably.
 - 3. The Internal Audit Office encourages auditors to adapt and apply with the digital transformation by giving presentations about how to apply technology in auditing processes and use tools to analyze data and monitor abnormalities in a speed manner.

9.2 Related Transaction

In 2023, the Company and its subsidiaries did transactions with related parties which these inter-company transactions were made and agreed as a normal business transaction at general market prices and commercial terms without influence from being a Directors, Executive or related party under reasonable condition and able to audit. The Company can conduct related transactions as normal under the principles set by the Board of Directors has considered and approved and prepare a summary report to report to the Board of Directors for acknowledgment and approval every quarter. Details are disclosed

in Notes to Financial Statements for the year ended December 31, 2023, and the 56-1 One Report Annual Report as well. The Audit Committee has reviewed that all transactions 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

For related transactions between the Company and its subsidiaries with related parties, the Company abide by the SEC Announcement Tor Jor 21/2008 on Connected Transaction Rules; Circular the SEC. Chor. (Wor) 38/2008 on Suggestions on Procedures according to Section 89/12(1) of Securities and Exchange Act (No. 4) 2008; Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions 2003; and Board of Directors' Meeting Resolution No. 5/2008 on August 13, 2008, on Principles of General Trade Agreements for Normal Transactions OR Normal Supportive Transactions for the Company or Subsidiaries. It is a requirement from the meeting resolution that there must be general trade agreements as to do with other parties under the same situation. There must not be hidden negotiation power from the directors, executives, or other related parties and the transaction should not create any transfer of benefits for the related parties. The transactions have to be clear, with fair pricing, reflect reasonable requirements, and facilitate the Company's operation teams to proceed without proposal for approval from the management for individual transactions. For other related transactions, the Company has to propose to the Audit Committee for consideration whether the transaction is necessary, reasonable and suitable by focusing on the Company's and stockholders' benefits as the fundamentals. In case the Audit Committee does not possess sufficient expertise in a transaction, external experts will be acquired. For example, an independent appraiser might be acquired in order to obtain the fair price or opinion on the transaction, then the opinion is used by the Audit Committee for further consideration to propose to the Board of Directors' Meeting or Shareholders' Meeting. The persons in conflict of interest or stakeholders of the Related Party Transaction shall not participate or has no rights to vote for approval of the transaction. The Company provides reports on related transactions for the Audit Committee Meeting and the Board of Directors' Meeting on a quarterly basis. The disclosure of related transactions is also provided in Notes to Financial Statements which undergone the financial audit, and in Form 56-1 One Report.

In 2023, the Company conducted transactions with connected parties, which the Audit Committee has reviewed the rationale for connected transactions as details below.

Connected Party	Nature of Relationship	Type of Connected Transactions	Total Transaction Value 2023	Outstanding Value as Dec 31, 2023
C.P. Tower Growth Leasehold Property Fund	Major Shareholders	Cost of sales of goods, rendering of services and other expenses	228	
		Other accounts receivable		7
		Other accounts payable		1
KASETPHAND INDUSTRY CO., LTD.	Major Shareholders	Revenue from sales of goods and rendering of services	1	
		Cost of sales of goods and other expenses	79	
		Other accounts payable		23

Unit: Million E				Unit: Million Baht
Connected Party	Nature of Relationship	Type of Connected Transactions	Total Transaction Value 2023	Outstanding Value as Dec 31, 2023
CHAROEN POKPHAND GROUP COMPANY LIMITED	Majority share held by Mr. Soopakij Chearavanont and Mr. Suphachai Chearavanont	Revenue from sales of goods and rendering of services	3	
		Other expenses	29	
		Other accounts payable		5
CHAROEN POKPHAND FOODS PUBLIC COMPANY LIMITED	Majority share held by Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont,	Revenue from sales of goods, rendering of services and other income	67	
	and Mr. Adirek Sripratak	Cost of sales of goods and other expenses	275	
		Trade and other accounts receivable		10
		Trade and other accounts payable		27
CHEF CARES PROJECT COMPANY LIMITED	Majority share held by Mr. Soopakij Chearavanont's wife	Revenue from sales of goods and other income	2	
	who is Chairman	Cost of sales of goods and other expenses	277	
		Trade accounts payable		46
CHESTER FOOD CO., LTD.	Major Shareholders	Revenue from sales of goods, rendering of services and other income	36	
		Trade and other accounts receivable		5
		Trade and other accounts payable		8
C.P. CONSUMER PRODUCTS CO., LTD.	Majority share and have one Directors who is Mr. Prasert Jarupanich	Revenue from sales of goods, rendering of services and other income	138	
		Cost of sales of goods and other expenses	1,095	
		Trade and other accounts receivable		23
		Trade accounts payable		223
C.P. FACILITY MANAGEMENT COMPANY LIMITED	Major shareholders	Cost of sales of goods, rendering of services and other expenses	28	
		Trade and other accounts payable		6

Unit: Million				Unit: Million Baht
Connected Party	Nature of Relationship	Type of Connected Transactions	Total Transaction Value 2023	Outstanding Value as Dec 31, 2023
C.P. FOOD STORE COMPANY LIMITED	Majority share held by the gourp of Chearavanont's family	Revenue from sales of goods, rendering of services and other income	135	
		Cost of sales of goods and other expenses	2,983	
		Other accounts receivable		4
		Trade accounts payable		620
C.P. MERCHANDISING COMPANY LIMITED	Majority share held have three Directors who are Mr. Soopakij Chearavanont,	Revenue from sales of goods, rendering of services and other income	19	
	Mr. Suphachai Chearavanont, and Mr. Adirek Sripratak	Cost of sales of goods	682	
	·	Trade accounts payable		12
C.P. LAND PUBLIC COMPANY LIMITED	Majority share and have two Directors who are Mr. Soopakij Chearavanont and	Revenue from sales of goods, rendering of services and other income	46	
	Mr. Narong Chearavanont	Cost of sales of goods and other expenses	7	
		Trade accounts receivable		6
C.P. PACKAGING INDUSTRY CO., LTD.	Major shareholders	Revenue from sales of goods, rendering of services and other income	27	
		Cost of sales of goods and other expenses	1,027	
		Trade and other accounts receivable		4
		Trade accounts payable		240
CP SALES & SERVICE CO., LTD.	Major shareholders	Acquisition of assets, cost of sales of goods, rendering of services and other expenses	134	
		Other accounts payable		28
CP B&F (Thailand) CO., LTD.	Major shareholders	Revenue from sales of good, rendering of services and other income	67	
		Acquisition of assets, cost of sales of goods, and other expenses	841	
		Trade and other accounts receivable		38
		Trade and other accounts payable		189

Unit: Million Ba				Unit: Million Baht
Connected Party	Nature of Relationship	Type of Connected Transactions	Total Transaction Value 2023	Outstanding Value as Dec 31, 2023
CP MATCH CO., LTD.	Majority share held by the gourp of Chearavanont's family	Cost of rendering of services	26	
CP-MEIJI CO., LTD.	Major shareholder and one Director who is Mr. Adirek Sripratak	Revenue from sales of goods, rendering of services and other income	84	
		Cost of sales of goods and other expenses	5,129	
		Trade and other accounts receivable		9
		Trade and other accounts payable		983
CPF (THAILAND) PUBLIC COMPANY LIMITED	Major shareholder and one Director who is Mr. Adirek Sripratak	Revenue from sales of goods, rendering of services and other income	378	
		Cost of sales of goods and other expenses	26	
		Trade and other accounts receivable		42
		Trade and other accounts payable		78
CPF Global Food Solution Public Company Limited	Major shareholder and three Director who are Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont, and Mr. Adirek Sripratak	Revenue from sales of goods and rendering of services and other income	344	
		Cost of sales of goods and other expenses	51,190	
		Trade and other accounts receivable		45
		Trade and other accounts payable		8,581
CPF FOOD NETWORK CO., LTD.	Major share and have one Directors who is Mr. Adirek Sripratak	Revenue from sales of goods and rendering of services	153	
		Trade accounts receivable		5
CPF FOOD AND BEVERAGE COMPANY LIMITED	Major shareholders	Revenue from sales of goods, rendering of services and other income	44	
		Trade and other accounts receivable		4

Unit: Million I				Unit: Million Baht
Connected Party	Nature of Relationship	Type of Connected Transactions	Total Transaction Value 2023	Outstanding Value as Dec 31, 2023
CPF RESTAURANT AND FOOD CHAIN COMPANY LIMITED	Major shareholders	Revenue from sales of goods, rendering of services and other income	82	
		Cost of sales of goods and other expenses	6	
		Trade and other accounts receivable		10
		Trade and other accounts payable		2
CPF IT CENTER CO., LTD.	Major share and have one Directors who is Mr. Adirek Sripratak	Revenue from sales of goods, rendering of services and other income	44	
		Acquisition of assets, cost of sales of goods and other expenses	45	
		Trade and other accounts receivable		27
		Other accounts payable		73
DEES SUPREME COMPANY LIMITED	Majority share held by the gourp of Chearavanont's family	Revenue from sales of goods, rendering of services and other income	1	
		Acquisition of assets, cost of sales of goods, rendering of services and other expenses	276	
		Trade and other accounts receivable		1
		Trade accounts payable		51
DYNAMIC TRANSPORT COMPANY LIMITED	Majority share held by the gourp of Chearavanont's family	Revenue from sales of goods	1	
		Cost of sales of goods	97	
		Other accounts payable		9
TRUE CORPORATION PUBLIC COMPANY LIMITED	Major share and have one Directors who is Mr. Suphachai Chearavanont	Revenue from sales of goods and rendering of services	117	
		Trade and other accounts receivable		29

	Unit: Million Ba			
Connected Party	Nature of Relationship	Type of Connected Transactions	Total Transaction Value 2023	Outstanding Value as Dec 31, 2023
TRUE GS CO., LTD.	Major shareholders	Revenue from sales of goods, rendering of services and other income	1	
		Cost of sales of goods and other expenses	32	
		Trade and other accounts payable		4
TRUE DIGITAL GROUP CO., LTD.	Major shareholders	Revenue from sales of goods, rendering of services and other income	90	
		Acquisition of assets, cost of sales of goods, rendering of services and other expenses	125	
		Trade and other accounts receivable		25
		Trade and other accounts payable		49
TRUE DISTRIBUTION & SALES CO., LTD.	Major shareholders	Revenue from sales of goods, rendering of services and other income	100	
		Acquisition of assets, cost of sales of goods, and other expenses	102	
		Trade and other accounts receivable		10
		Trade and other accounts payable		45
TRUE MONEY COMPANY LIMITED	Major shareholders	Revenue from sales of goods, rendering of services and other income	715	
		Cost of sales of goods, rendering of services and other expenses	3,417	
		Trade and other accounts receivable		1,295
		Trade and other accounts payable		105

Connected Party	Nature of Relationship	Type of Connected Transactions	Total Transaction Value 2023	Outstanding Value as Dec 31, 2023
TRUE MOVE H UNIVERSAL COMMUNICATION CO., LTD.	Major shareholders	Revenue from sales of goods, rendering of services and other income	517	
		Cost of sales of goods, rendering of services and other expenses	695	
		Trade and other accounts receivable		89
		Trade and other accounts payable		280
TRUE LEASING CO., LTD.	Major shareholders	Cost of sales of goods, rendering of services and other expenses	418	
		Trade and other accounts payable		110
TRUE INTERNET CORPORATION CO., LTD.	Major shareholders	Revenues from sales of goods, rendering of services and other income	3	
		Acquisition of assets, cost of sales of goods, rendering of services and other expenses	604	
		Trade and other accounts payable		62
TRUE INTERNET DATA CENTER COMPANY LIMITED	Major shareholders	Revenue from sales of goods	17	
		Acquisition of assets and other expense	55	
		Other accounts payable		18
THAI KODAMA COMPANY LIMITED	Majority share held by the gourp of Chearavanont's family	Revenue from sales of goods and other income	1	
		Acquisition of assets	73	
		Trade accounts payable		10

Connected Party	Nature of Relationship	Type of Connected Transactions	Total Transaction Value 2023	Outstanding Value as Dec 31, 2023
LEADERSHIP DEVELOPMENT CHAROEN POLPHAND GROUP CO., LTD.	Major share and have two Directors who are Mr. Narong Chearavanont and	Revenue from sales of goods and rendering of services	4	
	Mr. Prasert Jarupanich	Other expenses	333	
		Trade and other accounts receivable		16
		Other accounts payable		31
PERFECT COMPANION GROUP COMPANY LIMITED	Major share and have one Directors who is Mr. Prasert Jarupanich	Revenue from sales of goods, rendering of services and other income	144	
		Cost of sales of goods and other expenses	2,529	
		Trade and other accounts receivable		13
		Trade and other accounts payable		626
WIRE AND WIRGLESS CO., LTD.	Major shareholders	Revenue from sales of goods, rendering of services and other income	116	
		Cost of sales of goods and other expenses	435	
		Trade and other accounts receivable		8
		Trade and other accounts payable		110
All Now Management CO., LTD.	Major share and have three Directors who are Mr. Suphachai Chearavanont	Revenue from sales of goods, rendering of services and other income	34	
	Mr. Narong Chearavanont, and Mr. Umroong Sanphasitvong	Cost of sales of goods and other expenses	1,438	
		Trade and other accounts receivable		4
		Other accounts payable		265

			Unit: Million Baht		
Connected Party	Nature of Relationship	Type of Connected Transactions	Total Transaction Value 2023	Outstanding Value as Dec 31, 2023	
ALL Now Logistics CO., LTD.	Major share and have three Directors who are Mr. Suphachai Chearavanont	Revenue from sales of goods, rendering of services and other income	78		
	Mr. Narong Chearavanont and Mr. Umroong Sanphasitvong	Acquisition of assets, cost of sales of goods, rendering of services and other expenses	5,944		
		Trade and other accounts receivable		36	
		Other account payable		733	
ALTER VIM COMPANY LIMITED	Major share and have one	Rendering of services	1		
	Directors who is Mr. Suphachai Chearavanont	Cost of sales of goods and other expenses	185		
		Other account payable		15	
INTERNATIONAL PET FOOD COMPANY LIMITED	Major shareholders	Revenue from sales of goods, rendering of services and other income	9		
		Cost of sales of goods and other expenses	193		
		Trade and other accounts receivable		1	
		Trade accounts payable		50	
EGG DIGITAL COMPANY LIMITED	Major shareholders	Other income	398		
		Cost of sales of goods, rendering of services and other expenses	356		
		Trade and other accounts receivable		67	
		Other accounts payable		75	
SM TRUE CO., LTD.	Two Directors are Mr. Soopakij Chearavanont and	Rendering of services and other income	19		
	Mr. Narong Chearavanont	Cost of sales of goods and other expenses	29		
		Trade and other accounts payable		25	
ADVANCE TRANSPORT CO., LTD.	Majority share held by the gourp of Chearavanont's family	Cost of sales of goods and other expenses	156		
		Other accounts payable		37	

		Unit: Million Baht			
Connected Party	Nature of Relationship	Type of Connected Transactions	Total Transaction Value 2023	Outstanding Value as Dec 31, 2023	
ASCEND COMMERCE COMPANY LIMITED	Major shareholders	Rendering of services and other income	37		
		Acquisition of assets, cost of sales of goods, rendering of services and other expenses	105		
		Trade and other accounts receivable		15	
		Trade and other accounts payable		38	
ASCEND TRAVEL COMPANY LIMITED	Major shareholders	Cost of sales of goods, rendering of services and other expenses	51		
		Other accounts payable		16	
Asia Aquaculture (M) Sdn. Bhd.	Major shareholders	Rendering of services	2		
		Cost of sales of goods	257		
		Trade accounts payable		35	
C.P. Cambodia Co., Ltd.	Major shareholders	Revenue from sales of goods and rendering of services	7		
		Cost of sales of goods and other expenses	79		
		Trade accounts receivable		1	
		Trade and other accounts payable		8	
C.P. Vietnam Corporation	Major shareholders	Revenue from sales of goods, rendering of services and other income	16		
		Cost of sales of goods	192		
		Trade and other accounts receivable		1	
		Trade and other accounts payable		10	

Connected Party	Nature of Relationship	Type of Connected Transactions	Total Transaction Value 2023	Outstanding Value as Dec 31, 2023
CPF AUSTRALIA PTY LTD	Major shareholder	Cost of sales of goods	364	
		Trade accounts payable		85
EGG DIGITAL (MALAYSIA) SDN. BHD.	Major shareholder	Rendering of services	5	
		Other expenses	68	
		Other accounts payable		10
PERFECT COMPANION (M) SDN. BHD.	Major shareholder	Rendering of services	4	
		Cost of sales of goods	65	
		Trade accounts payable		25
Pk Agro-industrial Product	Major shareholder	Rendering of services	17	
(MALAYSIA) Sdn. Bhd		Cost of sales of goods and other expenses	717	
		Trade and other accounts payable		58
Tip Top Meat Sdn. Bhd.	Major shareholder	Cost of sales of goods	65	
		Trade accounts payable		7
Other*		Revenue from sales of goods, rendering of services and other income	168	
		Acquisition of assets, cost of sales of goods, rendering of services and other expenses	253	
		Trade and other accounts receivable		459
		Trade and other accounts payable		163

^{*} Each transaction not exceed Baht 25 million.

The Company's policy on the rates of revenues and expenses with connected parties are as follows:

Revenue from sales of goods

: The rates are in line with normal business practice and general commercial conditions and standardized with revenue collection from general customers.

Rendering of sales 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.

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 Reports

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, 2023, 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, 2023.

(Mr. Soopakij Chearavanont) Chairman

(Mr. Korsak Chairasmisak)
Chairman of Executive Committee

Independent Auditor's Report

To the Shareholders of CP ALL Public Company Limited

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 2023, 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 2023 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards ("TFRSs").

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing ("TSAs"). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Valuation of inventories	
Refer to notes 3(g) and 7 to the financial statements	
The key audit matter	How the matter was addressed in the audit
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.	 My audit procedures included the following: 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 yearend 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), 14 and 15 to the financial statements							
The key audit matter	How the matter was addressed in the audit						
The Group has significant goodwill and other	My audit procedures included the following:						
intangible assets with indefinite useful life which	760 000 000 000 000 000 000 000 000 000						
was mainly arising from a business acquisition.	 Understood the process of the estimated 						
1000 1000 1000 1000 1000 1000 1000 100	recoverable amount to assess the impairment.						
The management normally assesses the impairment							
from the estimated recoverable amount at the end of	 Considered the key assumptions in the 						
the period. The recoverable amount was based on its	estimated recoverable amount reports, which						
value in use, determined by discounting future cash	were approved by management, by						
flows to be generated from the continuing use of	comparing the actual operation results,						
assets and related assumptions.	industry trends and information derived						
	from external and internal sources and						
The judgments of management required to be applied	assessed financial methodologies used by						
over assumptions and the inherent uncertainty involved	the Group and discount rate and performed						
in forecasting and discounting future cash flows.	sensitivity analysis around the key						
I considered this to be a key audit matter.	assumptions.						
	Considered the adequacy of the Group's						
	disclosures in accordance with Thai						
	Financial Reporting Standards.						
	I manotar 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.

(Veerachai Ratanajaratkul) Certified Public Accountant Registration No. 4323

KPMG Phoomchai Audit Ltd. Bangkok 23 February 2024

Statement of financial position

		Consolidated		Separate		
		financial	statements	financial statements		
		31 Dec	cember	31 December		
Assets	Note	2023	2022	2023	2022	
			(in E	Baht)		
Current assets						
Cash and cash equivalents	5	67,234,118,746	71,424,271,699	25,954,680,221	20,995,196,036	
Current investments		82,383,490	466,263,102	1,800,000	1,800,000	
Trade accounts receivable	4, 6	3,326,440,924	3,620,461,343	159,698,860	243,996,787	
Other current receivables	4, 6	15,407,340,925	15,012,287,051	11,099,898,986	9,698,980,933	
Short-term loans to subsidiaries	4		-	7,243,228,500	7,229,149,000	
Inventories	7	57,500,567,087	58,183,063,377	19,339,195,202	18,006,590,778	
Derivatives assets	31	3,895,488	6,514,028	=	-	
Other current assets		243,007,975	242,628,469	142,333,153	143,433,699	
Total current assets		143,797,754,635	148,955,489,069	63,940,834,922	56,319,147,233	
Non-current assets						
Investments in subsidiaries	8	-		282,235,831,584	281,921,124,084	
Investment in associates	9	9,080,625,873	9,053,162,399	-	- - x	
Investments in joint ventures	9	5,702,606,999	5,334,543,334	-	-	
Investments in related companies	4, 31	1,982,928,550	1,567,675,228	1,512,635,517	994,818,675	
Other long-term investments		2,041,800	2,041,800	-		
Other non-current receivables		58,639,122	49,527,493	-	-	
Investment properties	11	44,534,171,803	44,130,349,761	-	-	
Property, plant and equipment	4, 12	213,791,757,252	213,409,809,274	46,569,482,546	43,453,844,986	
Right-of-use assets	13	86,542,724,418	82,245,538,560	45,333,276,218	43,559,987,056	
Goodwill	14	360,641,443,961	360,641,443,961	-	-	
Intangible assets other than goodwill	4, 15	54,400,275,331	53,802,949,433	2,502,914,851	2,382,974,406	
Deferred tax assets	28	2,657,863,140	2,273,143,361	1,408,466,527	1,507,936,376	
Other non-current assets	4	3,298,361,798	2,595,816,781	1,149,846,566	1,104,852,804	
Total non-current assets		782,693,440,047	775,106,001,385	380,712,453,809	374,925,538,387	
Total assets		926,491,194,682	924,061,490,454	444,653,288,731	431,244,685,620	

Statement of financial position

Statement of financial position

		Conso	lidated	Sepa	rate
		financial	statements	financial s	tatements
		31 Dec	cember	31 Dec	cember
Liabilities and equity	Note	2023	2022	2023	2022
			(in B	aht)	
Current liabilities					
Short-term borrowings from					
financial institutions	16, 31	9,471,993,733	16,810,210,256	7,090,221,375	15,173,370,724
Trade accounts payable	4, 17, 31	128,095,602,553	115,963,186,762	50,216,209,032	45,998,480,480
Other payables	4, 18, 31	31,715,853,747	31,718,701,002	21,535,431,398	16,587,411,329
Contract liabilities	23	601,047,361	530,001,766	: -	-
Short-term borrowings from subsidiaries	4, 16	-	-	2,000,000,000	60,000,000
Short-term borrowings from other party	16	-	45,500,000	-	-
Current portion of debentures	16, 31	46,391,425,405	25,554,629,608	28,750,375,927	25,554,629,608
Current portion of long-term					
borrowings from financial institutions	16, 31	6,318,909,264	347,766,826	-	-
Current portion of lease liabilities	4, 16, 31	11,598,709,232	10,252,437,674	7,228,991,005	6,965,524,648
Corporate income tax payable		1,677,288,068	1,212,480,658	280,872,104	-
Current derivatives liabilities	31	62,101,983	2,761,705,425	-	76,923,871
Other current liabilities		2,263,973,595	2,246,449,648	669,934,169	646,224,091
Total current liabilities		238,196,904,941	207,443,069,625	117,772,035,010	111,062,564,751
Non-current liabilities					
Debentures	16, 31	246,828,719,658	221,706,722,897	194,550,321,528	198,241,199,616
Long-term borrowings from					
financial institutions	16, 31	18,334,443,304	87,353,858,388	-	-
Lease liabilities	4, 16, 31	88,582,319,838	84,810,926,758	40,854,657,389	38,895,631,160
Provisions for employee benefits	19	7,215,116,406	6,655,441,341	3,298,960,984	2,972,032,320
Other non-current provisions	20	2,612,803,074	2,532,775,757	186,562,800	191,191,200
Rental deposits from tenants	31	1,532,560,584	1,820,665,481	-	-
Accrued guarantee deposits	31	3,806,567,273	3,578,455,670	3,773,032,975	3,563,295,505
Deferred tax liabilities	28	17,309,215,262	17,173,144,478	-	-
Non-current derivatives liabilities	31	-	208,676,667	-	-
Other non-current liabilities		477,431,907	476,456,883		
Total non-current liabilities		386,699,177,306	426,317,124,320	242,663,535,676	243,863,349,801
Total non-cultent natimites					
rotal non-entrent habitities					

Statement of financial position

		Conso	lidated	Sepa	rate
		financial s	financial statements		statements
		31 Dec	ember	31 Dec	cember
Liabilities and equity (Continued)	Note	2023	2022	2023	2022
			(in B	aht)	
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	21				
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	21	288,832,931	288,832,931	. .	-
Retained earnings					
Appropriated					
Legal reserve	21	900,000,000	900,000,000	900,000,000	900,000,000
Unappropriated		90,506,223,110	79,417,515,000	62,487,618,083	54,437,857,900
Perpetual subordinated debentures	22	9,955,000,000	9,955,000,000	9,955,000,000	9,955,000,000
Other components of equity	21	(1,322,023,658)	(504,570,815)	207,681,735	358,494,941
Equity attributable to equity					
holders of the Company		110,995,450,610	100,724,195,343	84,217,718,045	76,318,771,068
Non-controlling interests	10	190,599,661,825	189,577,101,166		
Total equity		301,595,112,435	290,301,296,509	84,217,718,045	76,318,771,068
Total liabilities and equity		926,491,194,682	924,061,490,454	444,653,288,731	431,244,685,620

Statement of income

		Consol	lidated	Sepa	rate
		financial s	tatements	financial s	statements
		For the ye	ear ended	For the ye	ear ended
		31 Dec	cember	31 December	
	Note	2023	2022	2023	2022
			(in B	(aht)	
Revenues	4				
Revenue from sale of goods and					
rendering of services		895,280,953,729	829,098,775,483	399,557,539,725	354,973,268,800
Interest income		467,678,247	283,129,808	315,999,640	224,507,239
Dividend income	8	516,034	431,680	5,908,655,694	5,380,192,752
Net foreign exchange gain		345,745,402		1.5	33,393,844
Other income	25	25,092,205,958	23,222,881,871	23,713,709,681	21,879,084,169
Total revenues		921,187,099,370	852,605,218,842	429,495,904,740	382,490,446,804
Expenses	4				
Cost of sale of goods and					
rendering of services		699,010,188,256	651,099,714,363	286,765,995,664	257,815,564,006
Distribution costs		149,807,313,222	136,751,074,557	99,348,209,910	88,438,966,209
Administrative expenses		30,104,199,681	28,662,804,428	16,498,016,550	14,872,903,694
Net foreign exchange loss			9,315,704	70,595,219	
Total expenses		878,921,701,159	816,522,909,052	402,682,817,343	361,127,433,909
Profit from operating activities		42,265,398,211	36,082,309,790	26,813,087,397	21,363,012,895
Share of profit of associates and		42,203,370,211	30,002,307,770	20,013,007,377	21,303,012,073
joint ventures accounted for using					
equity method	9	746,229,748	831,423,391	8 -	_
Profit before finance costs and	,	740,223,748	651,425,591		
income tax expense		43,011,627,959	36,913,733,181	26,813,087,397	21,363,012,895
Finance costs	4, 27	16,557,521,860	16,831,829,624	10,211,707,199	9,664,777,322
Profit before income tax expense	7, 27	26,454,106,099	20,081,903,557	16,601,380,198	11,698,235,573
Income tax expense	28	4,602,069,151	3,861,000,139	1,198,317,478	298,224,558
Profit for the year	20	21,852,036,948	16,220,903,418	15,403,062,720	11,400,011,015
·					
Profit attributable to:					
Equity holders of the Company		18,482,131,037	13,271,707,922	15,403,062,720	11,400,011,015
Non-controlling interests	10	3,369,905,911	2,949,195,496		
Profit for the year		21,852,036,948	16,220,903,418	15,403,062,720	11,400,011,015
Basic earnings per share	29	2.01	1.39	1.66	1.18

Separate

financial statements

Statement of comprehensive income

CP ALL Public Company Limited and its Subsidiaries

		For the ye	ar ended	For the year ended		
		31 Dece	ember	31 Dece	ember	
	Note	2023	2022	2023	2022	
			(in Bo	aht)		
Profit for the year		21,852,036,948	16,220,903,418	15,403,062,720	11,400,011,015	
Other comprehensive income						
Items that will be reclassified						
subsequently to profit or loss						
Exchange differences on translating						
financial statements		(740,080,248)	(1,025,944,811)	-	-	
(Loss) gain on cash flow hedges	28, 31	(1,392,645,800)	1,459,114,335	-	-	
Income tax relating to loss (gain) on						
cash flow hedges	28, 31	44,681,017	(57,974,725)	-	-	
Cash flow hedges reserve reclassified						
to profit or loss	28, 31	1,237,475,703	(1,169,240,711)	,=-	; r= ₀₀	
		(850,569,328)	(794,045,912)	_	_	
Items that will not be reclassified						
subsequently to profit or loss						
(Loss) gain on investments in equity						
instruments designated at FVOCI	28, 31	(295,880,027)	275,654,396	(188,516,507)	123,547,843	
Income tax relating to loss (gain) on investments						
in equity instruments designated at FVOCI	28	59,176,005	(55,130,879)	37,703,301	(24,709,568)	
(Loss) gain on remeasurements of						
defined benefit plans	19, 28	(261,326,778)	277,345,114	(194,970,655)	59,162,048	
Income tax relating to components						
of other comprehensive income on						
loss (gain) on remeasurements of defined						
benefit plans	28	57,866,312	(48,686,943)	38,994,131	(11,832,410)	
Share of gain of other comprehensive income						
of joint venture accounted for using						
equity method	9	3,557,084	-	-	-	
50 ° 0° 1		(436,607,404)	449,181,688	(306,789,730)	146,167,913	
Other comprehensive income for the year						
- net of income tax		(1,287,176,732)	(344,864,224)	(306,789,730)	146,167,913	
Total comprehensive income for the year		20,564,860,216	15,876,039,194	15,096,272,990	11,546,178,928	

Consolidated

financial statements

Statement of comprehensive income

		Consoli	Separ	rate				
		financial st	financial st	tatements				
		For the ye	ar ended	For the ye	ar ended			
		31 Dece	ember	31 Dece	ember			
	Note	2023	2022	2023	2022			
			(in Be	nt)				
Total comprehensive income								
attributable to:								
Equity holders of the Company		17,468,581,280	12,939,929,483	15,096,272,990	11,546,178,928			
Non-controlling interests	10	3,096,278,936	2,936,109,711					
Total comprehensive income for the year		20,564,860,216	15,876,039,194	15,096,272,990	11,546,178,928			

Statement of changes in equity CP ALL Public Company Limited and its Subsidiaries

Consolidated financial statements	Retained earnings Other components of equity	Share of gain	of other	comprehensive	income of	joint venture Equity	Perpetual Cash flow accounted Total other attributable to Non-	Legal subordinated Translation hedges Pair value for using components equity holders controlling	reserve . Unappropriated debentures reserve reserve equity method of equity of the Company interests	(In Baha)	900,000,000 79,417,515,000 9,955,000,000 (1,002,191,281) 66,208,260 431,412,206 . (504,570,815) 100,724,195,343 189,577,101,166	. (6,737,326,011) (6,737,326,011) (2,162,555,023)	(6,737,326,011) (2,162,555,023)	98/836/46	88836/346	ACT OF THE ACT	2011110901	(552 520 290) (66 208 260) (202 281 377) 3 557 084 (817 452 843) (1013 540 757)	(552,520,290) (66,208,260) (202,281,377) 3,557,084 (817,452,843) 17,468,581,280	
nents	ner components of equi	S		00		•		Fair value								50	,			,
ed financial stater	Oth						Cash flow		reserve	(in Bahi)	(1) 66,208,260									
Consolidat									reserve									(552 520 29	(552,520,29	
	ĩ						Perpetual	subordinated			00,000,556,6	0	0							
	ed earnings								Unappropriated		79,417,515,000	(6,737,326,01	(6,737,326,011			110 961 211 99	10 400 121 000	1196 096 9II	18,286,034,123	000
	Retain										000,000,006									
				Surplus	from changes	in ovmership	interests in	subsidiaries	and associate		8,983,101,348 1,684,316,879 288,832,931									
							Premium on	ordinary	shares		1,684,316,87									
							Issued and	paid-up	Note share capital		8,983,101,348	30								
									×			544		Changes in ownership interests in substituaries Called for paid-up share capital from subsidiaries	Total changes in ownership interests in subsidiaries					

The accompanying notes form an integral part of the financial statements.

Statement of changes in equity CP ALL Public Company Limited and its Subsidiaries

						Total	equity		292,807,227,057				(7,510,011,337)	(7,510,011,337)		88,041,601	88,041,601		(7,421,969,736)		16,220,903,418	(344,864,224)	15,876,039,194	(10,000,000,000)	(900,000,006)	290
					Non-	controlling	interests		188,673,100,382				(2,120,150,528)	(2,120,150,528)		88,041,601	88,041,601		(2,032,108,927)		2,949,195,496	(13,085,785)	2,936,109,711		•	189,577,101,166
				Equity	attributable to	equity holders	of the Company		104,134,126,675				(5,389,860,809)	(5,389,860,809)		,	١		(5,389,860,809)		13,271,707,922	(331,778,439)	12,939,929,483	(10,000,000,000)	(960,000,006)	100,724,195,343
					Total other	components	of equity		24,435,462												•	(529,006,277)	(529,006,277)	,		(504,570,815)
	Other components of equity					Fair value	reserve		259,656,666					1					•		•	171,755,540	171,755,540			431,412,206
statements	Other compon				Cash flow	hedges	reserve		(72,752,169)					ı							•	138,960,429	138,960,429		,	66,208,260
Consolidated financial statements						Translation	reserve	(in Baht)	(162,469,035)													(839,722,246)	(839,722,246)	٠		(1,002,191,281)
Consc					Perpetual	subordinated	debentures		19,911,229,700				1								•		•	(9,956,229,700)	1	9,955,000,000
	earnings						Unappropriated		72,342,210,355				(5,389,860,809)	(5,389,860,809)					(5,389,860,809)		13,271,707,922	197,227,838	13,468,935,760	(43,770,300)	(900,000,006)	79,417,515,000
	Retained earnings					Legal	reserve		000,000,006								•				•			٠		000,000,000
		Surplus	from changes	in ownership	interests in	subsidiaries	and associate		288,832,931								•									288,832,931
					Premium on	ordinary	shares		1,684,316,879								.1				•					1,684,316,879
					Issued and	paid-up	share capital		8,983,101,348				1											٠		8,983,101,348
							Note						30											22	22	•
									For the year ended 31 December 2022 Balance at I January 2022	Transactions with equity holders,	recorded directly in equity	Distributions to equity holders	Dividends	Total distributions to equity holders	Changes in ownership interests in substdiaries	Called for paid-up share capital from subsidiaries	Total changes in ownership interests in subsidiaries	Total transactions with equity holders,	recorded directly in equity	Comprehensive income for the year	Profit	Other comprehensive income	Total comprehensive income for the year	Redemption of perpetual subordinated debentures	Interest payment on perpetual subordinated debentures	Balance at 31 December 2022

The accompanying notes form an integral part of the financial statements.

Statement of changes in equity CP ALL Public Company Limited and its Subsidiaries

								1,068				(111)	(110,5		(1105		2,720	,730)	066	6	,002)	3,045
				Total	equity			76,318,771,068				(6,737,326,011)	(6,737,326,011)		(6,737,326,011)		15,403,062,720	(306,789,730)	15,096,272,990	000	(460,000,002)	84,217,718,045
	Other component	of equity		Fair value	reserve			358,494,941				•	r		•			(150,813,206)	(150,813,206)		•	207,681,735
ments			Perpetual	subordinated	debentures			9,955,000,000				١	r		1		•		1			9,955,000,000
Separate financial statements		Retained earnings			Unappropriated	(in Baht)		54,437,857,900				(6,737,326,011)	(6,737,326,011)		(6,737,326,011)		15,403,062,720	(155,976,524)	15,247,086,196	200 000	(460,000,002)	62,487,618,083
Sepa		Retained		Legal	reserve			000,000,006				1	r		1		•	•	1			000,000,000
			Premium on	ordinary	shares			1,684,316,879				1	r		•		r		1			1,684,316,879
			Issued and	paid-up	share capital			8,983,101,348				•	1		1		1	(1)	3			8,983,101,348
					Note							30								ć	77	
							For the year ended 31 December 2023	Balance at 1 January 2023	Transactions with equity holders,	recorded directly in equity	Distributions to equity holders	Dividends	Total distributions to equity holders	Total transactions with equity holders,	recorded directly in equity	Comprehensive income for the year	Profit	Other comprehensive income	Total comprehensive income for the year		Interest payment on perpetual subordinated debentures	Balance at 31 December 2023

The accompanying notes form an integral part of the financial statements.

Separate financial statements

Statement of changes in equity

CP ALL Public Company Limited and its Subsidiaries

onent '	ie Total			,666 81,122,452,955			- (5,389,860,809)	- (5,389,860,809)		- (5,389,860,809)		- 11,400,011,015	,275 146,167,913	,275 11,546,178,928		(10,000,000,000)	(960,000,006)	1,941 76,318,771,068
Other component of equity	Fair value	reserve		259,656,666									98,838,275	98,838,275				358,494,941
	Perpetual subordinated	debentures		19,911,229,700								•			(00E 0CC 250 0)	(9,320,229,100)		9,955,000,000
Retained carnings		Unappropriated	(in Baht)	49,384,148,362			(5,389,860,809)	(5,389,860,809)		(5,389,860,809)		11,400,011,015	47,329,638	11,447,340,653	(000 000 000)	(42,770,300)	(960,000,006)	54,437,857,900
Retained	Legal	reserve		000,000,006				1		ı		ī	1	1				900,000,000
	Premium on ordinary	shares		1,684,316,879			1	-					r			•		1,684,316,879
	Issued and paid-up	share capital		8,983,101,348			٠	1		ı		•				•		8,983,101,348
		Note					30								;	77	22	
			For the year ended 31 December 2022	Balance at 1 January 2022	Transactions with equity holders,	recorded airectly in equity Distributions to equity holders	Dividends	Total distributions to equity holders	Total transactions with equity holders,	recorded directly in equity	Comprehensive income for the year	Profit	Other comprehensive income	Total comprehensive income for the year	n	Nedemption of perpetual subordinated dependings	Interest payment on perpetual subordinated debentures	Balance at 31 December 2022

The accompanying notes form an integral part of the financial statements.

Statement of cash flows

		Consoli	dated	Sepa	parate	
		financial st	atements	financial statements		
		For the year	ar ended	For the year ended		
		31 Dece	ember	31 Dec	ember	
	Note	2023	2022	2023	2022	
			(in Ba	ht)		
Cash flows from operating activities						
Profit for the year		21,852,036,948	16,220,903,418	15,403,062,720	11,400,011,015	
Adjustments to reconcile profit to cash receipts						
Depreciation of investment properties	11	1,889,859,091	2,084,257,472	-	-	
Depreciation of property, plant and equipment	12	19,803,259,303	19,644,438,811	7,974,058,125	7,545,215,102	
Depreciation of right-of-use assets	13	12,675,005,359	13,036,416,838	8,358,831,675	8,527,458,155	
Amortisation of intangible assets other than goodwill	15	2,214,125,576	1,779,123,269	409,293,380	414,458,418	
Interest income		(467,678,247)	(283,129,808)	(315,999,640)	(224,507,239)	
Dividend income		(516,034)	(431,680)	(5,908,655,694)	(5,380,192,752)	
Loss from sale of investment in subsidiary	8	· :	-	-	16,200,000	
Finance costs	27	16,557,521,860	16,831,829,624	10,211,707,199	9,664,777,322	
Income tax expense	28	4,602,069,151	3,861,000,139	1,198,317,478	298,224,558	
Provisions for employee benefits	19	557,162,341	590,403,844	229,883,150	210,785,326	
Loss (reversal of loss) on decline in value of inventories	7	132,238,756	(35,062,631)	184,737,868	(3,960,445)	
Impairment loss on investment properties	11	19,295,427	2,014,150	-	-	
Impairment loss on property, plant and equipment	12	218,393,978	95,417,791	-	-	
Impairment loss (reversal of impairment loss)						
on right-of-use assets	13	23,899,638	(12,663,800)	-	· <u>-</u>	
(Reversal of) impairment loss on intangible assets						
other than goodwill	15	(947,125)	2,315,058	-	-	
(Reversal of) expected credit loss on trade accounts						
receivable and other receivables		(144,469,527)	(85,038,243)	(585,720)	4,121,548	
Unrealised loss (gain) on exchange		57,633,530	(85,794,653)	63,140,500	(74,184,500)	
Share of profit of associates and joint ventures						
accounted for using equity method	9	(746,229,748)	(831,423,391)	-	-	
Loss on disposal and write-off of						
investment properties		11,809,565	17,304,775	-	-	
Loss on disposal and write-off of						
property, plant and equipment		166,614,799	234,962,672	127,687,568	183,412,321	
Gain on write-off of right-of-use assets		(382,904,969)	(358,328,817)	(156,303,645)	(147,682,178)	
Loss on disposals and write-off of						
intangible assets other than goodwill		5,558,324	18,500,524	381,662	14,514,034	
Differences on a granted rent concession	16		(166,301,356)		(166,301,356)	
		79,043,737,996	72,560,714,006	37,779,556,626	32,282,349,329	

Statement of cash flows (continued)

	Consolidated			Separate		
	financial statements			financial statements		
	For the year ended			For the year ended		
		31 Dece	ember	31 December		
	Note	2023	2022	2023	2022	
			(in Ba	ht)		
Changes in operating assets and liabilities						
Trade accounts receivable		411,218,452	(179,802,773)	84,297,927	(82,302,451)	
Other receivables		(453,310,120)	(417,342,792)	(1,370,556,716)	(198,198,934)	
Inventories		346,628,998	(7,718,281,004)	(1,517,342,292)	(1,686,356,967)	
Derivatives assets		2,618,541	412,393,823	-	-	
Other current assets		7,120,049	192,626,339	1,100,546	25,488,991	
Other non-current assets		(141,670,584)	(161,537,102)	(44,993,762)	(7,929,635)	
Trade accounts payable		12,469,818,215	9,263,663,457	4,217,728,552	7,297,315,061	
Other payables		1,164,311,747	1,386,596,027	5,054,582,451	2,559,187,165	
Contract liabilities		71,045,595	(285,801,339)	:=:	-	
Derivatives liabilities		(654,735,639)	(31,103,367)	(76,923,871)	(41,187,304)	
Other current liabilities		27,711,244	530,120,751	23,710,078	(49,122,581)	
Provisions for employee benefits paid	19	(239,784,383)	(289,021,718)	(73,428,033)	(61,829,406)	
Transferred (out) in of provisions for						
employee benefits	19	(18,858,230)	(11,560,123)	(24,497,108)	1,778,639	
Payment for other non-current provisions	20	(79,363,122)	(75,560,274)	(20,027,400)	(3,915,000)	
Other non-current provisions		115,436,219	(11,031,638)	15,399,000	15,106,200	
Rental deposits from tenants		(271,125,872)	(161,358,223)	~	-	
Accrued guarantee deposits		228,111,603	59,503,684	209,737,470	33,490,480	
Other non-current liabilities		1,862,150	(26,440,858)	·	<u> </u>	
Net cash generated from operating		92,030,772,859	75,036,776,876	44,258,343,468	40,083,873,587	
Income tax paid	2.0	(4,858,927,200)	(5,163,543,410)	(741,278,093)	(686,506,599)	
Net cash from operating activities		87,171,845,659	69,873,233,466	43,517,065,375	39,397,366,988	
Cash flows from investing activities						
Interest received		453,525,465	222,412,521	294,474,619	192,650,644	
Dividends received		516,034	431,680	5,908,655,694	5,380,192,752	
Dividends received from associate and joint venture	9	510,440,816	458,557,535		=	
Payment for acquisition of current investments		(19,265,535)	(1,102,092,602)	-	(1,800,000)	
Proceeds from sale of current investments		396,762,458	1,418,017,623			
Payment for short-term loans to subsidiaries	4	-	-	(1,077,220,000)	(200,000,000)	
Proceeds from repayment of short-term						
loans to subsidiary	4	-	-	1,000,000,000	700,000,000	
Payment for acquisition of investments in subsidiaries	8	•	-	(314,707,500)	(813,050,000)	
Proceeds from sale of investment in subsidiary	8		=		232,500,000	
Payment for acquisition of investments in associates	9	(156,181,125)	-	-	-	
Payment for acquisition of investments in						
related companies	31	(711,133,349)	(471,200,000)	(706,333,349)	(345,200,000)	
Payment for acquisition of investment properties		(875,088,721)	(1,263,844,795)	-	-	

Statement of cash flows (continued)

		Consol	idated	Separate		
		financial s	tatements	financial statements		
		For the ye	ear ended	For the year ended		
		31 Dec	ember	31 Dec		
	Note	2023	2022	2023	2022	
			(in Bo	aht)		
Proceeds from sale of investment properties		214,356	1,183,989	-	-	
Payment for acquisition of property, plant and equipmer	t	(24,270,256,113)	(25,697,719,524)	(11,503,174,753)	(11,084,545,846)	
Proceeds from sale of property, plant and equipment		606,253,774	473,289,071	161,175,621	233,905,477	
Payment for acquisition of right-of-use assets		(1,139,088,452)	(495,636,786)	(239,956,011)	(306,803,437)	
Proceeds from lease termination		63,968,358	-	-	-	
Payment for acquisition of intangible assets						
other than goodwill		(2,933,669,736)	(4,062,895,802)	(570,704,007)	(762,844,701)	
Proceeds from sale of intangible assets		(-,,,	(-,,,,	(0.00,000,000)	(,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
other than goodwill		6,262,405	13,517,736	5,990,444	7,479,534	
Net cash used in investing activities		(28,066,739,365)	(30,505,979,354)	(7,041,799,242)	(6,767,515,577)	
		(20,000,700,000)	(00,000,000,000,000,000,000,000,000,000	(1,012,122,212)	(0,707,010,077)	
Cash flows from financing activities						
Interest paid		(12,209,816,927)	(12,262,787,175)	(8,516,114,355)	(8,278,032,174)	
Interest paid on perpetual subordinated debentures	22	(460,000,002)	(960,000,006)	(460,000,002)	(960,000,006)	
Dividends paid to equity holders of the Company	30	(6,737,476,808)	(5,389,648,055)	(6,737,476,808)	(5,389,648,055)	
Dividends paid to non-controlling interests		(2,162,555,023)	(2,120,150,528)	-	**************************************	
Payment of lease liabilities	16	(14,552,691,466)	(13,853,562,517)	(8,924,835,459)	(8,139,011,570)	
(Decreases) increase in short-term borrowings						
from financial institutions	16	(7,665,438,579)	(26,104,000,059)	(8,233,563,124)	1,608,114,910	
Proceeds from short-term borrowings						
from subsidiaries	4	-	-	2,300,000,000	60,000,000	
Repayment from short-term borrowings						
from subsidiaries	4	-	-	(360,000,000)	(1,400,000,000)	
Proceeds from short-term borrowings						
from other party		-	45,500,000	160	-	
Repayment of short-term borrowings						
from other party	16	(45,500,000)	:=:	-	œ	
Proceeds from forward exchange contracts		· · · · · · · · · · · · · · · · · · ·	5,175,350,000	-		
Payment for forward exchange contracts		(3,646,190,271)	(1,529,159,729)	-	12	
Proceeds from issue of debentures	16	71,407,151,005	47,870,023,971	24,975,207,800	24,406,730,520	
Repayment of debentures	16	(25,559,000,000)	(23,000,000,000)	(25,559,000,000)	(23,000,000,000)	
Proceeds from long-term borrowings						
from financial institutions	16	350,196,316	2,364,770,270	-	1-	
Repayment of long-term borrowings						
from financial institutions	16	(61,795,247,252)	(24,636,305,382)			
Repayment of perpetual subordinated debentures	22	-	(10,000,000,000)	-	(10,000,000,000)	
Proceeds from called for paid-up						
share capital from subsidiaries		88,836,746	88,041,601		-	
Net cash used in financing activities		(62,987,732,261)	(64,311,927,609)	(31,515,781,948)	(31,091,846,375)	

Statement of cash flows (continued)

	Consolidated financial statements For the year ended 31 December			Separate financial statements For the year ended 31 December		
	Note	2023	2022	2023	2022	
			(in Bo	aht)		
Net (decrease) increase in cash and						
cash equivalents, before exchange differences						
on translating financial statements		(3,882,625,967)	(24,944,673,497)	4,959,484,185	1,538,005,036	
Exchange differences on translating						
financial statements		(307,526,986)	46,378,371	-	-	
Net (decrease) increase in cash and						
cash equivalents		(4,190,152,953)	(24,898,295,126)	4,959,484,185	1,538,005,036	
Cash and cash equivalents at 1 January		71,424,271,699	96,322,566,825	20,995,196,036	19,457,191,000	
Cash and cash equivalents at 31 December	5	67,234,118,746	71,424,271,699	25,954,680,221	20,995,196,036	
Supplemental disclosures of cash flows information: Investment properties purchased during the year are detailed as follows:						
Increases during the year	11	2,101,237,343	1,503,054,579	-	-	
Less - lease liabilities		(1,226,148,622)	(239,209,784)	_		
Paid by cash		875,088,721	1,263,844,795	-		
Property, plant and equipment purchased during the year are detailed as follows: Increases during the year Add - changes in payables	12	23,442,111,200 828,144,913	23,216,113,821 2,481,605,703	11,343,460,798 159,713,955	10,634,016,718 450,529,128	
Paid by cash		24,270,256,113	25,697,719,524	11,503,174,753	11,084,545,846	
Right-of-use assets acquired during the year are detailed as follows: Increases during the year Less - lease liabilities Paid by cash	13 16	19,936,124,177 (18,797,035,725) 1,139,088,452	21,617,716,210 (21,122,079,424) 495,636,786	12,143,024,644 (11,903,068,633) 239,956,011	16,056,664,911 (15,749,861,474) 306,803,43 7	
Intangible assets other than goodwill purchased during the year are detailed						
as follows:	15	2.886 196 374	1 220 001 271	570 704 007	500 004 422	
as follows: Increases during the year Add (Less) - changes in payables	15	2,886,196,374 47,473,362	4,328,804,371 (265,908,569)	570,704,007	508,894,432 253,950,269	

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CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 23 February 2024.

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 2023 was 14,545 stores (2022: 13,838 stores).

	2023 (number o	2022 f stores)
The Company owns and manages convenience stores The Company franchises the license to other retailers	7,336	6,839
- under management agreements	6,335	6,144
- under sub-license agreements	874	855
Total	14,545	13,838

Details of subsidiaries as at 31 December 2023 and 2022 are given in note 8 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 that are described in each note to financial statements are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

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 associates and joint ventures.

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 of the subsidiary. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Associates and joint ventures

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

The Group recognised investments in the associates and joint ventures using the equity method in the consolidated financial statements. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's dividend income and share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses are eliminated in full in preparing the consolidated financial statements. Unrealised gains or losses arising from associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

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 includes assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, any contingent consideration and equity interests issued by the Group. If a business combination results in the termination of pre-existing relationships between the Group and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognised in other expenses.

Any contingent consideration is measured at fair value at the date of acquisition, and remeasured at fair value at each reporting date. Subsequent changes in the fair value are recognised in profit or loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

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.

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

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. Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established. 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. Gains and losses on disposal of the investments are recognised in profit or loss.

Foreign currencies (c)

Foreign currency transactions

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to the respective functional currencies of each entities in the Group at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange 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 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 is effective are recognised in other comprehensive income.

Foreign operations

The assets and liabilities of foreign operations including goodwill and fair value adjustments arising on the acquisition, are translated to Thai Baht at the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Foreign exchange differences 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 operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of 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.

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

(d) Financial instruments

(d.1) Classification and measurement

Debt securities issued by the Group issued 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, and measured at fair value plus or minus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income ("FVOCI"); or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method or FVTPL. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit 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.

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

(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.

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

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.

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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.

Depreciation is calculated on a straight-line basis over the estimated useful lives of investment properties of 5 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 and assets under construction.

Any gains and losses on disposal of investment properties are differences between the proceeds from disposal and the carrying amount of investment property, and are recognised in profit or loss.

(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, 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 differences between 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	2 - 15 years
Furniture, fixtures and office equipment	2 - 15 years
Others	
- Electricity and water systems	5 - 20 years
- Vehicles	3 - 10 years
- Library book	3 - 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, 5, 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 compenents and accounted for the lease and non-lease components wholly as a single lease component.

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

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 straightline 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.

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

(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 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.

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

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 standalone 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.

Other income (t)

Other operating income is recognised in profit or loss on a accrual basis.

Income tax (u)

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.

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Minimum top-up tax

The Group has adopted International Tax Reform - Pillar Two Model Rules - Amendments to TAS 12 Income Taxes dated 28 December 2023. The amendments provide a temporary mandatory exception from deferred tax accounting for the top-up tax, which is effective immediately, and accounts for a current tax when it is incurred. In addition, Amendments to TAS 12 Income Taxes require the Group to disclose about the Pillar Two exposure in the financial statements for the year ended 31 December 2024. The mandatory exception applies retrospectively. However, the Group is currently assessing the potential impact on the Group's financial statements from adopting the accounting standards.

(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 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.

(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 Related parties

Relationships with subsidiaries, associates and joint ventures are described in note 8 and 9 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:

	Country of incorporation/	
Name of parties	nationality	Nature of relationships
Charoen Pokphand Group Company Limited ("CPG")	Thailand	Indirect shareholder of the Company, Company under CPG Group
C.P. Merchandising Co., Ltd.	Thailand	Shareholder of the Company, Company under CPG Group
Charoen Pokphand Foods Public Company Limited	Thailand	Indirect shareholder of the Company, Company under CPG Group
CPF (Thailand) Public Company Limited	Thailand	Indirect shareholder of the Company, Company under CPG Group
Aden Fulfillment Company Limited ALL Now Logistics Co., Ltd. ALL Now Management Co., Ltd.	Thailand Thailand Thailand	Company under CPG Group Company under CPG Group Company under CPG Group
TEED TO IT ITIMINE CON, DIGI.	inandid	company under or d droup

Country	of
incorporat	ion/

Name of parties	nationality	Noture of relationshing
rame or parties	паннанцу	Nature of relationships
Alter Vim Company Limited	Thailand	Company under CPG Group
Ascend Commerce Company Limited	Thailand	Company under CPG Group
Ascend Travel Company Limited	Thailand	Company under CPG Group
C.P. Consumer Products 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	Thailand	Company under CPG Group
Property Fund		
Charoen Pokphand Engineering Co., Ltd.	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 Future City Development	Thailand	Company under CPG Group
Corporation Limited		
CP Match Co., Ltd.	Thailand	Company under CPG Group
CP Sales & Service Company Limited	Thailand	Company under CPG Group
CPF Food and Beverage Company Limited	Thailand	Company under CPG Group
CPF Food Network Co., Ltd.	Thailand	Company under CPG Group
CPF Global Food Solution Public Company Limited	Thailand	Company under CPG Group
CPF IT Center Co., Ltd.	Thailand	Company under CPG Group
CPF Restaurant and Food Chain	Thailand	Company under CPG Group
Company Limited		
CP-Meiji Co., Ltd.	Thailand	Company under CPG Group
EGG Digital Co., Ltd.	Thailand	Company under CPG Group
Freewill FX Co. Ltd.	Thailand	Company under CPG Group
International Pet Food Co., Ltd.	Thailand	Company under CPG Group
Kasetphand Industry 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 Corporation Public Company Limited	Thailand	Company under CPG Group

Name of parties	Country of incorporation/nationality	Nature of relationships
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
Wire & Wireless Co., Ltd.	Thailand	Company under CPG Group
CPF Australia Pty Ltd	Australia	Company under CPG Group
C.P.Cambodia Co., Ltd.	Cambodia	Company under CPG Group
Asia Aquaculture (M) Sdn. Bhd.	Malaysia	Company under CPG Group
EGG DIGITAL (MALAYSIA) SDN. BHD.	Malaysia	Company under CPG Group
PERFECT COMPANION (M) SDN. BHD.	Malaysia	Company under CPG Group
PK Agro-industry Products (M) Sdn. Bhd.	Malaysia	Company under CPG Group
Tip Top Meat Sdn. Bhd.	Malaysia	Company under CPG Group
C.P. Vietnam Corporation	Vietnam	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/	Persons having authority and responsibility for
	Foreigners	planning, directing and controlling the activities of the Group, directly or indirectly, including any director of the Group (whether executive or otherwise)

Significant transactions with related parties Year ended 31 December	Consol financial s 2023		Sepa financial st 2023	
teur enueu 31 December	2023		on Baht)	2022
Subsidiaries		(5.2 334444	on Du m,	
Revenue from sale of goods and				
rendering of services	-	-	4,815	5,419
Interest income	-	-	218	193
Dividend income	-	_	5,909	5,380
Other income	-	_	2,144	2,269
Distribution costs	_	_	3,166	3,135
Administrative expenses	_	-	3,913	3,366
Finance costs	_	-	31	41
Purchases of goods and services	-	_	35,611	30,932
Purchases of property, plant and equipment			,	,
and intangible assets other than goodwill	-	-	3,325	2,969
Associates				
Revenue from sale of goods and				
rendering of services	330	349	-	_
Dividend income	497	448	_	-
Other income	46	1	-	-
Distribution costs	600	586	_	_
Finance costs	244	252	-	-
Purchases of goods and services	130	123	-	-
Joint ventures				
Revenue from sale of goods and				
rendering of services	69	67		-
Dividend income	13	11	-	-
Other income	41	51	-	-
Distribution costs	98	9 7	-	-
Administrative expenses	5	2	-	-
Finance costs	1	1	-	-
Purchases of goods and services	16	10	-	-
Related companies				
Revenue from sale of goods and				
rendering of services	2,577	2,304	493	398
Other income	1,715	1,676	1,201	1,491
Distribution costs	3,814	2,687	2,110	1,516
Administrative expenses	1,283	1,213	420	343
Finance costs	62	36	-	-
Purchases of goods and services	78,478	67,819	28,956	26,084
Purchases of property, plant and equipment				
and intangible assets other than goodwill	240	317	2	6
Key management personnel				
Key management benefit expenses				
Short-term employee benefits	802	807	544	528
Severance pay for employees	19_	46	5_	6
Total key management benefit expenses	821	853	549	534

Separate

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

	Consoli	idated	Separate	
Balances with related parties	financial s	tatements	financial s	tatements
At 31 December	2023	2022	2023	2022
		(in millic	n Baht)	
Trade accounts receivable				
Associates	9	13	-	-
Joint ventures	_	1	-	-
Related companies	306	329	-	-
Total	315	343	_	_
Less allowance for expected credit loss	(2)	(10)	-	-
Net	313	333		-
Other current receivables				
Subsidiaries	_	-	3,561	2,619
Associates	25	25		, -
Joint ventures	61	56	_	_
Related companies	2,003	2,155	1,450	1,560
Total	2,089	2,236	5,011	4,179
Less allowance for expected credit loss	_	(2)	_	, _
Net	2,089	2,234	5,011	4,179

	Consol	idated	Sep	arate
(Reversal of) expected credit losses for the	financial s	tatements	financial	statements
year ended 31 December	2023	2022	2023	2022
	(in million Baht)			
Trade accounts receivable	(8)	10	_	-
Other current receivables	(2)	2	-	-

Short-term loans to subsidiaries

Movements during the years ended 31 December 2023 and 2022 were as follows:

	financial s	financial statements		
	2023	2022		
	(in millio	on Baht)		
At 1 January	7,229	7,655		
Increases	1,077	200		
Decreases	(1,000)	(700)		
Unrealised (loss) gain on exchange	(63)	74		
Total	7,243	7,229		
Less allowance for expected credit loss	-	<u>-</u>		
At 31 December	7,243	7,229		
Interest rate at 31 December (% per annum)	1.50 - 3.90	1.50 - 3.00		

As at 31 December 2023 the outstanding balance of short-term loans to the subsidiaries was unsecured and at call.

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

		Consolidated		Separate	
Balances with related parties		statements	financial	statements	
At 31 December	2023	2022	2023	2022	
		(in mi	llion Baht)		
Investments in related companies					
ALL Now Management Co., Ltd.	732	959	385	512	
Ascend Commerce Co., Ltd	615	-	615	-	
EGG Digital Co., Ltd.	251	266	132	140	
C.P. Venture Capital Co., Ltd.	205	205	205	205	
True GS Co., Ltd.	173	138	173	138	
CP Seeding Social Impact Co., Ltd.	7	-	3	-	
Total	1,983	1,568	1,513	995	
Other non-current assets					
Subsidiaries	-	_	4	4	
Related companies	2	36	1	35	
Total	2	36	5	39	
Trade accounts payable					
Subsidiaries	_	_	3,827	2,892	
Joint ventures	14	14	-	-,0/-	
Related companies	12,409	10,774	4,905	4,256	
Total	12,423	10,788	8,732	7,148	
Other payables					
Subsidiaries	_	_	11,403	7,359	
Associates	3	-	11,403	1,339	
Joint ventures	137	70	-	-	
Related companies	1,901	1,921	127	140	
Total	2,041	1,921	11,530	7,499	
Lotai	4,071	1,774	11,550	7,5433	

Short-term borrowings from subsidiaries

Movements during the years ended 31 December 2023 and 2022 were as follows:

At 1 January
Increases
Decreases
At 31 December
Interest rate at 31 December (% per annum)
, 1

Separate						
financial statements						
2023	2022					
(in millic	n Baht)					
60	1,400					
2,300	60					
(360)	(1,400)					
2,000	60					
1.00 - 2.00	1.00					

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

Balances with related parties		Consolidated financial statements fina		rate tatements
At 31 December	2023	2022	2023	2022
	(in million Baht)			
Lease liabilities				
Associates	6,299	6,547	-	-
Joint ventures	18	20	-	-
Related companies	2,362	1,507	_	_
Total	8,679	8,074	-	_

Significant agreements with related parties

As at 31 December 2023 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 2024. In consideration thereof, the Company agreed to pay a monthly service fee to the shareholder totaling Baht 1.70 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 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 lease 60 days before the expiry date of the agreement.

- 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 11.7 million, and placed guarantee deposits with the related company totaling Baht 32.4 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 December 2025.
- 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 2024. 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.
- The Company has service agreements with CP Axtra Public Company Limited (formerly: Siam Makro (i) 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 over 1 years to 5 years, and will expire on various dates until December 2026.
- (i) Ek-Chai Distribution System Co., Ltd. ("ECDS"), a local indirect subsidiary, 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 years and will expire in February 2025.
- (k) EK-Chai Distribution System Co., Ltd., a local indirect subsidiary, and Lotuss Stores (Malaysia) Sdn. Bhd., a foreign indirect subsidiary, 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 3 years and will expire in December 2026.

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

Cash and cash equivalents 5

	Consol	idated	Sepa	ırate
	financial statements		financial s	tatements
	2023	2022	2023	2022
		(in millio	on Baht)	
Cash on hand	22,802	14,141	15,998	9,195
Cash at financial institutions	33,144	45,019	9,957	11,800
Highly liquid short-term investments	11,288	12,264	-	-
Total	67,234	71,424	25,955	20,995

Trade accounts receivable and other current receivables

		Consolidated financial statements		Separate financial statements	
Trade accounts receivable	Note	2023	2022	2023	2022
			(in millio	n Baht)	
Related parties					
Within credit terms		224	24 1	-	-
Overdue:					
Less than 3 months		66	84	-	-
3 - 6 months		18	9	-	-
6 - 12 months		3	5	_	-
Over 12 months		4	4	-	-
Total		315	343		_
Less allowance for expected					
credit loss		(2)	(10)	-	-
Net	4	313	333		
Other parties					
Within credit terms		2,332	2,522	160	244
Overdue:		•			
Less than 3 months		646	744	-	-
3 - 6 months		46	73	-	-
6 - 12 months		37	71	-	_
Over 12 months		134	176	-	-
Total		3,195	3,586	160	244
Less allowance for expected					
credit loss		(182)	(299)	-	-
Net		3,013	3,287	160	244
Grand total		3,326	3,620	160	244

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

		Consolidated financial statements		Separate financial statements	
Other current receivables	Note	2023	2022	2023	2022
			(in millio	on Baht)	
Related parties					
Within credit terms		1,809	1,766	4,746	3,724
Overdue:					
Less than 3 months		245	298	244	294
3 - 6 months		12	131	17	130
6 - 12 months		6	34	-	30
Over 12 months		17	7	4	1
Total		2,089	2,236	5,011	4,179
Less allowance for expected		•	,	,	,
credit loss		-	(2)	-	_
Net	4	2,089	2,234	5,011	4,179
Other parties					
Within credit terms		11,951	11,689	4,912	4,568
Overdue:		9>	11,000	.,,,12	1,500
Less than 3 months		1,357	1,049	1,167	947
3 - 6 months		19	32	12	8
6 - 12 months		7	13	3	3
Over 12 months		60	89	18	18
Total		13,394	12,872	6,112	5,544
Less allowance for expected		,- ,- ,-	,. · <u>_</u>	-,	~·,~··
credit loss		(76)	(94)	(23)	(24)
Net		13,318	12,778	6,089	5,520
Grand Total		15,407	15,012	11,100	9,699

	Consolidated		Separate	
	financial st	atements	financial st	atements
Allowance for expected credit loss	2023	2022	2023	2022
	(in million Baht)			
At 1 January	405	488	24	19
Addition	60	126	1	5
Reversal	(189)	(136)	(2)	-
Write-off	(7)	(68)	-	-
Exchange differences on	7 7			
translating financial statements	(9)	(5)	-	-
At 31 December	260	405	23	24

Information of credit risk is disclosed in note 31 (b.1) to the financial statements.

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

7 Inventories

	Finished goods
V	Work in progress
F	Raw materials
(Goods in transit
1	Total
I	less allowance for losses on
	decline in value of inventories
ľ	Net

Consoli	dated	Separate						
financial st	atements	financial statements						
2023	2022	2023	2022					
	(in millio	n Baht)						
58,285	58,791	19,740	18,223					
125	153	-	-					
845	832	-	-					
870	898							
60,125	60,674	19,740	18,223					
(2,624)	(2,491)	(401)	(216)					
57,501	58,183	19,339	18,007					

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:

Cost of sales	
Loss (reversal of loss)	
on decline in value of inventories	S
Total	

Consoli	idated	Sepa	rate
financial st	tatements	financial s	tatements
2023	2022	2023	2022
	(în millio	n Baht)	
686,014	639,380	286,565	257,807
133	(35)	185	(4)
686,147	639,345	286,750	257,803

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 2023 amounted to Baht 2,511 million (2022: Baht 2,247 million) in the consolidated financial statements, and Baht 2,510 million (2022: Baht 2,244 million) in the separate financial statements.

8 Investments in subsidiaries

Movements during the years ended 31 December 2023 and 2022 were as follows:

	Conso	lidated	Sepa	arate
	financial s	statements	financial	statements
	2023	2022	2023	2022
		(in milli	on Baht)	
At 1 January	-	-	281,921	281,357
Increases	-	-	315	813
Decreases	_	-	-	(249)
At 31 December	-		282,236	281,921

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

Details of the net increases and decreases in investments in subsidiaries during the years ended 31 December 2023 and 2022 were as follows:

Increase capital of Albuera International Limited	
Increase capital of All Corporation Limited	
Disposal of investment in CP Axtra Public	
Company Limited (formerly: Siam Makro	
Public Company Limited)	
Total	

Sepa	rate									
financial statements										
2023	2022									
(in millio	on Baht)									
315	363									
-	450									
-	(249)									
315	564									

C --- - --- -

Albuera International Limited

Additional investment

During the fourth quarter of 2023, a foreign subsidiary (Albuera International Limited) collected from the called for additional paid-up share capital of United States Dollars 9 million or equivalent to approximately Baht 315 million; from United States Dollars 20 million to United States Dollars 29 million.

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 or equivalent to approximately Baht 363 million; from United States Dollars 10 million to United States Dollars 20 million.

All Corporation Limited

Additional investment

During the third quarter of 2022, a local subsidiary (All Corporation Limited) increased its authorised share capital of Baht 750 million; from Bath 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.

CP Axtra Public Company Limited (formerly: Siam Makro Public Company Limited)

Disposal of investment

During the fourth quarter of 2022, the Company had partial disposal 6 million ordinary shares of CP Axtra Public Company Limited (formerly: Siam Makro Public Company Limited), a local subsidiary at the price of Baht 38.75 per share, totaling Baht 233 million to Siam Makro Holding (Thailand) Limited, a local subsidiary, whilst retaining direct and indirect ownership interest as 59.92% in the consolidated financial statements and the Company had the loss on sale of investment in the separate financial statements of totaling Baht 16 million.

Investments in subsidiaries as at 31 December 2023 and 2022, and dividend income for the years then ended were as follows:

	income	year	2022			06	ı	1,140				1	480		200		100	
	Dividend income	for the year	2023			50	•	1,160				1	1		009		400	
nts		st	2022	ı Baht)		810	009	91				700	30		20		20	
ncial stateme		At cost	2023	(in million Baht)		810	009	91				700	30		20		20	
Separate financial statements		apital	2022			810	009	100				700	30		20		20	
		Paid-up capital	2023			810	009	100				700	30		20		20	
	Ownership	interests	2022	(0)		66.66	66.66	66.66				66.66	66.66		99.99		66.66	
	Own	inte	2023	(%)		66.66	66.66	66.66				66.66	66 66		66.66		66.66	
	Country of	operation				Thailand	Thailand	Thailand				Thailand	Thailand		Thailand		Thailand	
		Type of business				Holding company	Frozen food plant and bakery	Bill payment services,	services, e-commerce, distributor of all	types of commercial cards and tickets and	insurance broker	Holding company	Distributor of catalog	merchandises and e-commerce	Distributor of equipment for retailing and	software development	Information system system design and development	services
		Name of parties			Local direct subsidiaries	Suksapiwat Co., Ltd.	CPRAM Co., Ltd.	Counter Service Co., Ltd.				All Corporation Limited	24 Shopping Co., Ltd.		CP Retailink Co., Ltd.		Gosoft (Thailand) Co., Ltd. Information system system design and development	

Notes to the financial statements CP ALL Public Company Limited and its Subsidiaries For the year ended 31 December 2023

	income	3022 2022	405	80	ı			20	40	110	475	1,850	5,380
	Dividend income	2023	746	150	1			1	70	133	716	1,884	5,909
Continued)	to to	2022 n Baht)	57.754		9/1			,	_	1,939	55,490	153,118	270,751
Separate financial statement (Continued)	Atopat	2023 2022 2022 (in million Baht)	57.754	-	176				1	1,939	55,490	153,118	270,751
rate financia	latine	2022	12	<u> </u>	176				_	1,600	1,066	5,290	
Sepa	Paidam canifel	2023	12	<u> </u>	176			pormal	_	1,600	1,066	5,290	
	Ownership interests	2022 (%)		66'66	66'66			66'66	66.66	66'66	49,00	34.91	
	own apri	2023	00 00	66.66	66.66			66.66	66.66	66.66	49.00	34.91	
	Country of	operation	Thailand	Thailand	Thailand			Thailand	Thailand	Thailand	Thailand	Thailand	
	Type of business	type of outliness	Holding company	Training center	Digital innovation	healthcare services and consultation by	medical specialists	Marketing activities planning services	Training center	Smart purse card	Holding company	Wholesale	
	Name of narties	rante of parties	OHT Co 1td	All Training Co., Ltd.	ALL Wellness Co., Ltd.			MAM Heart Co., Ltd.	Panyatara Co., Ltd.	Thai Smart Card Co., Ltd.	Siam Makro Holding (Thailand) Limited	CP Axtra Public Company (formerly: Siam Makro Public Company Limited)	Total

Notes to the financial statements CP ALL Public Company Limited and its Subsidiaries For the year ended 31 December 2023

	Dividend income	for the year	2022				•		•			5,380
	Dividen	for th	2023	ı Baht)			1		,		1	2,909
Continued)		ost	2022	(in million Baht)			10,497		673		11,170	281,921
Separate financial statements (Continued)		At cost	2023				10,497		886		11,485	282,236
te financial		apital	2022	lion	s Dollars)		310		20		٠	
Separ		Paid-up capital	2023 2022	(in million	United States Dollars)		310		29			
	rship	interests	2022				100.00		100.00			
	Ownership		2023 2022	(%)			100.00		100.00			
	Country of	operation					British Virgin	Islands	British Virgin	Islands		
		Type of business					Holding company		Holding company			
		Name of parties				Foreign direct subsidiaries	Lotus Distribution	Investment Limited	Albuera International	Limited	Total	Grand total

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

Details of the Company's indirect subsidiaries as at 31 December 2023 and 2022 were as follows:

Name of parties business operation Coverestilatives 12023 2023 2028 2		Type of	Country of			
Local indirect substidiaries -Investment through All Corporation -Investment through Suksapiwat Co., Ltd. Panyapiwat Institute of Management Panyapiwat Technological College Panyapiwat Both Co., Ltd. Providing technical and supporting services -Investment through CP Axtra Public Company Limited Providing technical and supporting services -Investment through CP Axtra Public Company Limited Providing technical and supporting services -Investment through CP Axtra Public Company Limited Providing technical and supporting services by services Providing technical and supporting and trading of food products from international and domestic sources and providing freight, delivery rental and storage services Proporting CP., Ltd. Proporting services Promart Co., Ltd. Providing technical and supporting and trading of food products from international and domestic sources and providing freight, delivery rental and storage services Promart Co., Ltd. Proporting services Proporting service	Name of parties	business	operation	2023 2022		
CP Foodlab Co., Ltd. Research and revelopment service, and microbiologic and scientific Laboratory services sorces and microbiologic and scientific Laboratory services and the services and the services and the services are stores at Ltd. GUARDIAN CO., Ltd. Pood and beauty Thailand 64.99 64.99 products retailer Logistics and distribution of microhandises services and microhandises services are services. - Investment through Suksapiwat Co., Ltd. Thailand 99.99 99.99 199.99 Management Pernonstration institution and microhandises services and microhandises services are services and microhandises services and microhandises services are services and microhandises services are services and microhandises services are services are services and microhandises services are services	Local indirect subsidiaries			(%)		
Research and development service, and microbiologic and scientific Laboratory services ALL Bake and Brew Co., Ltd. Pood and Deverage stores ALL GUARDIAN CO., LTD. Health and beauty products retailer Journal of the Company Limited (Formerly: Siam Makro Public Company Limited) - Investment through Suksapiwat Co., Ltd. Panyapiwat Institute of Educational institution School - Investment through Suksapiwat Co., Ltd. Panyapiwat Technological College Educational institution - Investment through CP Axtra Public Company Limited (Formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (Formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (Formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (Formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (Formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (Formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (Formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (Formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (Formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (Formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (Formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (Formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (Formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (Formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (Formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (Formerly: Siam		Limited				
development service, and microbiologic and scientific Laboratory services ALL Bake and Brew Co., Ltd.			Thailand	99 99	99 99	
service, and microbiologic and scientific Laboratory services ALL Bake and Brew Co., Ltd. Pood and Thailand 99.99 observing stores ALL GUARDIAN CO., LTD. Health and beauty Thailand 64.99 64.99 products retailer ALL SPEEDY CO., LTD. Logistics and Thailand 45.45 45.45 distribution of merchandises services - Investment through Suksapiwat Co., Ltd. Panyapiwat Institute of Educational Institution Educational Institution Educational Institution institution School Panyapiwat Technological College Educational Institution - Investment through CP Axtra Public Company Limited (formerly: Siam Makro Public Company Limited) Panyapiwat Technological College Educational Institution - Investment through CP Axtra Public Company Limited (formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (formerly: Siam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (formerl				,,,,,	,,,,,	
microbiologic and scientific Laboratory services ALL Bake and Brew Co., Ltd. Food and beverage stores ALL GUARDIAN CO., LTD. Health and beauty products retailer ALL SPEEDY CO., LTD. Logistics and Thailand 45.45 45.45 distribution of merchandises services - Investment through Suksapiwat Co., Ltd. Panyapiwat Institute of Educational Thailand 99.99 99.99 Management institution Panyapiwat Institute of Educational Thailand 99.99 99.99 Management Demonstration institution Panyapiwat Technological College Educational Thailand 99.99 99.99 institution - Investment through CP Axtra Public Company Limited (formerly: Stam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (formerly: Stam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (formerly: Stam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (formerly: Stam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (formerly: Stam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (formerly: Stam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (formerly: Stam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (formerly: Stam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (formerly: Stam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (formerly: Stam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (formerly: Stam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (formerly: Stam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (formerly: Stam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited (formerly: Stam Makro Public Company Limited) - Investment through CP Axtra Public Company Limited - Investment through CP Axtra Public						
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Makro ROH Co., Ltd. Providing technical and supporting services to the Group Siam Food Services Limited Importing and trading of food products from international and domestic sources and providing freight, delivery rental and storage services ProMart Co., Ltd. Trading of non-food products C.P. Retail Development Company Limited Providing technical and supporting services and providing freight, delivery rental and storage services Thailand 59.91 59.91 59.91 59.91 59.91 59.91 59.91 59.91 59.91		institution				
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Siam Food Services Limited Importing and trading of food products from international and domestic sources and providing freight, delivery rental and storage services ProMart Co., Ltd. Trading of non-food products C.P. Retail Development Company Limited Retail business and mall Importing and Thailand 59.91 59.91 and mall						
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Limited and mall		products				
			Thailand	59.91	59.91	
Lotus's Stores (Thailand) Co., Ltd. Retail business Thailand 59.90 59.90			mt tr			
	Louis's Stores (Thailand) Co., Ltd.	Retail business	Thailand	59.90	59.90	

Name of parties Local indirect subsidiaries (continu	Type of business	Country of operation	Ownership 2023 (%)	2022
- Investment through CP Axtra Publi (continued)		merly: Siam Makro Publi	ic Company I	Limited)
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
- Investment through OHT Co., Ltd. Siam Makro Holding (Thailand) Limited	Holding company	Thailand	50.99	50.99
CP Axtra Public Company Limited (formerly: Siam Makro Public Company Limited)	Wholesale	Thailand	25.01	25.01
Foreign indirect subsidiaries - Investment through Albuera Interno	utional Limited			
CP ALL (CAMBODIA)	Convenience	Cambodia	100.00	100.00
CO., LTD. CP ALL LAOS COMPANY LIMITED	stores Convenience stores	Laos	99.99	99.99
- Investment through Lotus Distributi	ion Investment Limited			
Nanjing Tech University	Educational	The People's Republic	100.00	100.00
Pujiang Institute	institution	of China		
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
Nanjing De Yi Management Consulting Co., Ltd.	Providing consulting on organizational management	The People's Republic of China	100.00	-

Name of parties Foreign indirect subsidiaries (continu	Type of business	Country of operation	Ownership 2023 (%)	interests 2022
- Investment through All Corporation				
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	99.99
- Investment through CP Axtra Public	c Company Limited (for	rmerly: Siam Makro Publi	c Company L	imited)
Indoguna Vina Food Service Company Limited	Trading and distribution, and import and export food products	Vietnam	59.91	59.92
ARO Commercial Company Limited	Wholesale, retail operator and related business	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, retail operator and related business	The People's Republic of China	59.90	59.90
Guangzhou Huadu Makro Food Supermarket Company Limited	Wholesale, 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

Name of parties	Type of business	Country of operation	Ownership 2023 (%)	interests 2022
Foreign indirect subsidiaries (continguity) - Investment through CP Axtra Public (continued)		rmerly: Siam Makro Public	c Company Li	imited)
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
Indoguna Muscat LLC	Importing and trading of food related products	Sultanate of Oman	47.93	-
MAXZI GLOBAL FZCO	Managing the franchise business in relation to restaurants	United Arab Emirates	47.93	-
Makro (Cambodia) Company Limited	Wholesale, retail operator and related business	Cambodia	41.94	41.94
ARO Company Limited	Providing marketing and consulting services	Republic of the Union of Myanmar	-	59.91
Lotuss Stores (Malaysia) Sdn. Bhd.	Retail business and related business	Malaysia	59.91	59.91

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

9 Investments in associates and joint ventures

Movements during the years ended 31 December 2023 and 2022 were as follows:

		Consoli	dated	Separate			
		financial st	atements	financial statements			
	Note	2023	2022	2023 2022			
			(in millio	n Baht)			
Associates			·	ŕ			
At 1 January		9,053	9,139	_	_		
Increase		156	**	_	_		
Add Share of profit							
of investment accounted							
for using equity method		369	362	_	_		
Less Dividend income	4	(497)	(448)	<u></u>	_		
At 31 December		9,081	9,053	_			
					-		
Joint ventures							
At 1 January		5,335	4,876		_		
Add Share of profit of							
investment accounted							
for using equity method		377	469	-	-		
Add Share of gain of other							
comprehensive income							
of investment accounted							
for using equity method		4	-	_	_		
Less Dividend income	4	(13)	(10)	-	_		
At 31 December		5,703	5,335				

Investments in associates and joint ventures as at 31 December 2023 and 2022, and dividend income for the years then ended were as follows:

	Iconie	car	2022	448	•	•	448		10		10
Dividend issource	II Dilainella	tor the year	2023	497		i	497	ı	13		13
ia! statements	7	nethod	2022	9,053	•	•	9,053	4,512	504	319	5,335
Consolidated financia! statements		At equity method	2023 Baht)	8,944	99	≅	180,6	4,880	505	318	5,703
Cons	1	180	2022 202 (in million Baht)	6,373	•	ı	6,373	1,040	248	256	1,544
	4	At cost	2023	6,373	7.1	88	6,529	1,040	248	256	1,544
	1.51	apital	2022	23,828	•	1		2,080	210	465	
	£	Faid-up capital	2023	23,828	189	227		2,080	210	465	
, ;;	d in		2022	14.98	ı	1		29.95	29.95	29,94	
. Automobile	Owite 141:	interest	2023 (%)	14.98	22.46	22.46		29.95	29.95	29.94	
	T 6.1	Type of business		Real estate rental	Real estate development	Real estate development for rental as an office building and	confiliratoral office	Credit card services	Mall rental services and related utilities	Real estate development	•
	1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -	Name of parties		Indirect associates Lotus's Retail Growth Freehold and Leasehold Property Fund	Sukhumvit Living Co., Ltd. Real estate developm	Sukhumvit Mixed-Use Co., Ltd.	Total	Indirect joint ventures Lotus's Money Services Limited	o., Ltd.	Synergistic Property Development Co., Ltd.	Total

All associates and joint ventures were incorporated and operated in Thailand.

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

Additional investments during the year

a) On 22 February 2023, a local indirect subsidiary, Ek-Chai Distribution System Co., Ltd. ("ECDS") invested in Sukhumvit Living Co., Ltd. ("SKL"), an associate. In this regard, ECDS has a 37.5% investment in SKL's paid-up share capital. The paid-up share capital totaling Baht 0.4 million was completed in March 2023.

During the first quarter of 2023, ECDS invested in additional share capital in SKL, proportionately, amounting to Baht 50.9 million (increase from Baht 0.4 million to Baht 51.3 million).

During the second quarter, third quarter and fourth quarter of 2023, ECDS paid for additional paid-up share capital amounting to Baht 5.2 million, Baht 4.9 million and Baht 9.7 million, respectively (increase from Baht 51.3 million to Baht 71.1 million).

b) On 20 March 2023, ECDS invested in Sukhumvit Mixed-Use Co., Ltd. ("SKM"), an associate. In this regard, ECDS has a 37.5% investment in SKM's paid-up share capital. The paid-up share capital totaling Baht 0.4 million was completed in June 2023.

During the second quarter of 2023, ECDS invested in additional share capital in SKM, proportionately, amounting to Baht 69.0 million (increase from Baht 0.4 million to Baht 69.4 million).

During the third quarter and fourth quarter of 2023, ECDS paid for additional paid-up share capital amounting to Baht 7.5 million and Baht 8.2 million (increase from Baht 69.4 million to Baht 85.1 million).

Lotus's Retail Growth Freehold and Leasehold Property Fund is listed on the Stock Exchange of Thailand. The fair value of this investment was calculated from its closing price at 28 December 2023, amounting to Baht 7,830 million (30 December 2022: Baht 7,421 million).

The Group has considered that none of associates and joint ventures is regarded as individually material to the Group.

Immaterial

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

Immaterial associates and joint ventures

The following table summarises the financial information of the Group's interests in immaterial associates and joint ventures based on the amounts reported in the Group's consolidated financial statements.

	Immaterial	associates	joint ve	entures
	2023	2022	2023	2022
		(în millio	on Baht)	
Carrying amount of interests in				
immaterial associates and				
joint ventures	9,081	9,053	5,703	5,335
Group's share of:				
 Profit from continuing operations 	369	362	377	469
- Other comprehensive income	-	-	4	-
- Total comprehensive income	369	362	381	469

10 Non-controlling interests

The following table summarises the information relating to each of the Group's subsidiaries that has a material non-controlling interest:

	3	1 December 2023	
	CP Axtra		
	Public		
	Company	ALL	
	Limited and	GUARDIAN	
	its subsidiaries	CO., LTD.	Total
		(in million Baht)	
Non-controlling interests percentages	40.08	35.01	
Current assets	76,739	264	
Non-current assets	463,632	17	
Current liabilities	(118,150)	(64)	
Non-current liabilities	(128,749)	(3)	
Net assets	293,472	214	
Carrying amount of non-controlling interests	190,525*	75	190,600
Revenue	489,949	422	
Profit (loss)	8,599	(3)	
Other comprehensive income	(676)	-	
Total comprehensive income (loss)	7,923	(3)	
Profit (loss) allocated to			
non-controlling interests	3,371*	(1)	3,370
Other comprehensive income allocated to			
non-controlling interests	(274)*	-	(274)

	:	31 December 2023	
Cash flows from operating activities Cash flows from investing activities Cash flows from financing activities Dividends paid to non-controlling interests Exchange differences on translating	CP Axtra Public Company Limited and its subsidiaries 34,863 (14,239) (26,389) (2,163)	ALL GUARDIAN CO., LTD. (in million Baht) (8) - 80	Total
financial statements	(468)		
Net (decrease) increase in cash and cash equivalents	(8,396)	72	
	CP Axtra Public Company Limited and its subsidiaries	ALL GUARDIAN CO., LTD. (in million Baht)	Total
Non-controlling interests percentages	40.08	35.01	
Current assets Non-current assets Current liabilities Non-current liabilities Net assets	87,355 461,288 (90,763) (166,949) 290,931	228 17 (237) (3) 5	
Carrying amount of non-controlling interests	189,575*	2	189,577
Revenue Profit (loss) Other comprehensive income Total comprehensive income (loss)	469,131 7,682 (46) 7,636	231 (197) (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 Cash flows from investing activities Cash flows from financing activities Dividends paid to non-controlling interests Exchange differences on translating financial statements Net (decrease) increase in cash and cash equivalents	22,014 (17,164) (30,834) (2,120) (322)	(96) (2) 129 - - - - 31	
^			

^{*} The carrying amount of non-controlling interests included non-controlling interests of certain indirect subsidiaries. These indirect subsidiaries are not wholly-owned by the subsidiary.

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

11 Investment properties

Consolidated financial statements

			пиатей ппансі	ai statements	
		Buildings,			
		building			
		improvements and		Assets	
		right-of-use asset	Right-of-use	under	
	Land	improvements	assets	construction	Total
	22-4-1-		(in million B		
Cost					
At 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 and	(,=)		(2.12)		
1 January 2023	13,194	24,492	8,941	216	46,843
Additions	-	47	1,226	828	2,101
Transfers	_	822	1,220	(822)	-,101
Reclassification	(67)	1,331	(322)	(022)	942
Disposals and write-off	(07)	(31)	(15)	_	(46)
Exchange differences on	_	(31)	(13)	_	(40)
translating financial statements	(169)	(398)	(128)	(1)	(696)
_	12,958		9,702	221	49,144
At 31 December 2023	12,958	26,263	9,/02		49,144
A					
Accumulated depreciation and					
accumulated impairment losses	(1.5)	(645)	(97)		(747)
At 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 and					
1 January 2023	(15)	(2,048)	(650)	-	(2,713)
Depreciation charge for the year	=	(1,417)	(473)	-	(1,890)
Impairment losses	-	(1)	(18)	-	(19)
Reclassification	-	(3)	(50)	-	(53)
Disposals and write-off	-	27	7	_	34
Exchange differences on					
translating financial statements	_	22	9		31
At 31 December 2023	(15)	(3,420)	(1,175)	-	(4,610)

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

Consolidated financial statements

Buildings, building

improvements and Assets right-of-use asset Right-of-use under improvements Land assets construction

(in million Baht)

Total

Net book value At 1 January 2022 At 31 December 2022 and 1 January 2023 At 31 December 2023

12,868	24,133	8,488	-	45,489
13,179	22,444	8,291	216	44,130
12,943	22,843	8,527	221	44,534

The gross amount of the Group's fully depreciated investment properties that were still in use as at 31 December 2023 amounted to Baht 306 million (2022: Baht 100 million) in the consolidated financial statements.

The fair value of investment properties as at 31 December 2023 of Baht 64,579 million (2022: Baht 45,690 million) in the consolidated financial statements, was determined by independent professional valuers. The fair value of investment property has been categorised as Level 3 fair value.

12 Property, plant and equipment

Consolidated financial statements

Total	101	181,767	23,216	ı	444	(266,9)		(1,282)		307,562	23,443	•	(1,247)	(9,449)		(1,118)	319,191
Other	333 CT	55551	323	837	ī	(271)		(6)		13,435	353	904	•	(227)		(9)	14,459
Assets under construction and installation	0 400	8,408	10,997	(10,694)	(287)	(109)		(194)		8,121	10,503	(12,294)	(28)	(56)		(89)	6,208
Furniture, fixtures and office equipment fin million Rabt)	(mm 7) (mm 1)	20,400	5,050	806	\equiv	(2,763)		(228)		29,372	4,484	2,100	(33)	(4,554)		31	31,400
Machinery and equipment		02,081	5,570	1,539	25	(2,486)		(31)		67,298	5,950	1,018	72	(2,712)		(10)	71,616
Buildings, building improvements and right-of-use asset improvements	41.	113,090	286	7,410	1,060	(1,368)		(591)		122,187	649	8,228	(1,489)	(1,930)		(745)	126,900
Land	170	0 / ,04 1	069	1	(353)			(229)		67,149	1,504	44	231	ľ		(320)	809'89
	Cost	At I January 2022	Additions	Transfers	Reclassification	Disposals and write-off	Exchange differences on	translating financial statements	At 31 December 2022	and 1 January 2023	Additions	Transfers	Reclassification	Disposals and write-off	Exchange differences on	translating financial statements	At 31 December 2023

(Continued)
statements
financial
Consolidated

CP ALL Public Company Limited and its Subsidiaries For the year ended 31 December 2023

Consolidated financial statements (Continued)

Buildings,

			Total	
			Other	
Assets under	construction	and	installation	
Furniture,	fixtures	and office	equipment	(in million Baht)
	Machinery	and	equipment	
building	improvements and	right-of-use asset	improvements	
			Land	

	211,533		213,410	213,792
	5,507		5,395	5,395
	8,408		8,096	6,155
	19,029		18,362	18,787
	20,450			21,640
	91,098		93,085	93,207
	67,041		67,149	809'89
Net book value	At 1 January 2022	At 31 December 2022	and 1 January 2023	At 31 December 2023

Security

At 1 January 2022 Net book value

As at 31 December 2023, the Group's property, plant and equipment with total net book value of Baht 12,711 million (2022: Baht 13,906 million) were pledged under long-term borrowings from financial institution.

Total	87,543 10,634 -	95,019 11,343 35 (3,078)	(46,761) (7,545) 2,741	(51,565) (7,974) 2,789 (56,750)
Other	8,633 280 765 (192)	9,486 262 856	(5,569) (897) 168	(6,298) (947) 147 (7,098)
Assets under construction and installation	980 4,695 (4,848)	719 5,287 (5,376)	630	t 1 1 1
Furniture, fixtures and office equipment fin million Baht)	10,601 1,461 142 (519)	11,685 1,461 30 -	(7,473) (1,356) (1,356)	(8,356) (1,398) 602 (9,152)
Machinery and equipment	30,220 4,131 256 (1,611)	32,996 4,112 49 35 35 (1,738)	35,454 (20,702) (3,478) 1,573	(22,607) (3,756) 1,648 (24,715)
Buildings, building improvements and right-of-use asset improvements	32,947 67 3,685 (728)	35,971 77 4,441	39,945 (13,017) (1,814) 527	(14,304) (1,873) 392 (15,785)
Land	4,162	4,162 144	4,306	
	Cost At I January 2022 Additions Transfers Disposals and write-off	At 31 December 2022 and 1 January 2023 Additions Transfers Reclassification Disposals and write-off	At 31 December 2023 Accumulated depreciation and accumulated impairment losses At 1 January 2022 Depreciation charge for the year Disposals and write-off	At 31 December 2022 and 1 January 2023 Depreciation charge for the year Disposals and write-off At 31 December 2023

CP ALL Public Company Limited and its Subsidiaries For the year ended 31 December 2023

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Total		40,782	43,454
Other		3,064	3,188
Assets under construction and installation		086	719
Furniture, fixtures and office equipment	in million Baht)	3,128	3,329
Machinery and equipment		9,518	10,389
building improvements and right-of-use asset improvements		19,930	21,667
Land		4,162	4,162
	Net book value	At 1 January 2022 At 31 December 2022	and 1 January 2023

million (2022: Baht 38,134 million) in the consolidated financial statements and Baht 28,698 million (2022: Baht 25,104 million) in the separate financial 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 2023 amounted to Baht 49,824 statements.

At 31 December 2023

CP ALL Public Company Limited and its Subsidiaries For the year ended 31 December 2023

Right-of-use assets 13

Consolidated financial statements

(60) (268)947 311 1,149 1,078 197 Vehicles (146) (22) (3) and office (24)Furniture, equipment (12) (31) 309 296 89 086 fixtures (in million Baht) equipment (82) (74) Machinery 539 2,476 874 1,094 4,832 3,812 and Buildings (6,546) (1,172) (69) (105)(4,743)(540) (75) 53,137 10,442 55,687 6,404 425 57,158 (91) (464)(616)(170)(103)(1,472)(263)(161)39,812 9,682 47,850 12,173 58,024 Land

translating financial statements

and 1 January 2023 At 31 December 2022

Exchange differences on

Lease modification

At 1 January 2022

Additions

Reclassification

Write-off

translating financial statements

At 31 December 2023

Exchange differences on

Lease modification

Reclassification

Write-off

Additions

(139) (7,629) (1,392)

97,213 21,618

Total

(206)

109,465 19,936 322

(6,581)

(803)

(267)

122,072

CP ALL Public Company Limited and its Subsidiaries For the year ended 31 December 2023

Consolidated financial statements (Continued)

i H	lotal	(19,947)	(13,036)	6	12	5,549	171	23	(27,219)	(12,675)	20	(24)	4,247	63	Č	29	(35,529)
, , , , , , , , , , , , , , , , , , ,	Vehicles	(220)	(316)	Ī		59	20	(1)	(428)	(314)	1	1	239	1			(203)
Furniture, fixtures and office	equipment ! <i>Baht)</i>	(226)	(51)	1	•	21	m	1	(253)	(58)	1	1	20	1	ć	2	(583)
Machinery and	equipment equi (in million Baht)	(825)	(281)	1	•	82	5	(1)	(1,020)	(306)	1	•	73	•			(1,253)
	Sulldings	(13,080)	(8,391)	(1)	12	4,953	13	5]	(16,361)	(7,476)	44	(18)	3,192	•	-		(20,608)
7 7	Land	(5,596)	(3,997)	10		434	(18)	10	(9,157)	(4,521)	9	(9)	723	63	·	91	(12,876)

translating financial statements

Exchange differences on

Lease modification

Write-off

Depreciation charge for the year

At 31 December 2022 and 1 January 2023

translating financial statements

At 31 December 2023

Exchange differences on

Lease modification

Impairment losses

Write-off

Reclassification

accumulated impairment losses

Accumulated depreciation and

Depreciation charge for the year

Reclassification

At I January 2022

Reversal of impairment losses

77,266

727

615

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries For the year ended 31 December 2023

Consolidated financial statements (Continued)

Furniture,

Machinery

fixtures

and

Buildings

Land

and office

equipment

Total

Vehicles

(in million Baht)

equipment

1,651

40,057

34,216

2,792

714 169

> 39,326 36,550

> > 45,148

38,693

and 1 January 2023 At 31 December 2023

At 31 December 2022 At 1 January 2022 Net book value

82,246 86,543 575 721

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

Separate financial statements

	Separate maneral statements					
	Machinery					
			and			
	Land	Buildings	equipment	Total		
	Lana	~		rotar		
Cost		(in mii	lion Baht)			
	1 (7 (1	2 (000		52.007		
At 1 January 2022	16,761	36,889	157	53,807		
Additions	7,417	8,639	-	16,056		
Write-off	(757)	(5,790)	=	(6,547)		
Lease modification	(192)	(623)		(815)		
At 31 December 2022 and						
1 January 2023	23,229	39,115	157	62,501		
Additions	6,502	5,636	5	12,143		
Write-off	(1,061)	(3,970)		(5,031)		
Lease modification	(54)	(296)	-	(350)		
At 31 December 2023	28,616	40,485	162	69,263		
A commendate of dames a field an						
Accumulated depreciation	(5.456)	24.4 (0.4)	400			
At 1 January 2022	(3,456)	(11,621)	(3)	(15,080)		
Depreciation charge for the year	(2,258)	(6,257)	(12)	(8,527)		
Write-off	353	4,313		4,666		
At 31 December 2022 and						
1 January 2023	(5,361)	(13,565)	(15)	(18,941)		
Depreciation charge for the year	(2,703)	(5,644)	(12)	(8,359)		
Write-off	549	2,821	· -	3,370		
At 31 December 2023	(7,515)	(16,388)	(27)	(23,930)		
Net book value						
	12 205	25.260	4.24	20 525		
At 1 January 2022	13,305	25,268	<u> 154</u>	38,727		
At 31 December 2022 and	4=0.46					
1 January 2023	17,868	25,550	142	43,560		
At 31 December 2023	21,101	24,097	135	45,333		

14 Goodwill

At 1 January At 31 December

Conse	olidated	Separate financial statements					
financial	statements						
2023	2022	2023	2022				
(in million Baht)							
360,641	360,641	-	-				
360,641	360,641		-				

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

Cash-generating units ("CGUs") containing goodwill

For the purposes of impairment testing, goodwill has been allocated to the Group's CGUs as follows:

		olidated statements		arate statements
	2023	2022	2023	2022
		(in milli	on Baht)	
C.P. Retail Development Company Limited and its subsidiaries ("Lotus's Group") CP Axtra Public Company Limited (formerly: Siam Makro Public Company Limited) and foreign Makro group*	232,545	232,545	-	-
("Makro's Group")	125,936	125,936	-	-
Indoguna group of companies**	2,023	2,023	-	
Other	137	137	-	_
Total	360,641	360,641		-

^{*} Foreign Makro group comprised ARO commercial Company Limited and Makro (Cambodia) Company Limited.

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) Makro's Group 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%. (2022: 6% to 7%).

Terminal value growth rate

Terminal value growth rate was determined based on average gross domestic product growth rate, inflation rates and growth rates of historical earnings before interest, income tax, depreciation and amortisation ("EBITDA") at the rate of 3% to 4%. (2022: 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.

^{**}Indoguna group of companies comprised Indoguna (Singapore) Pte Ltd, Indoguna Dubai L.L.C, Just Meat Company Limited and Indoguna Lordly Company Limited.

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

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	Makro':	s Group	Indogun of com	-
	2023	2022	2023	2022	2023	2022
Increase (decrease) rate			(%	<i>6)</i>		
Discount rate	1	1	3	3	3	3
Terminal value growth rate	(2)	(1)	(5)	(5)	(4)	(4)
Revenue growth rate	(13)	(7)	(8)	(8)	(7)	(12)

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.

Computer software in

15 Intangible assets other than goodwill

Consolidated financial statements

	use and under development	Intellectual property (in million	Other	Total
Cost		(
At 1 January 2022	14,201	46,521	3,414	64,136
Additions	4,328	· -	1	4,329
Transfers	(1)	_	1	
Reclassification	243	-	-	243
Disposals and write-off	(36)	-	_	(36)
Exchange differences on				
translating financial statements	(26)		(58)	(84)
At 31 December 2022 and				
1 January 2023	18,709	46,521	3,358	68,588
Additions	2,885	-	1	2,886
Transfers	(1)	-	1	-
Reclassification	(10)	-	_	(10)
Disposals and write-off	(113)	-	<u>.</u>	(113)
Exchange differences on				
translating financial statements	(28)		(33)	(61)
At 31 December 2023	21,442	46,521	3,327	71,290

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

Consolidated financial statements (Continued)

software in use and under development	Intellectual property (in milli	Other	Total
(4,663) (1,655)	(7,167) -	(1,191) (124)	(13,021) (1,779)
(3) 4	- -	1 -	(2) 4
13			13
(6,304)	(7,167)	(1,314)	(14,785)
(2,090)	-	(124)	(2,214)
1	-	-	1
100	-	-	100
8	_	_	8
(8,285)	(7,167)	(1,438)	(16,890)
9,538	39,354	2,223	51,115
12,405	39,354	2,044	53,803
13,157	39,354	1,889	54,400

Accumulated amortisation and accumulated impairment losses At 1 January 2022 Amortisation charge for the year (Impairment losses) reversal of impairment losses Disposals and write-off Exchange differences on translating financial statements At 31 December 2022 and 1 January 2023 Amortisation charge for the year Reversal of impairment losses Disposals and write-off Exchange differences on translating financial statements At 31 December 2023 Net book value At 1 January 2022 At 31 December 2022 and

1 January 2023 At 31 December 2023

Separate financial statements

Computer software in use and under development (in million Baht)

> 4,589 509 (24)5,074 571 (35)(10)5,600

	(in million i
Cost	
At 1 January 2022	
Additions	
Disposals and write-off	
At 31 December 2022 and 1 January 2023	
Additions	
Reclassification	
Disposals and write-off	
At 31 December 2023	

Separate financial statements (Continued)

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

	Communicary
	Computer software
	in use and under
	development
	(în million Baht)
Accumulated amortisation	
At 1 January 2022	(2,278)
Amortisation charge for the year	(414)
Disposals and write-off	1
At 31 December 2022 and 1 January 2023	(2,691)
Amortisation charge for the year	(409)
Disposals and write-off	3
At 31 December 2023	3,097
Net book value	
At 1 January 2022	2,311
At 31 December 2022 and 1 January 2023	2,383
At 31 December 2023	2,503
At 31 December 2023	2,505

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 2023 amounted to Baht 2,925 million (2022: Baht 2,369 million) in the consolidated financial statements and Baht 1,450 million (2022: Baht 1,246 million) in the separate financial statements.

16 Interest-bearing liabilities

	Consol	idated	Sepa	rate
	financial s	tatements	financial s	tatements
	2023	2022	2023	2022
		(in millie	on Baht)	
Short-term borrowings from financial institutions			·	
Liabilities under trust receipts - unsecured	1,346	1,624	-	_
Short-term borrowings - unsecured	8,126	15,186	7,090	15,173
Short-term borrowings from				
subsidiaries - unsecured	_	*	2,000	60
Short-term borrowings from				
other party - unsecured	-	46	_	-
Debentures				
- secured	25,751	40,865	25,751	40,865
- unsecured	267,469	206,396	197,550	182,931
Long-term borrowings from				
financial institutions				
- secured	16,884	18,894	-	
- unsecured	7,769	68,808	-	_
Lease liabilities	100,181	95,063	48,084	45,861
Fotal interest-bearing liabilities	427,526	446,882	280,475	284,890

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

Unutilised credit facilities

As at 31 December 2023, the Group had unutilised credit facilities totaling Baht 21,760 million, Malaysian Ringgit 324 million, Indian Rupee 219 million, Singapore Dollar 9 million, United Arab Emirates Dirham 5 million and United States Dollar 3 million (2022: 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).

As at 31 December 2023, the Company had unutilised credit facilities totaling Baht 232 million (2022: Baht 232 million).

Movements during the years ended 31 December 2023 and 2022 were as follows:

	Consoli financial st		Sepa financial st	
	2023	2022	2023	2022
		(in millio		2022
Short-term borrowings from		,		
financial institutions				
At 1 January	16,810	42,691	15,173	13,493
(Decreases) increases	(7,665)	(26,104)	(8,233)	1,608
Interest paid calculated using	• • • • • • • • • • • • • • • • • • • •	, , ,	` ' '	•
effective interest rate method	327	230	150	72
Unrealised gain on exchange	-	(11)	_	_
Exchange differences on		,		
translating financial statements	_	4	-	-
At 31 December	9,472	16,810	7,090	15,173
Short-term borrowing from other party				
At 1 January	46	-	-	P4.
(Decreases) increases	(46)	46	_	_
At 31 December		46	-	_
Debentures				
At 1 January	247,261	222,349	233,796	222,349
Increases, net of bond issuance cost	71,407	47,870	24,975	24,407
Decreases	(25,559)	(23,000)	(25,559)	(23,000)
Interest paid calculated using	(,)	((==,500)	(=3,000)
effective interest rate method	111	42	89	40
At 31 December	293,220	247,261	223,301	223,796

CP ALL Public Company Limited and its Subsidiaries For the year ended 31 December 2023

The Group and the Company issued unsubordinated debentures in registered name form with debenture holder representative offered to public investors and institutional investors. Detail of outstanding balances were follows:

					alances at 31	Balances at 31 December 2023	.023 Fully renavable
Debentures no.	Date	Approved limit (in million Baht)	Objective	Debentures term (years)	Amount (in million Baht)	Fixed rate (% per amum)	date
Debentures of the Company Secured debentures	the Company tures						
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	entures						
1/2016	18 March 2016	7,000	Repayment of borrowings	10	2,074	4.00	18 March 2026
				12	2,607	4.15	18 March 2028
2/2016	26 August 2016	12,000	Repayment of borrowings	10	748	3.68	26 August 2026
				12	4,851	4.00	26 August 2028
1/2017	27 March 2017	4,500	Repayment of borrowings	12	4,500	4.70	27 March 2029
2/2017	18 August 2017	3,000	Repayment of matured debentures	10	3,000	3.96	18 August 2027
3/2017	15 and 30 November 2017	18,000	Early redemption of debentures	01	000,6	3.50	15 November 2027
1/2019	18 January 2019	15,000	Repayment of matured debentures	&	2,466	3.95	18 January 2027
	•		and/or for working capital	10	1,920	4.12	18 January 2029
			•	12	5,614	4.40	18 January 2031
1/2020	13 May 2020	7,500	Repayment of matured debentures	~	1,699	2.90	13 May 2027
			and/or for working capital	10	2,169	3.29	13 May 2030
				12	3,632	3.59	13 May 2032

* On 22 August 2017, debentures of Baht 6,212 million are early redeemed and paid.

				Ã	Balances at 31 December 2023	December	2023
							Fully repayable
Debentures no.	Date	Approved limit	Objective	Debentures term	Amount	Fixed rate	date
		(in million Baht)		(years)	(in million Baht)	(% per annum)	
Unsecured debeni	Unsecured debentures (Continued)						
2/2020	29 September 2020	25,000	Repayment of matured debentures and/or for working capital	4 years 9 months	13,200	3.00	30 June 2025
				9 years 7 months 14 days	2,350	3.40	13 May 2030
				15	3,450	3.90	29 September 2035
1/2021	16 March 2021	21,900	Repayment of loans from	5	10,000	2.86	16 March 2026
			financial institutions	7	6,800	3.42	16 March 2028
				01	3,600	3.95	16 March 2031
				15	1,500	4.64	16 March 2036
2/2021	16 June 2021	000'99	Repayment of borrowings from	3	3,000	1.76	16 June 2024
			financial institutions	4	6,500	2.14	16 June 2025
				S	17,773	3.00	16 June 2026
				7	7,376	3.40	16 June 2028
				10	21,351	3.90	16 June 2031
				12	7,000	4.20	16 June 2033
1/2022	27 May 2022	8,000	Repayment of matured debentures	5	8,000	3,25	27 May 2027
			and for working capital				
2/2022	22 August 2022	9,739	Early redeem perpetual subordinated	7	9,739	3.80	22 August 2029
			debentures no. 1/2017				
3/2022	22 August 2022	4,834	Repayment of matured debentures	S	2,548	3.40	22 August 2027
				01	006	3.92	22 August 2032
				15	1,386	4.64	22 August 2037

				22	Balances at 31 December 2023	December 2	.023 Fully repayable
Debentures no.	Date	Approved limit (in million Baht)	Objective	Debentures term (years)	Amount (in million Baht)	Fixed rate (% per cannum)	date
Unsecured debentures (Continued)	tures (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	2.67	21 January 2025
1/2023	23 February 2023	12,000	Repayment of matured debentures	4	3,500	2.95	23 February 2027
			and/or for working capital	7	3,930	3,55	23 February 2030
				12	4,570	4.20	23 February 2035
2/2023	31 October 2023	13,000	Repayment of matured debentures	v	6,119	3.55	31 October 2028
				7	1,494	3.80	31 October 2030
				10	5,387	4.20	31 October 2033
Debentures of local subsidiaries Ek-Chai Distribution System Co.	Debentures of local subsidiaries Ek-Chai Distribution System Co., Ltd Unsecured debentures	secured debentures					
1/2022	20 October 2022	23,493	Repayment of long-term borrowings	1 year 6 months	9,848	2.81	20 April 2024
			from financial institutions	8	8,534	3.25	20 October 2025
				S	1,180	3,55	20 October 2027
				7	3,931	4.00	20 October 2029
1/2023	20 April 2023	31,500	Repayment of borrowings from	1 year 6 months	7,805	2.80	20 October 2024
			financial institutions	8	10,375	3.20	20 April 2026
				ũ	5,356	3.54	20 April 2028
				∞	1,111	3.83	20 April 2031
				10	6,853	4.00	20 April 2033

Balances at 31 December 2023

Fully repayable date	
Fixed rate	(% per annum)
Amount	(in million Baht)
Debentures term	(years)
Objective	
Approved limit	(in million Baht)
Date	
Debentures no.	

Debentures of local subsidiaries (Continued)

CP Axtra Public Company Limited (formerly: Siam Makro Public Comp

ira i avite Company Emitted (Jointerry, Stant Mario 13 Sentember 2023 15 000	and a note Company Limited - Onsecuted acceptates	eminies	000	ć	- 96.07
13,000	repayment of pin of exchange and j year o months	year o months	10,000	5.04	13 March 2025
	borrowings from financial	3	3,000	3.20	13 September 2026
	institutions	5	1,000	3.55	13 September 2028
		7	1 000	3 80	13 September 2030

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

Debentures issued during the year

CP ALL Public Company Limited

The Company issued debenture no.1/2023 on 23 February 2023, unsubordinated and unsecured debentures in registered name form with debenture holder representative offered to public investors in the amount of Baht 12,000 million.

The Company issued debenture no.2/2023 on 31 October 2023, unsubordinated and unsecured debentures in registered name form with debenture holder representative offered to public investors and institutional investors in the amount of Baht 13,000 million.

Local subsidiaries

A local indirect subsidiary (Ek-Chai Distribution System Co., Ltd) issued no.1/2023 on 20 April 2023, unsubordinated and unsecured debentures in registered name form with debenture holder representative offered to public investors in the amount of Baht 30,100 million and to institutional investors in the amount of Baht 1,400 million totaling Baht 31,500 million.

A local indirect subsidiary (CP Axtra Public Company Limited (formerly: Siam Makro Public Company Limited)) issued no.1/2023 On 13 September 2023, unsubordinated and unsecured debentures in registered name form with debenture holder representative offered to public investors in the amount of Baht 15,000 million.

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 5 July 2023 for subsidiaries and on 4 September 2023 for the Company.

The Group and Company must comply with the specific covenants such as the Group must maintain net debt to equity ratio in the annual consolidated financial statements through the terms of debentures, and the Company must pledge CP Axtra Public Company Limited (formerly: Siam Makro Public Company Limited) shares, etc.

CP Axtra Public Company Limited (formerly: Siam Makro Public Company Limited) shares as at 31 December 2023, which were pledged in accordance with the conditions stipulated in the bond issuance, totaled 660 million shares. The fair value of those shares totaling Baht 17,815 million.

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

Long-term borrowings from financial institutions

Movements during the years ended 31 December 2023 and 2022 were as follows:

	Consoli financial st		Separ financial st	
	2023	2022	2023	2022
		(in millio	n Baht)	
At 1 January	87,702	108,697	-	_
Increases	350	2,365	-	
Decreases	(61,795)	(24,636)	-	_
Interest paid calculated using		, , ,		
effective interest rate method	610	626	-	_
Realised (gain) loss on exchange	(1,252)	1,169	_	
Exchange differences on		,		
translating financial statements	(962)	(519)	-	_
At 31 December	24,653	87,702	_	

At 31 December 2023, the Group had long-term borrowings agreements with some a local branch and oversea branches of foreign financial institutions and a local financial institutions. Details are as follows:

Borrowing	Approved credit	Interest rate	
agreement	facilities	(% 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
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	Malaysia Ringgit 2,300 million (or equivalent to approximately Baht 16,816 million)	Variable interest rate as stipulated in the agreement	Installment until October 2026
The seventh agreement	China Renminbi 450 million (or equivalent to approximately Baht 2,133 million)	Variable 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.

Separate

40,118

15,749

(8,139)

(166)

(2,024)1,138 (815)

45,861

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

Lease liabilities

Movements during the years ended 31 December 2023 and 2022 were as follows:

Consolidated

	financial st	financial statements		tatements
	2023	2022	2023	2022
		(in millio	n Baht)	
At 1 January	95,063	88,540	45,861	40,118
Purchase of assets under				
lease liabilities	18,797	21,122	11,904	15,749
Purchase of investment properties				
under lease liabilities	1,226	239	→	-
Payment of lease liabilities	(14,553)	(13,854)	(8,925)	(8,139
Differences on a granted				
rent concession	-	(166)	-	(166
Write-off	(2,645)	(2,434)	(1,809)	(2,024
Finance costs under lease	3,422	3,027	1,403	1,138
Lease modification	(740)	(1,200)	(350)	(815
Exchange differences on				
translating financial statements	(389)	(211)		
At 31 December	100,181	95,063	48,084	45,861

17 Trade accounts payable

		Conso	lidated	Sepa	rate
		financial s	tatements	financial s	tatements
	Note	2023	2022	2023	2022
			(in millio	on Baht)	
Related parties	4	12,423	10,788	8,732	7,148
Other parties		115,673	105,175	41,484	38,850
Total		128,096	115,963	50,216	45,998

Other payables 18

	Consoli	dated	Separ	ate
	financial st	financial statements		atements
	2023	2022	2023	2022
		(in millio	n Baht)	
Other payables	13,022	13,106	12,165	8,342
Accrued personnel expenses	5,337	4,928	2,374	1,936
Accrued royalties and				
other accrued expenses	4,548	4,586	2,019	1,662
Deferred royalties and				
other deferred income	1,724	1,732	1,251	1,101
Accrued interest expenses	2,412	2,817	1,828	1,774
Accrued utilities expenses	1,763	1,929	806	861
Accrued advertising and sale				
promotion expenses	415	348	202	90
Accrued rental fees	220	262	185	236
Other	2,275	2,011	705	585
Total	31,716	31,719	21,535	16,587

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

19 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.

Additional benefit related to provident fund

A local subsidiary operates an employee benefit scheme under which employees who joined before 1 April 2016 and 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 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.

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

	Consoli	dated	Separate			
Present value of the	financial st	financial statements		atements		
defined benefit obligations	2023	2022	2023	2022		
		(in million Baht)				
At 1 January	6,655	6,644	2,972	2,880		
Included in profit or loss:						
Current service costs	438	488	155	158		
Past service costs	(36)	1	-	-		
Interest on obligation	160	107	75	53		
Actuarial gain on						
other long-term employee						
benefit plan	(4)	(6)		-		
	558	590	230	211		
Included in other						
comprehensive income:						
Actuarial (gain) loss						
- Financial assumptions	(22)	(486)	-	(209)		
- Experience adjustment	283	209	195	150		
T J	261	(277)	195	(59)		
Other:						
Benefits paid by the plan	(240)	(289)	(73)	(62)		
Transferred (out) in provisions	(=)	(===)	(, -,	(/		
for employee benefits						
from subsidiaries and						
related companies	(19)	(12)	(25)	2		
Exchange differences on	(**)	ζ/	\ <i>\</i>	_		
translating financial statements	-	(1)	_	_		
At 31 December	7,215	6,655	3,299	2,972		

Principal actuarial assumptions

	Consol financial s		Sepa financial s	irate statements
	2023	2022	2023	2022
	2023	(%		2022
Discount rate	2.5 - 4.0	1.9 - 4.0	3.1	3.1
Future salary growth	2.5 - 8.0	3.0 - 8.0	3.5 - 4.0	3.5 - 4.0
Employee turnover	0.0 - 50.0	0.0 - 50.0	0.0 - 12.0	0.0 - 12.0

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2023, the weighted-average duration of the defined benefit obligations were 2 years to 15 years (2022: 6 years to 15 years).

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts increase (decrease) as follows:

Effect to the defined	Consolidated financial statements				
benefit obligation	1% increase in	1% increase in assumption		1% decrease in assumption	
At 31 December	2023	2022	2023	2022	
		(in milli	on Baht)		
Discount rate	(453)	(439)	518	502	
Future salary growth	488	466	(436)	(416)	
Employee turnover	(781)	(468)	952	504	
Effect to the defined	Separate financial statements				
benefit obligation	1% increase in	assumption	1% decrease in	se in assumption	
At 31 December	2023	2022	2023	2022	
	(in million Baht)				
Discount rate	(223)	(205)	254	234	
Future salary growth	247	227	(221)	(203)	
Employee turnover	(463)	(230)	595	262	

20 Other non-current provisions

Consolidated financial statements

		1 10 / 151011 101		
	Dismantling	litigation		
	provision	claim	Other	Total
		(in millio	on Baht)	
At 1 January 2022	2,419	91	65	- 2,575
Provision made	105	7	-	112
Provision used	(75)	(1)	-	(76)
Provision reversed	(13)	<u>-</u>	(65)	(78)
At 31 December 2022	* · · · · · · ·			
and 1 January 2023	2,436	97	-	2,533
Provision made	177	8	-	1 8 5
Provision used	(76)	(3)	***	(79)
Provision reversed	(23)	(3)	_	(26)
At 31 December 2023	2,514	99	**	2,613

Provision for

At 1 January Provision made Provision used At 31 December

Separate financial statements

Dismantling provision				
2023 2022				
(in millio	n Baht)			
191	180			
16	15			
(20)	(4)			
187	191			

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

21 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 associates

Surplus from changes in ownership interest in subsidiaries and associates 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.

Legal reserve as at 31 December 2023 and 2022 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.

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

22 Perpetual subordinated debentures

Movements during the years ended 31 December 2023 and 2022 were as follows:

	Consol	lidated	Separ	ate	
	financial s	financial statements		atements	
	2023	2022	2023	2022	
		(in million Baht)			
At 1 January	9,955	19,911	9,955	19,911	
Decrease		(9,956)	-	(9,956)	
At 31 December	9,955	9,955	9,955	9,955	

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.

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 2023.

As at 31 December 2023, the Company has not deferred any interest payments to the perpetual subordinated debentures holders. Cumulative interest for the year ended 31 December 2023 which the debentures holders have the right to receive if the interest payment was announced amounting to Baht 460 million (2022: Baht 779 million). During the year of 2023, the Company paid interest expenses on perpetual subordinated debentures to the holders of Baht 460 million (2022: Baht 960 million).

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

23 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.

CP ALL Public Company Limited and its Subsidiaries For the year ended 31 December 2023

Disaggregation of revenues, timing of revenue recognition and results, based on segments, in the consolidated financial statements for the years ended 31 December 2023 and 2022 were as follows:

Total	2023 2022		868,999 804,266	26,282 24,833	895,281 829,099			660,628 182,688	26,454 20,082
tion	2022		(38,207)	(9,280)	(47,487)	(47,483)	(+)	(47,487)	(5,266)
Elimination	2023		(43,634)	(9,594)	(53,228)	(52.956)	(272)	(977'50)	(5,960)
er	2022		40,805	14,047	54,852	54.478	374	24,832	3,430
Other	2023	ı Baht)	45,951	14,481	60,432	60.168	264	00,432	4,851
d mall	2022 2023	(in million	204,745	14,215	218,960	205.833	13,127	706,817	1,410
Retail and mall	2023		206,423	14,915	221,338	207,997	13,341	255,122	3,492
sale	2022		242,438	4,684	247,122	242,450	4,672	771,147	8,840
Wholesale	2023		259,811	5,323	265,134	259,822	5,312	461,602	7,481
stores	2022		354,485	1,167	355,652	355,652		700'000	11,668
Convenience stores	2023		400,448	1,157	401,605	401,605	- 07.00	401,000	16,590
		For the year ended 31 December Trung of payoning	Revenue from sale of goods	Kevenue Irom renactring of services Revenue from sale of goods	and rendering of services	Tinning of revenue recognition At a point in time	Overtime	1 0181	Segment profit before income tax expense

CP ALL Public Company Limited and its Subsidiaries For the year ended 31 December 2023

Revenue and results, based on segments, in the consolidated financial statements for the years ended 31 December 2023 and 2022 were as follows:

tal 2022	829,099 283 - 23,223 852,605	651,100 136,750 28,663 16,832	832
Total 2023	895,281 468 - 346 25,092 921,187	699,010 149,807 30,104	746
nation 2022	(47,487) (233) (5,470) - - (3,331)	(40,800) (4,439) (5,810)	(5,266)
Elimination 2023 20	(53,228) (253) (5,959) - - (3,174) (62,614)	(45,921) (4,704) (5,839)	(5,960)
er 2022	54,852 80 90 1,971 56,993	44,002 4,065 5,007 238 251	3,430
Other 2023 n Baht)	60,432 110 50 (61) 1,828 62,359	48,413 4,173 4,709	4,851
d mall 2022 202 (in million Baht)	218,960 102 - - 1,990 221,052	172,627 33,155 7,955 113 6,624	832
Retail and mall 2023 20	221,338 235 - - (270) 2,589 223,892	175,474 32,368 8,066 5,238	746
.sale 2022	247,122 108 - 665 247,895	216,961 15,369 6,503 (276) 498	- 8,840
Wholesafe 2023	265,134 58 - 736 90 266,018	232,800 18,153 6,503	7,481
ce stores 2022	355,652 226 5,380 - 21,928 383,186	258,310 88,600 15,008 (65) 9,665	11,668
Convenience stores 2023 2022	401,605 318 5,909 (59) 23,759 431,532	288.244 99,817 16,665	- 16,590
	Revenue from sale of goods and rendering of services Interest income Dividend income Net foreign exchange gain (loss) Other income Total revenues	Cost of sale of goods and rendering of services Distribution costs Administrative expenses Net foreign exchange (gain) loss Finance costs	Lotal expenses Share of profit of associates and joint ventures Segment profit before income tax expense

Notes to the financial statements CP ALL Public Company Limited and its Subsidiaries For the year ended 31 December 2023

Details of assets and liabilities, based on segments, in the consolidated financial statements as at 31 December 2023 and 2022 were as follows:

al 2022		44,131	213,410	82,245	360,641	53.803	169,831	924,061	633,760
Total 2023		44,534	213,792	86,543	360,641	54.400	166,581	926,491	624,896
ation 2022		ı	(783)	(448)	4	(7.524)	(311,420)	(320,175)	(23,447)
Elimination 2023 20		•	(748)	9)	J	(7.500)	(320,048)	(328,302)	(30,663)
er 2022		•	25,246	1,662	137	2.350	27,958	57,353	29,090
Other 2023	1 Baht)	•	25,005	1,220	137	2.341	34,352	63,055	33,009
d mall 2022	(in million Baht)	43,798	85,563	25,872	232,545	7.781	62,290	457,849	199,765
Retail and mall 2023 20		44,151	79,637	26,243	232,545	8.051	61,841	452,468	165,510
sale 2022		333	59,903	11,599	127,959	48.812	48,345	296,951	72,750
Wholesale 2023		383	63,187	13,753	127,959	49.004	39,500	293,786	96,159
se stores 2022		•	43,481	43,560	•	2.384	342,658	432,083	355,602
Convenience stores 2023		•	46,711	45,333	ı	2.504	350,936	445,484	360,881
		Investment properties Property, plant and	equipment	Right-of-use assets	Goodwill	Intangible assets other than coodwill	Other assets	Segment assets as at 31 December	Segment liabilities as at 31 December

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

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

Reve	enue	Non-curre (excluded	
2023	2022	2023	2022
	(in milli	on Baht)	
867,912	800,400	372,148	361,930
36,837	38,502	32,945	34,979
16,438	13,703	16,959	17,556
921,187	852,605	422,052	414,465

Promotional privileges

Thailand Malaysia Others **Total**

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 certained 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 2023 and 2022 were as follow:

Consolidated financial statements 2023 2022 (in million Baht)

Domestic sale of goods and rendering of service	es
Total	

9,317	9,931
9,317	9,931

Contract balances

As at 31 December 2023 the Group had outstanding balances of contract liabilities in the consolidated financial statements amounting to Baht 601 million (2022: Baht 530 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.

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

24 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 September 2089 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.

Consol	lidated	Sepa	rate
financial st	atements	financial st	atements
2023	2022	2023	2022
	(in milli	ion Baht)	
		·	
4,562	4,537	_	-
	•		
4,521	3,997	2,703	2,258
7,476	8,391	5,644	6,257
306	281	12	12
58	51	_	_
314	316	_	_
3,422	3,027	1,403	1,138
1,528	646	1,176	501
		·	
713	439	238	119
310	247	161	104
	financial st 2023 4,562 4,521 7,476 306 58 314 3,422 1,528	(in milli 4,562 4,537 4,521 3,997 7,476 8,391 306 281 58 51 314 316 3,422 3,027 1,528 646 713 439	financial statements financial statements 2023 2022 2023 (in million Baht) 4,562 4,537 - 4,521 3,997 2,703 7,476 8,391 5,644 306 281 12 58 51 - 314 316 - 3,422 3,027 1,403 1,528 646 1,176 713 439 238

Total cash outflow for leases presented in consolidated and separate statement of cash flows for the year ended 31 December 2023 were Baht 17,104 million and Baht 10,500 million, respectively (2022: Baht 15,186 million and Baht 8,863 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 30 years and will expire on various dates until May 2048.

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

Lease payments to be received from operating leases as at 31 December

1 of	
1 st year 2 nd year	
2 year 3 rd year	
4 th year	
5 th year	
After 5th year	
Total	

Consol	idated	Sepa	rate
financial st	atements	financial st	atements
2023	2022	2023	2022
	(in milli	ion Baht)	
5,067	5,063	-	-
2,680	2,698	-	-
828	1,071	-	-
62	62	-	-
62	64	-	-
1,290	1,354	-	-
9,989	10,312	_	=

25 Other income

Sale promotion income
Income on royalties and other fees
relating to licenses income
Other
Total

Consoli	dated	Sepa	rate
financial st	atements	financial s	tatements
2023	2022	2023	2022
	(in millio	n Baht)	
14,850	13,245	13,977	12,390
2.400	2 2 1 2	0.405	0.040
2,498	2,313	2,437	2,248
7,744	7,665	7,300	7,241
25,092	23,223	23,714	21,879

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

26 Expenses by nature

The statements of income include an analysis of expenses by function. Expenses by nature are as follows:

		Conso	lidated	Sepa	rate
		financial s	statements	financial s	tatements
	Note	2023	2022	2023	2022
			(in millio	n Baht)	
Changes in inventories of finished					
goods and work in progress		563	(7,557)	(1,517)	(1,686)
Purchase of finished goods		653,132	616,883	278,044	249,670
Raw materials and consumables used		16,625	12,843	-	_
Depreciation - investment properties	11	1,890	2,084	_	-
Depreciation - property, plant and					
equipment	12	19,803	19,645	7,974	7,545
Depreciation - right-of-use assets	13	12,675	13,036	8,359	8,527
Amortisation - intangible assets					
other than goodwill	15	2,214	1,779	409	414
Employee benefit expenses		68,328	61,862	34,963	30,554
Convenience store management fees		23,496	21,577	23,182	21,480
Advertising and sale promotion					
expenses		17,633	16,716	15,219	14,075
Utilities expenses		18,917	16,197	11,040	9,121
Lease-related expenses	24	2,551	1,332	1,575	724
Other		41,095	40,117	23,364	20,703
Total cost of sales of goods and					
rendering of services,					
distribution costs and					
administrative expenses		878,922	816,514	402,612	361,127

27 Finance costs

		Consol	idated	Sepa		
		financial s	tatements	financial s	tatements	
	Note	2023	2022	2023	2022	
			(in millio	n Baht)		
Finance costs paid to:			·	,		
Related parties	4	-	-	31	41	
Related parties under leases	4, 24	307	289	-	-	
Financial institutions		13,136	13,805	8,778	8,486	
Other parties under leases	24	3,115	2,738	1,403	1,138	
Total		16,558	16,832	10,212	9,665	

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

28 Income tax

Income tax recognised in profit or loss

	Consoli	dated	Sepai	rate
	financial statements		financial statements	
	2023	2022	2023	2022
		(in millio	n Baht)	
Current tax				
Current year	4,542	4,352	1,022	-
Under (over) provided for prior years tax	46	(30)	-	_
· · · · · · · · · · · · · · · · · · ·	4,588	4,322	1,022	_
Deferred income tax				
Movements in temporary differences	14	(461)	176	298
1	14	(461)	176	298
Total	4,602	3,861	1.198	298

Income tax recognised in other comprehensive income

	Consolidated financial statements							
	2023				2022			
	Before	Tax	Net of	Before	Tax	Net of		
	income tax	income	income tax	income tax	expense	income tax		
			(in milli	on Baht)				
Cash flow hedges reserve	155	(45)	110	(290)	58	(232)		
Loss (gain) on								
remeasurements								
of defined benefit plans	261	(58)	203	(277)	49	(228)		
Loss (gain) on investment								
in equity instruments								
designated at FVOCI	296	(59)	237	(276)	55	(221)		
Total	712	(162)	550	(843)	162	(681)		

		Se	parate finan	cial statemen	ts	
		2023			2022	
	Before income tax	Tax income	Net of income tax (in million)	Before income tax	Tax expense	Net of income tax
Loss (gain) on remeasurements			(m muu)	ni Dani)		
of defined benefit plans Loss (gain) on investment in equity instruments	195	(39)	156	(59)	12	(47)
designated at FVOCI	189	(38)	151	(124)	25	(99)
Total	384	(77)	307	(183)	37	(146)

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

Reconciliation of effective tax rate

	Consolidated financial statements				
Applicable tax rate (%)	0	20	Other	Total	
		(in milli	ion Baht)		
2023		,	,		
Accounting profit (loss) before income tax					
expense	(12)	27,069	(603)	26,454	
Income tax at the applicable tax rates	-	5,414	(121)	5,293	
Tax effect of income and expenses that are			` ,	ĺ	
not taxable income or not deductible in					
determining taxable profit	_	(1,099)	362	(737)	
Under (over) provided for prior years tax		52	(6)	46	
Net	_	4,367	235	4,602	
2022					
Accounting profit (loss) before income tax					
expense	(82)	20,172	(8)	20,082	
Income tax at the applicable tax rates		4,034	63	4,097	
Tax effect of income and expenses that are		,		,	
not taxable income or not deductible in					
determining taxable profit	-	(554)	348	(206)	
(Over) under provided for prior years tax	_	(41)	11	(30)	
Net	_	3,439	422	3,861	

	Sepa	ırate
	financial s	statements
Applicable tax rate (%)	20	20
	2023	2022
	(in milli	on Baht)
Accounting profit before income tax expense	16,601	11,698
Income tax at the applicable tax rates	3,320	2,340
Tax effect of income and expenses that are not taxable income		
or not deductible in determining taxable profit	(2,122)	(2,042)
Net	1,198	298

Deferred income tax

Deferred tax assets and liabilities as at 31 December 2023 and 2022 were as follows:

	Consoli	dated	Separate financial statements			
	financial st	atements				
	2023	2022	2023	2022		
		(in million Baht)				
Deferred tax assets	2,658	2,273	1,409	1,508		
Deferred tax liabilities	(17,309)	(17,173)	_	-		
Net	(14,651)	(14,900)	1,409	1,508		

CP ALL Public Company Limited and its Subsidiaries For the year ended 31 December 2023

Movements in deferred tax assets and liabilities during the years ended 31 December 2023 and 2022 were as follows:

Consolidated financial statements (Charged)/credit to

At 31 December	41	(1,311) (61)	(6,050) (7,118)	12 9,934	1,295 449	(13,337)	805 (14,651)
Exchange differences on translating financial statements	(8)	, i i	117 50	<u>.</u> (39)	1 1	1 1	(17)
Other comprehensive income (in million Baht)		- 29	1 1	45	28		162
Profit or loss	(27)	1 1	115 (3,997)	(619) 4,280	50	32 (318)	401
At 1 January	70 631	(1,311) (120)	(6,282) (3,171)	586 5,693	1,187 447	(13,369)	421

Deferred tax assets (liabilities) Trade accounts receivable and other receivables Inventories Investment in associates Investments in related companies Property, plant and equipment and intangible assets other than goodwill Right-of use assets Derivatives liabilities Lease liabilities Provisions for employee benefits Other non-current provisions Fair value adjustment assets acquired through business combinations Loss carry forward Other
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Notes to the financial statements CP ALL Public Company Limited and its Subsidiaries For the year ended 31 December 2023

Consolidated financial statements (Charged)/credit to

At 31 December	70 631 (1,311) (120)	(6,282) (3,171) 586 5,693 1,187 447	(13,369) 318 421 (14,900)
Exchange differences on translating financial statements	(1)	56 25 (20)	(9)
Other comprehensive income		(58)	(291)
Profit or loss	(21) (16)	(298) 778 446 (70) 46 5	32 (395) (46) 461
At 1 January	92 651 (1,311) (65)	(6,040) (3,974) 198 5,783 1,190 442	(13,401) 713 473 (15,249)

through business combinations Loss carry forward

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

Separate	financial	statements
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		(Charged)/ credited to			
			Other		
	At 1		comprehensive	At 31	
	January	Profit or loss	income	December	
		(in milli	on Baht)		
2023					
Deferred tax assets (liabilities)					
Other current receivables	5	-	-	5	
Inventories	43	37	-	80	
Investment in related companies	(90)	-	38	(52)	
Property, plant and equipment	24	-	-	24	
Right-of use assets	609	95	-	704	
Derivatives liabilities	15	(15)	-	-	
Provisions for employee benefits	580	22	39	641	
Other non-current provisions	4	3	-	7	
Loss carry forward	318	(318)			
Total	1,508	(176)	77	1,409	
2022					
Deferred tax assets (liabilities)					
Other current 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 non-current provisions	_	4	· _	4	
Loss carry forward	713	(395)	-	318	
Total	1,843	(298)	(37)	1,508	

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

29 Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2023 and 2022 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:

	Consolie	dated	Separa	ate
	financial sta	atements	financial sta	tements
Year ended 31 December	2023	2022	2023	2022
	(in	million Baht/	million shares)	
Profit for the year attributable to				
equity holders of the Company	18,482	13,272	15,403	11,400
Less: cumulative interest for the year on				
perpetual subordinated debentures	(460)	(779)	(460)	(779)
Profit used in calculation of basic				
earnings per share	18,022	12,493	14,943	10,621
Number of ordinary shares outstanding				
during the year	8,983	8,983	8,983	8,983
Basic earnings per share (in Baht)	2.01	1.39	1.66	1.18
				

30 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)
2023 Annual dividend	21 April 2023	19 May 2023	0.75	6,737
2022 Annual dividend	22 April 2022	20 May 2022	0.60	5,390

24,587

24,587

24,653

24,653

3,262

3,807

3,807

62

Forward exchange contracts

Accrued guarantee deposits

Long-term borrowings from

Financial liabilities

Debentures

financial institutions

3,262

294,823

294,823

293,220

293,220

1,983

1,983

1,983

1,983

Investments in related companies

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries For the year ended 31 December 2023

31 Financial instruments

(a) Carrying amounts and fair values

It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. approximation of fair value.

			Con	Consolidated financial statements	cial stateme	ints		
		౮	rrying amou	nt			Fair value	
		Financial	ıl Financial Financial	Financial				
		•—	nstruments instruments instruments	instruments				
	Hedging	measured at	measured at	measured at measured at measured at				
	instrument	FVTPL	FVOCI	amortised cost Total	Total	Level 2	Level 3	Total
				(in million Baht)	Baht)			
31 December 2023								
Financial assets								
Forward exchange contracts	•	4	ı	ī	4	4	,	4

CP ALL Public Company Limited and its Subsidiaries For the year ended 31 December 2023

Consolidated financial statements (Continued)

			Comsonua	Consolidated Illiancial statements (Continued)	arements (vanuma,		
		ű	Carrying amount	nt			Fair value	
		Financial	Financial	Financial				
		instruments	instruments	instruments				
	Hedging	measured at	measured at	measured at		;		
	instrument	FVTPL	FVOCI	amortised cost Total	Total	Level 2	Level 3	Total
				(in million Baht)	Baht)			
31 December 2022								
Financial assets								
Forward exchange contracts	1	7	1	ı	7	7		7
Investments in related companies	1	•	1,568	ı	1,568	•	1,568	1,568
Financial liabilities								
Debentures	•	•	•	247,261	247,261	249,771		249,771
Long-term borrowings from								
financial institutions	1	1	1	87,702	87,702	91,430	•	91,430
Forward exchange contracts	2,872	86	1	1	2,970	2,970		2,970
Accrued guarantee deposits	•	•		3.578	3,578	3.026	1	3.026

Notes to the financial statements CP ALL Public Company Limited and its Subsidiaries For the year ended 31 December 2023

l statements	Total	<i>Baht)</i> 1,513	223,301	3,773	995	223,796	3,563
Separate financial statements	m men	(in million Baht) - 1,	223,301	3,773	•	223,796	3,563
Sep: Carrying amount	Financial instruments measured at FVOCI	1,513		•	995	1 1	•
రొ	Financial instruments measured at FVTPL		,	•	•	- 77	
	Hedging instrument	ı	•	1	•		•
		31 December 2023 Financial assets Investments in related companies	Financial liabilities Debentures	Accrued guarantee deposits 31 December 2022 Financial assets	Investment in related companies Financial liabilities	Debentures Forward exchange contracts	Accrued guarantee deposits

		ž	Separate financial statements	ıl statemen	ts		
	Ü	Carrying amount	nt			Fair value	
Hedging nstrument	Financial instruments measured at FVTPL	Financial instruments ineasured at FVOCI	Financial instruments ineasured at amortised cost Total (in million Baht)	Total Baht)	Level 2	Level 3	Total
•	ı	1,513	ı	1,513	ı	1,513	1,513
1 1		1 1	223,301 3,773	223,301 3,773	225,415 3,228	1 1	225,415 3,228
•	•	995		995	•	966	995
1 1 1	77	1 1 1	223,796	223,796 77 3,563	225,977 77 3,011	1 1 1	225,977 77 3,011

Inter-relationship

Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

Financial instruments measured at fair value for level 2

Type Valuation technique

Forward exchange Forward pricing: The fair value is determined using quoted forward exchange rates contracts 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

Туре	Valuation technique	Significant unobservable inputs	between significant unobservable inputs and fair value measurement
Investments in related companies	Discounted cash flows	Discount rate: (2023: 6.39% - 10.97% and 2022: 8.37% - 12.79%)	The estimated fair value would increase (decrease) if the discount rate was lower (higher)

Reconciliation of fair value level 3

	Consolie financial st		Separa financial sta	
	2023	2022	2023	2022
		(in millio	n Baht)	
Investments in related companies		`	,	
At 1 January	1,568	821	995	526
Acquisitions	711	471	706	345
Change in fair value - recognised in other				
comprehensive income	(296)	276	(188)	124
At 31 December	1,983	1,568	1,513	995

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.

	Consol	lidated	Sepa	ırate
	financial s	tatements	financial s	tatements
Effect to other comprehensive income - net of income tax	1% increase in assumption	1% decrease in assumption (in million	1% increase in assumption on Baht)	1% decrease in assumption
At 31 December 2023 Investments in related companies Discount rate	(168)	238	(129)	186
At 31 December 2022 Investment in related companies Discount rate	(144)	188	(79)	104

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

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.

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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 6 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.

		Co		ancial stateme		
	Carrying amount	1 year or less	More than 1 year but less than 2 years	More than 2 years but less than 5 years ion Baht)	More than 5 years	Total
At 31 December 2023			,	,		
Non-derivative financial liabilities						
Short-term borrowings from	0.4-4	0.405				
financial institutions	9,472	9,492	-	-	-	9,492
Trade accounts payable	128,096	128,096	-	-	-	128,096
Other payables	13,022	13,022	=	=	=	13,022
Debentures	293,220	49,380	41,769	123,347	125,473	339,969
Long-term borrowings from						
financial institutions	24,653	7,375	4,113	15,477	-	26,965
Lease liabilities	100,181	14,945	13,738	30,098	75,326	134,107
Rental deposits from tenants	1,533	.	615	367	554	1,536
-	570,177	222,310	60,235	169,289	201,353	653,187
Derivative financial liabilities						
Forward exchange contracts						
used for hedging:	62					
- Cash outflow	02	(2.202)				(2.202)
		(2,203)	-	-	-	(2,203)
- Cash inflow		2,141				2,141
	62_	(62)				(62)

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

Consolidated financial statements (Continued)

			Con	ntractual cash fl	lows	
			More than	More than		
			1 year but	2 years but		
	Carrying	1 year	less than	less than	More than	
	amount	or less	2 years	5 years	5 years	Total
			(in milli	on Baht)	-	
At 31 December 2022						
Non-derivative financial liabilities						
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
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
	2,971	(1,560)	(208)		100	(1,768)

Separate financial statements

			Con	tractual cash fl	ows	
	Carrying amount	1 year or less	More than 1 year but less than 2 years (in milli	More than 2 years but less than 5 years on Baht)	More than 5 years	Total
At 31 December 2023				,		
Non-derivative financial						
liabilities						
Short-term borrowings from						
financial institutions	7,090	7,110	μ.	-	-	7,110
Trade accounts payable	50,216	50,216	_	-	-	50,216
Other payables	12,165	12,165	-	-	-	12,165
Short-term borrowings from						
subsidiaries	2,000	2,000		_	-	2,000
Debentures	223,301	29,304	22,497	99,247	111,106	262,154
Lease liabilities	48,084	8,583	8,092	17,804	20,451	54,930
	342,856	109,378	30,589	117,051	131,557	388,575

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

		Separa	te financial sta	atements <i>(Cont</i>	inued)	
			Contr	ractual cash flor	∀ S	
			More	More		
			than 1	than 2		
			year but	years but	More	
	Carrying	1 vear	less than	less than	than 5	
	amount	or less	2 years	5 years	years	Total
	umoum	01 1033	-	on Baht)	years	Total
At 31 December 2022			(111 1111111)	on Dani)		
Non-derivative financial						
liabilities						
*						
Short-term borrowings from	16150	15.150				
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
Daniunsiua Sinanaia I						
Derivative financial						
liabilities						
Forward exchange contracts	77					
- Cash inflow		1,126_				1,126
	77	1,126	-	-	-	1,126

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 For the year ended 31 December 2023

At 31 December 2023 and 2022 the Group was exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

		Total		355		52		(1,330)		(923)		2,159	1,236
		Other		,		ı		(10)		(10)		1	(10)
	China	Renminbi		164		,		(24)		140		•	140
tements	Cambodia	Riel		95						98		•	95
Consolidated financial statements	Japanese	Yen	in million Baht)					(348)		(348)			(348)
Consolida		Euro	·			t		(101)		(101)		·	(101)
	Pound	Sterling		•				(9)		9		ı	(9)
	Australian	Dollar		_		,		(71)		(70		•	(70)
United	States	Dollar		95		52		(770)		(623)		2,159	1,536
		At 31 December 2023		Cash and cash equivalents	Trade accounts receivable	and other receivables	Trade accounts payable and	other payables	Net statement of financial	position exposure	Forward exchange purchase	contracts	Net exposure

Notes to the financial statements CP ALL Public Company Limited and its Subsidiaries For the year ended 31 December 2023

					Consolid	ated financial sta	tements					
	United	1										
	States	Australian	Pound		Swiss	Hong Kong	Japanese	Cambodia	China			
At 31 December 2022	Dollar	Dollar	Sterling	Euro	Franc	Dollar	Yen	Riel	Renninbi	Other	Total	
						(in million Baht)						
Cash and cash equivalents	65	4	ı	ı	1	-	ı	289	172	9	537	
Trade accounts receivable												
and other receivables	99			-	æ	•	1	ı	11	,	71	
Trade accounts payable and												
other payables	(1,627)	(82)	8	(98)	Ξ		(226)	ı	(53)	6	(2,062)	
Long-term borrowings from												
financial institutions	(42,840)		•	r	•	•	•	•	•	ı	(42,840)	
Net statement of financial												
position exposure	(44,346)	(78)	8	(85)	74	-	(226)	289	154	છ	(44,294)	
Forward exchange purchase												
contracts	43,560	L	t	ı	t	E		,	•	1	43,560	
Net exposure	(286)	(78)	8)	(82)	2	1	(226)	289	154	B	(734)	

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

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2023	2022
United States	United States
Dollar	Dollar
(in millio	on Baht)
3,243	2,229
3,243	2,229
-	(1,126)
3,243	1,103

Short-term loans to subsidiaries

Net statement of financial position exposure Forward exchange selling contracts

Net exposure

At 31 December

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.

		Consoli financial st		Separ financial st	
Impact to profit or loss		Strengthening	Weakening	Strengthening	Weakening
At 31 December 2023 United States Dollar	<i>(%)</i> 1	6	(in mill (6)	ion Baht) (32)	32
At 31 December 2022 United States Dollar	1	443	(443)	(22)	22

(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 16 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.

	Consolidated		Sepa	ırate
Exposure to interest rate risk	financial s	tatements	financial s	statements
At 31 December	2023	2022	2023	2022
		(in millio	n Baht)	
Financial instruments with variable interest rates			ŕ	
Financial liabilities	16,879	79,559	_	_
Net statement of financial				
position exposure	16,879	79,559	_	_
Interest rate swaps	-	-		-
Net exposure	16,879	79,559		-

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

Cash flow sensitivity analysis for variable-rate financial 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.

Effect to profit or loss	Consolidate state:	ed financial nents	Separate staten	
increase (decrease) of financial instrument as at 31 December	1% increase in interest rate	1% decrease in interest rate	1% increase in interest rate	1% decrease in interest rate
2023 Financial instruments with variable interest rate	(175)	(in millio 175	on Baht) -	-
2022 Financial instruments with variable interest rate	(812)	812	-	-

Hedge accounting (c)

(c.1) Cash flow hedges

The amounts at the reporting date relating to items designated as hedged items were as follows.

		Consolidate	ed financial s	tatements
	Change in			Balance remaining in the
	value used for calculating	Cash flow	Costs of	cash flow hedges reserve from hedging relationships
	hedges	hedges	hedging	for which hedge accounting
Foreign currency risk	ineffectiveness	reserve	reserve	is no longer applied
		(în	million Baht)
31 December 2022 Borrowings	-	153	79	-

At 31 December 2022, the Group held the following financial instruments to hedge exposures to changes in foreign currency.

Consolidated financial statements Maturity

			waturity	
		1-6 months	6-12 months	More than
	t 31 December 2022	months	monus	one year
	oreign currency risk			
$F\epsilon$	orward exchange contracts			
	et exposure (in million Baht)	20,823	17,525	6,787
A	verage USD: THB forward contracts	36.3	36.8	33.9

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

The amounts relating to items designated as hedging instruments were as follows:

	Consoli	idated	Separate financial	
	financial st	tatements	statei	ments
	2023	2022	2023	2022
		(in millio	n Baht)	
Foreign currency risk at 31 December				
Forward exchange contracts				
- nominal amount	-	45,135	_	-
Carrying amount included in:				
- derivatives liabilities	_	2,873	-	_
		,		
Foreign currency risk				
for the year ended 31 December				
Recognised in other comprehensive income				
- changes in value of				
the hedging instrument	(1,380)	1,322	-	-
- costs of hedging	32	79	<u></u>	_
Recognised in profit or loss				
- reclassified from hedging reserve and				
included in foreign exchange gain (loss)	1,237	(1,169)	_	-
manual manage gam (1000)	-,	(-,)		

The following table provides a reconciliation of other components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting.

	Con	Consolidated financial statements						
	203	23	20	22				
		Costs of		Costs of				
Cash flow hedges	Hedging	hedging	Hedging	hedging				
- reserve foreign currency risk	reserve	reserve	reserve	reserve				
, , ,		(in milli	on Baht)					
Balances at 1 January	142	(32)	(10)	(111)				
Change in fair value:		` '	,	` ,				
- borrowings	(1,432)	40	1,359	99				
Amount reclassified to profit or loss:	() /		,					
- borrowings	1,237	-	(1,169)	-				
- tax on movements on reserve								
during the year	53	(8)	(38)	(20)				
Balances at 31 December	-	-	142	(32)				

32 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.

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Notes to the financial statements

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

33 Commitments with non-related parties

COMSOI	IMMICA	осра	arc
financial s	tatements	financial st	atements
2023	2022	2023	2022
	(in milli	on Baht)	
	·	•	
2,783	2,437		-
125	436	_	_
2,908	2,873	_	-
167	137	167	136
724	782	_	_
24	6	_	_
915	925	167	136
	financial s 2023 2,783 125 2,908 167 724 24	financial statements 2023 2022 (in milli 2,783 2,437 125 436 2,908 2,873 167 137 724 782 24 6	2023 2022 2023 (in million Baht) 2,783 2,437 - 125 436 - 2,908 2,873 - 167 137 167 724 782 - 24 6

Consolidated

Letters of guarantee

As at 31 December 2023, the Group has commitments under letters of guarantee with financial institutions, principally guarantee for utilities, rental agreements and others totaling Baht 3,419 million and United States Dollars 0.3 million (2022: Baht 3,364 million and United States Dollars 0.3 million).

Significant agreements

As at 31 December 2023 the Group had the following significant agreements:

- (a) The Company has an area license agreement with 7-Eleven, Inc., 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.

CP ALL Public Company Limited and its Subsidiaries For the year ended December 31, 2023

- (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) Gosoft (Thailand) Co., Ltd., a local subsidiary, 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 September 2024.
- (e) Counter Service Co., Ltd., a local subsidiary, 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 January 2028. 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.
- (f) CP Retailink Co., Ltd., a local subsidiary, 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) Counter Service Co., Ltd., a local subsidiary, 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 January 2026. 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) Counter Service Co., Ltd., a local subsidiary, 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 3 years, started and will expire on various dates up to February 2026. 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.

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CP ALL (CAMBODIA) CO., LTD., and CP ALL LAOS COMPANY LIMITED, foreign indirect subsidiaries, have Master Franchise Agreements with 7-Eleven, Inc. ("the parties"), 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.

34 Events after the reporting period

- 34.1 At the Board of Directors' meeting of the Company held on 23 February 2024, 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 2023 of Baht 1.00 per share for 8,983 million ordinary shares, totaling Baht 8,983 million. The declaration of dividend payment must be approved by the shareholders' meeting of the Company.
- 34.2 At the Board of Directors' meeting of the Company held on 14 February 2024 the Company's Board of Directors approved resolutions as follows:
 - (a) Approved the Internal Business Restructuring Plan within the group of CP Axtra Public Company Limited (formerly: Siam Makro Public Company Limited ("CPAXT")), a subsidiary of the Company, with key details as follows:
 - (a.1) CPAXT will accept the Entire Business Transfer (EBT) of a local indirect subsidiary (Lotus's Stores (Thailand) Co., Ltd. ("Lotus's Thailand")) including assets, obligations, rights, duties and responsibilities of Lotus's Thailand existing at present and will occur in the future as of the EBT date. The main assets of Lotus's Thailand are shares in a local indirect subsidiary (Ek-Chai Distribution System Company Limited ("ECDS")) for the total consideration of Baht 7,680 million ("EBT Transaction"). After completion of the EBT Transaction, Lotus's Thailand will proceed with the dissolution and liquidation in accordance with the rules, procedures and conditions of the EBT under the Notification of the Director - General of the Revenue Department Re: Rules, Procedures and Conditions in Amalgamation or Entire Business Transfer amongst Public Limited Companies or Limited Companies for the Purpose of Tax Exemption, as well as other relevant laws.
 - (a.2) After the EBT Transaction has been completed, CPAXT will proceed with the amalgamation between CPAXT and ECDS under the provisions specified in the Public Limited Company Act B.E. 2535, as amended ("PLCA"), in which the two companies will cease their status as juristic persons and a new company will be formed ("NewCo") as a result of the amalgamation ("Amalgamation"). NewCo will assume all assets, obligations, rights, duties and responsibilities of CPAXT and ECDS after the Amalgamation is completed by operation of law under the PLCA. The Amalgamation is expected to be completed by fourth quarter of year 2024.
 - (b) Approved the Company to act as the purchaser of shares from CPAXT shareholders in case the meeting of shareholders of CPAXT and ECDS resolves to approve the Amalgamation but there are CPAXT shareholders who attend the shareholders meeting and vote against the Amalgamation (the "Dissenting Shareholders") under the terms and conditions on the purchase of shares. The Company will purchase the shares from the Dissenting Shareholders at the last traded price on the SET immediately prior to the date on which the shareholders' meeting of CPAXT resolves to approve the Amalgamation pursuant to Section 146, second paragraph of the PLCA.

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- (c) Approved the Company to act as the balancer in respect of Amalgamation to ensure that the registered and paid-up capital of NewCo complies with the requirements under the PLCA.
- 34.3 At the Board of Directors' meeting of a local subsidiary (CP Axtra Public Company Limited) ("CPAXT") held on 14 February 2024, CPAXT's Board of Directors approved to propose to the annual general shareholders' meeting of the Company for approved resolutions as follows:
 - (a) Declare the final dividends from the profit attributable to equity holders of the Company for the year 2023 of Baht 0.39 per share for 10,580,323,500 ordinary shares, totaling Baht 4,127 million. Such declaration of final dividend payment must be approved by the shareholders' meeting.
 - (b) Approved to reduce CPAXT's authorised share capital by Baht 296,000,000, from the existing authorised share capital of Baht 5,586,161,750 comprising 11,172,323,500 ordinary shares with a par value of Baht 0.50 per share, to the new authorised share capital of Baht 5,290,161,750 comprising 10,580,323,500 shares with a par value of Baht 0.50 per share, by cancelling 592,000,000 unissued shares with a par value of Baht 0.50 per share. Such reduction of authorised share capital is to ensure that the authorised and paid-up share capital of NewCo is equal to the aggregate of the authorised and paid-up share capital of CPAXT and ECDS.
- 34.4 In January 2024, a local indirect subsidiary, Ek-Chai Distribution System Co., Ltd. ("ECDS") paid for additional paid-up share capital in Sukhumvit Living Co., Ltd. ("SKL") and Sukhumvit Mixed-Use Co., Ltd. ("SKM"), associates, amounting to Baht 6.4 million and 1.1 million, respectively.
- 34.5 On 19 January 2024, a foreign indirect subsidiary, CP Wholesale India Private Limited ("CPWI")'s Board of Directors approved to call for additional paid-up share capital of INR 70 per share (with the par value of INR 10 per share and the share premium of INR 60 per share) totaling INR 400 million. The registration of the increase authorised share capital and the additional paid-up share capital were completed in January 2024, paid-up share capital totaling INR 1,116 million and the share premium of INR 6,094 million.



Attachment

Information of Directors and Executive Officers

Adjunct Professor Prasobsook Boondech

78 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)

2023 The Board's Role in Mergers and Acquisitions (BMA 3/2023)

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, CP Axtra Public Co., Ltd.

Non-Listed Company -None-

5-Year Past Experiences and/or Remarkable Position

2011 - 2021 Legal Adviser, Thanachart Bank Public Co., Ltd.
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, 2023)

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 2023

9 times out of 9 times

Police General Dumrongsak Kittiprapas

60 years old

Position

Independent Director

Chairman of Remuneration and Nomination Committee Sustainability and Corporate Governance Committee

Appointment Date

November 10, 2023

Term of Office

First Term : November 10, 2023 - Present

Education

- The National Defense Course of the National Defense College (Class 59), National Defence College of Thailand
- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives, Class 19, King Prajadhipok's Institute
- Master's Degree in Public Administration, City University, USA
- Bachelor's Degree in Public Administration, Police Cadet Academy

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)

-None-

Board Member/Management in Other Company/Organization/Institution

Listed Company -None-Non-Listed Company -None-

5-Year Past Experiences and/or Remarkable Position

2022 – 2023 Commissioner-General, Royal Thai Police
2020 – 2022 Deputy Commissioner-General, Royal Thai Police
2018 – 2020 Assistant Commissioner-General, Royal Thai Police

2017 - 2018 Commissioner Region 3, Royal Thai Police

(%) shareholding (as at December 31, 2023)

Held personally
 Held by spouse or minor children
 None-

Family Relationship among Directors and Executives

-None

Attendance at the Board of Directors' Meeting during 2023

1 time out of 1 time

Mr. Padoong Techasarintr

83 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 : April 22, 2022 - Present Ninth Term

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.
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, 2023)

 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 2023

9 times out of 9 times

Mr. Pridi Boonyoung

85 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) 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, 2023)

Held personally
 Held by spouse or minor children
 None-

Family Relationship among Directors and Executives

-None-

Attendance at the Board of Directors' Meeting during 2023

9 times out of 9 times

Mrs. Nampung Wongsmith

65 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 Co., Ltd.

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, 2023)

Held personally
 Held by spouse or minor children
 None-

Family Relationship among Directors and Executives

-None-

Attendance at the Board of Directors' Meeting during 2023

9 times out of 9 times

Professor Dr. Kittipong Kittayarak

65 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 Co., Ltd.

- Independent Director / Nomination, Remuneration and Corporate Governance Committee, Dusit Thani Public Co., Ltd.
- 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 Co., Ltd.

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, 2023)

• 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 2023 8 times out of 9 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

Information of Directors and Executive Officers

- Honorary Degree, Doctor of Philosophy in Business Administration,
 Maejo University, Thailand
- 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 Co., Ltd.
- Chairman and Non-Executive Director, Chia Tai Enterprises
 International Limited
- Non-executive Director, Ping An Insurance (Group)
 Company of China Limited

Non-Listed Company 9 Organizations:

- Group Chairman, CPG Overseas Co., Ltd. (Zheng Da Group)
- Chairman, CP Pokphand Co., Ltd.
- Chairman, Chia Tai Investment Co., Ltd.
- Chairman, Charoen Pokphand Group Co., Ltd.
- · Chairman, Chia Tai Group
- Director, SAIC Motor-CP Co., Ltd.
- Chairman, CP Lotus Corporation
- Executive Chairman, True Visions Group Co., Ltd.
- Co-Chairman, Shanghai Kinghill Ltd.

5-Year Past Experiences and/or Remarkable Position

2018 Representative of Overseas Chinese,

The National Committee of Chinese People's

Political Consultative Conference

2013 - 2016 Director, CP Axtra Public Co., Ltd.

(%) shareholding (as at December 31, 2023)

Held personally 0.00248Held 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 2023

7 times out of 9 times

Mr. Korsak Chairasmisak

71 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)

2023 Director Accreditation Program (DAP) 207/2023

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, CP Axtra Public Co., Ltd.

Non-Listed Company

11 Organizations:

- · Senior Vice Chairman, Charoen Pokphand Group Co., Ltd.
- Expert Committee, Member of the Institution Council, Panyapiwat Institute of Management
- · Founder and Consultant, Go Association of Thailand
- Director, The International Go Federation (IGF)
- Chairman, Panyapiwat Association
- President, Thailand-Korea Friendship Association
- Committee, Uttayarndham Foundation
- · Director, Suksapiwat Co., Ltd.
- · Director, OHT Co., Ltd.
- Director, Siam Makro Holding (Thailand) Ltd.
- Director, Lotus Distribution Investment Ltd.

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, 2023)

*Included Employee Joint Investment Program (EJIP)

• Held personally 0.07759*

• Held by spouse or minor children -None-

Family Relationship among Directors and Executives

-None-

Attendance at the Board of Directors' Meeting during 2023

8 times out of 9 times

Mr. Suphachai Chearavanont

56 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, Ramkamhaeng 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
- Digita
- · 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

- 4 Organizations:
- Chairman and Chairman of the Risk, Cybersecurity and Finance Committee, True Corporation Public Co., Ltd.
- Chairman and Chairman of the Executive Committee,
 CP Axtra Public Co., Ltd.
- Vice Chairman and Vice Chairman of the Remuneration and Nominating Committee, Charoen Pokphand Food Public Co., Ltd.
- Independent Director and Member of the Governance and Nomination Committee, The Siam Cement Public Co., Ltd.

Non-Listed Company 52 Organizations:

- Senior Vice Chairman and Chairman of the Executive Board and Chief Sustainability Officer, Charoen Pokphand Group Company Limited
- Chairman, Lotus's Stores (Thailand) Company Limited
- Director and Chief Executive Officer, True Visions Group Company Limited
- · Director, Satellite Service Company Limited
- Director, Panther Entertainment Company Limited
- Director, TRUE4U Station Company Limited
- Director, Cineplex Company Limited
- Director, True Media Solutions 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 Company Limited
- Independent Director, SCG Chemical Public Company Limited
- 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
- Honorary Advisor of E-Learning Association of Thailand
- Member of the Public Engagement Committee, Princess Maha Chakkri Award Foundation
- Chairman, EK-CHAI Distribution System Company Limited
- Director, CPF Global Food Solution Public Company Limited
- Director, CPPC Public Company Limited
- Director, Asia Freewill Company Limited
- Director, CP Future City Development Corporation Limited
- Director, CP Research & Development Center Company Limited
- Director, CP Social Impact Company Limited
- · Director, CPH Telco Company Limited
- Director, C.P. Merchandising Company Limited
- Director, CP Seeding Social Impact Company Limited
- Director, CP. CSE Company Limited
- Director, Ross Breeders Siam Company Limited
- · Director, Arbor Acres Thailand Company Limited
- · Director, Alter Vim Company Limited
- Director, Altervim Power EV Company Limited
- Director, Ascend Money Company Limited
- Director, Ascend Group Company Limited
- · Director, Ascend Bit Company Limited
- Director, Ascend AI Company Limited
- Director, True Properties Company Limited
- Director, Pantavanij Company Limited
- Director, All Now Management Company Limited
- · Director, All Now Logistics Company Limited
- · Director, True Internet Technology (Shanghai) Company Limited

5-Year Past Experiences and/or Remarkable Position

2010 - 2023	Director, True Move H Universal
	Communication Company Limited
2019 - 2023	Chairman, True Corporation Public Co., Ltd.
2017 - 2023	Director and Chairman of the Executive
	Committee, True Corporation Public Co., Ltd.
Mar 2022 - Aug 2022	Director, The Thai Red Cross Society

2007 - 2022 Feb 2021 - Oct 2021	Director, True Music Company Limited Vice Chairman and Chairman of the
	Executive Committee, C.P. Retail Holding
	Company Limited
2017 - 2020	Director, The Telecommunications Association
	of Thailand under the Royal Patronage (TCT)
2017 - 2019	President, The Thai Federation of ICT
	Technology Association (TFIT)
1993 – 2018	Director, Telecom Holding Company Limited
2015 - 2017	President, The Telecommunications
	Association of Thailand under the Royal
	Patronage (TCT)
1999 – 2017	Director, President and Chief Executive
	Officer, True Corporation Public Co., Ltd.

(%) shareholding (as at December 31, 2023)

Held personally -None-Held by spouse or minor children 0.00040

Family Relationship among Directors and Executives

Mr. Soopakij Chearavanont and Mr. Narong Chearavanont's brother

Attendance at the Board of Directors' Meeting during 2023

7 times out of 9 times

Mr. Tanin Buranamanit

60 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, CP Axtra Public Co., Ltd.

Non-Listed Company

15 Organizations:

- Director, All Corporation Ltd.
- Director, Siam Food Services Ltd.
- 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.
- Director, MAXZI GLOBAL FZCO
- Director, Indoguna Muscat LLC
- Director, C.P. Retail Development Co., Ltd.
- · Director, Ek-Chai Distribution System Co., Ltd.
- Director, Synergistic Property Development Co., Ltd.

5-Year Past Experiences and/or Remarkable Position

2013 - 2021 Chief Executive Officer, CP ALL Public Co., Ltd.
 2012 Executive Vice President - Marketing, Operation and Human Resource, CP ALL Public Co., Ltd.

(%) shareholding* (as at December 31, 2023)

*Included Employee Joint Investment Program (EJIP)

Held personally 0.00586*
 Held by spouse or minor children -None-

Family Relationship among Directors and Executives

-None-

Attendance at the Board of Directors' Meeting during 2023

9 times out of 9 times

Mr. Adirek Sripratak

77 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:
- Vice Chairman, Chairman of Executive Committee, Member of Remuneration and Nominating Committee, Member of Corporate Governance and Sustainable Development Committee, Charoen Pokphand Foods Public Co., Ltd.
- Director, CP Axtra 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
- 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, 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.
- Director, CP Fresh Co., Ltd.
- · Vice Chairman, CPF Global Food Solution Public Co., Ltd.
- · Chairman, CPF Food Network Co., Ltd.

5-Year Past Experiences and/or Remarkable Position

-None-

(%) shareholding (as at December 31, 2023)

- 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 2023

9 times out of 9 times

Mr. Umroong Sanphasitvong

71 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 - April 21, 2023

Tenth Term : April 21, 2023 - 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)

2023 RFP: The Business Case and Ethics of AI:
A Board's Imperative 2566

2023 Hot Issue for Director: Climate Governance 3-2023
 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 Evaluation2006 DCP refresher

2003 Company Secretary2001 Director Certification Program (DCP)

Board Member/Management in Other Company/Organization/Institution

Listed Company

1 Organization:

• Director, CP Axtra 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, 2023)

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 2023

9 times out of 9 times

Mr. Narong Chearavanont

58 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 - April 21, 2023

Tenth Term : April 21, 2023 - 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

1 Organization:

• Director, CP Axtra Public Co., Ltd.

Non-Listed Company

51 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 Co., Ltd.
- Director, Siam Makro Holdings (Thailand) Limited
- · Director, CP Social Impact Co., Ltd.
- Director, CP Future City Development Corporation Co., Ltd.
- Director, The Iconsiam Chaopraya River Holdings Co., Ltd.
- Director, Siam River Holdings Co., Ltd.
- · Director, The Worldmark Co., Ltd.
- · Director, The Worldmark Grand Hospitality Co., Ltd.
- · Director, The Worldmark Global Resort Co., Ltd.
- · Director, True CJ Creations Co., Ltd.
- Director and Governance Committee, Leadership Development Charoen Pokphand Group Co., Ltd.
- Chairman, Charoen Pokphand Import-Export Trading (Shanghai)
 Co., Ltd.
- Director, OHT Co., Ltd.
- Chairman, The Iconsiam Superlux Residence Corporation Ltd.
- · Chairman, The Iconsiam Residences Corporation Ltd.
- · Vice Chairman, SM True Co., Ltd.
- Vice Chairman, ICONSIAM Co., Ltd.
- 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 Co., Ltd.
- Senior Vice Chairman, CP Lotus Corporation
- Director, Lotus Distribution Investment Ltd.
- Director, C.P. Pokphand Co., Ltd.
- Director, D and T Family Corporation Co., Ltd.
- Director, Lucent Technologies Network (Thailand) Limited
- Director, Anuntadun Co., Ltd.
- Director, Ubolgarn Corporation Co., Ltd.
- Director, Magnolia International Corporation Co., Ltd.
- Director, Five Lotuses Co., Ltd.
- Director, Synchronize Hub Co., Ltd.
- Director, CP Origin Co., Ltd.
- Director, Eden Estate Corporation Ltd.
- Director, Vertex Holding Corporation Co., Ltd.

- Director, Atex Plantation Corporation Ltd.
- Director, Avian Dhanin & Narong Co., Ltd.
- Director, N.T.K. Network Co., Ltd.
- Director, Black Dragon Studio Co., Ltd.
- Director, Black Dragon Entertainment Co., Ltd.
- · Director, All Now Management Co., Ltd.
- · Director, All Now Logistics Co., Ltd.

5-Year Past Experiences and/or Remarkable Position

2008 - Feb 2023 Director, True Corporation Public Co., Ltd.
 2008 - 2010 Director, True Visions Public Co., Ltd.

(%) shareholding (as at December 31, 2023)

- 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 2023

7 times out of 9 times

Mr. Prasert Jarupanich

75 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 – April 21, 2023

Tenth Term : April 21, 2023 – 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, CP Axtra Public Co., Ltd.

Non-Listed Company 24 Organizations:

- Director, C.P. Consumer Products Co., Ltd.
- Director, Star Marketing Co., Ltd.
- · Director, Pokphand Enterprise Co., Ltd.
- Director, Perfect Companion Group Co., Ltd.
- Director, K.S.P. Equipment Co., Ltd.
- Director, Siam Land Flying Co., Ltd.
- Director, C.P. Holding (Thailand) Co., Ltd.
- · Director, Thana Holding Co., Ltd.
- · Director, Charoen Pokphand Holding Co., Ltd.
- Director, Freewill Solutions Co., Ltd.
- Director, Nava 84 Co., Ltd.
- Director, 84 Co., Ltd.
- · Director, Unique Network Co., Ltd.
- · Director, Wide Broad Cast Co., Ltd.
- Director, Leadership Development Charoen Pokphand Group Co., Ltd.
- Director, CPL City Co., Ltd.
- Director, CPL Hill Co., Ltd.
- Director, CP Motor Holding Co., Ltd.
- · Director, Thana Telecom Co., Ltd.
- Director, ATCM Holding Co., Ltd.
- Director, POC Co., Ltd.
- Director, Chonburi Transportation Co., Ltd.
- · Director, UNS Agrochemical Co., Ltd.
- Director, Global Civil Technology Co., Ltd.

5-Year Past Experiences and/or Remarkable Position

-None-

(%) shareholding (as at December 31, 2023)

- 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 2023

9 times out of 9 times

Mr. Pittaya Jearavisitkul

68 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 – April 21, 2023

Tenth Term : April 21, 2023 – 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)

2023 Director Accreditation Program (DAP) 207/2023

2000 Director Certification Program (DCP)

Board Member/Management in Other Company/Organization/Institution

Listed Company 1 Organization:

• Director, CP Axtra 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, 2023)

*Included Employee Joint Investment Program (EJIP)

 Held personally 0.02196*

 Held by spouse or minor children -None-

Family Relationship among Directors and Executives

-None-

Attendance at the Board of Directors' Meeting during 2023

9 times out of 9 times

Mr. Piyawat Titasattavorakul

70 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 - April 21, 2023 : April 21, 2023 - Present Tenth Term

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)

Director Accreditation Program (DAP) 207/2023 2023

2001 Director Certification Program (DCP)

Board Member/Management in Other Company/Organization/Institution

Listed Company

1 Organization: · Director, CP Axtra 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 Co., Ltd.
- · 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, 2023)

*Included Employee Joint Investment Program (EJIP)

- Held personally 0.00104*
- Held by spouse or minor children 0.00002

Family Relationship among Directors and Executives

-None-

Attendance at the Board of Directors' Meeting during 2023

9 times out of 9 times

Mr. Yuthasak Poomsurakul

58 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)

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, 2023)

*Included Employee Joint Investment Program (EJIP)

Held personally 0.00173*
 Held by spouse or minor children -None-

Family Relationship among Directors and Executives

-None-

Mr. Vichai Janjariyakun

58 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, 2023)

*Included Employee Joint Investment Program (EJIP)

Held personally 0.00186*
 Held by spouse or minor children 0.00002

Family Relationship among Directors and Executives

-None-

Mr. Vichien Chuengviroj

68 years old

Position

Member of Executive Committee

Managing Director (Co)

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 -NoneNon-Listed Company 1 Organization:

• Managing Director, CP Retailink Co., Ltd.

5-Year Past Experiences and/or Remarkable Position

-None-

(%) shareholding* (as at December 31, 2023)

*Included Employee Joint Investment Program (EJIP)

• Held personally 0.00046*

• Held by spouse or minor children -None-

Family Relationship among Directors and Executives

-None-

Mr. Wisade Wisidwinyoo

66 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, 2023)

*Included Employee Joint Investment Program (EJIP)

Held personally 0.00109*

• Held by spouse or minor children 0.00334

Family Relationship among Directors and Executives

-None-

Mr. Taweesak Kaewrathtanapattama

67 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 Officer, CP All Public Co., Ltd.

(%) shareholding* (as at December 31, 2023)

*Included Employee Joint Investment Program (EJIP)

Held personally

0.00124*

• Held by spouse or minor children 0.00537

Family Relationship among Directors and Executives

-None-

Ms. Lawan Tienghongsakul

63 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, 2023)

*Included Employee Joint Investment Program (EJIP)

- Held personally 0.00374*
- Held by spouse or minor children 0.00004

Family Relationship among Directors and Executives

-None-

Mr. Kriengchai Boonpoapichart

55 years old

Position

Chief Finance Officer

(The person taking the highest responsibility in Finance and Accouting)

Appointment Date

June 9, 2021 (Chief Finance Officer)

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

2023	What is the	e future of the	CEO role?	(4 hours)
2023	WILL IS LIII	s lutule of the		4 HOUIS /

2023	Faanami		for CEO	(2 hours)
2023	ECOHORIIC	: ubdate	IOT CEO	(Z nours)

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 19 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, Panyatara Co., Ltd.
- Director, All Training Co., Ltd.
- · Director, Thai Smart Card Co., Ltd.
- Director, All Corporation Ltd.
- Director, 24 Shopping Co., Ltd.
- Director, ALL Wellness Co., Ltd.
- Director, ALL GUARDIAN CO., LTD.
- · Director, All Speedy Co., Ltd.
- Director, C.P. Retail Development Co., Ltd.
- · Director, Successor Investments Limited
- Director, Nanjing Zheng Yi Xin Trading Co., Ltd.
- Director, Albuera International Limited
- Director, ALL Bake and Brew Co., Ltd.
- Director, Nanjing De Yi Management Consulting Co., Ltd.

5-Year Past Experiences and/or Remarkable Position

2009-2018 Vice President, CP All Public Co., Ltd.

(%) shareholding* (as at December 31, 2023)

*Included Employee Joint Investment Program (EJIP)

Held personally
 Held by spouse or minor children
 None-

Family Relationship among Directors and Executives

-None-

Mr. Thupthep Jiraadisawong

50 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, 2023)

*Included Employee Joint Investment Program (EJIP)

Held personally

0.00052*

• Held by spouse or minor children -None-

Family Relationship among Directors and Executives

-None-

Mr. Wiwat Pongritsakda

60 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, Gosoft (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, 2023)

*Included Employee Joint Investment Program (EJIP)

• Held personally 0.00040*

• Held by spouse or minor children -None-

Family Relationship among Directors and Executives

-None-

Information of Person Supervising Accounting

Ms. Aphaporn Wisitkamthorn

51 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)

2017

Continuing Professional Development Program

new TFRS (7.00 hours)

e-Tax Invoice & e-Receipt (6.30 hours)

Continui	ig Froiessional Development Frogram
2023	Managerial Accounting for Decision-Making and Planning
	(7.00 hours)
2023	AFA Conference Future ASEAN Accountants (5.00 hours)
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

Board Member/Management in Other Company/Organization/Institution

Listed Company -None--None-Non-Listed Company

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, 2023)

*Included Employee Joint Investment Program (EJIP)

Held personally

• Held by spouse or minor children -None-

Family Relationship among Directors and Executives

Mr. Supot Shitgasornpongse

70 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, 2023)

*Included Employee Joint Investment Program (EJIP)

- 0.00160* Held personally
- 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.
 - 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
- 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

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List of Subsidiaries as at end of Year 2023

Local Subsidiaries

1. CPRAM Co., Ltd.

- 2. Counter Service Co., Ltd.
- 3. CP Retailink Co., Ltd.
- 4. Gosoft (Thailand) Co., Ltd.
- 5. MAM Heart Co., Ltd.
- 6. Suksapiwat Co., Ltd.
- 7. Panyatara Co., Ltd.
- 8. Thai Smart Card Co., Ltd.
- 9. Panyapiwat Institute of Management
- 10. Panyapiwat Technological College
- 11. All Training Co., Ltd.
- 12. All Corporation Limited
- 13. OHT Co., Ltd.
- 14. Siam Makro Holding (Thailand) Ltd.
- 15. CP Axtra Public Co., Ltd.
- 16. 24 Shopping Co., Ltd.
- 17. CP Foodlab Co., Ltd.
- 18. Panyapiwat Institute of Management Demonstration School
- 19. Siam Food Services Limited
- 20. Makro ROH Co., Ltd.
- 21. ALL Wellness Co., Ltd.
- 22. ALL GUARDIAN CO., LTD.
- 23. C.P. Retail Development Company Limited
- 24. Lotus's Stores (Thailand) Co., Ltd.
- 25. Ek-Chai Distribution System Co., Ltd.
- 26. Lotus's Mobile (Thailand) Co., Ltd.
- 27. ALL SPEEDY CO., LTD.
- 28. ALL Bake and Brew Co., Ltd.

Remark: X = Chairman

/ = Director

// = Authorized Director

Foreign Subsidiaries

- 29. Lotus Distribution Investment limited
- 30. Successor (China) Investments Limited
- 31. Nanjing Tianqu Investment Management Co., Ltd.
- 32. Nanjing Tech University Puijang Institute
- 33. Nanjing De Yi Management Consulting Co., Ltd.
- 34. Albuera International Limited
- 35. Nanjing Zheng Yi Xin Trading Co., Ltd.
- 36. Nanjing Tech University Pujiang Institute Educational Development Fund
- 37. Successor Investments Limited
- 38. CP ALL (Cambodia) Co., Ltd.
- 39. ALL IM-EX AND PROSERVICE CO., LTD.
- 40. CP ALL Laos Co., Ltd.
- 41. ALL Convenience Service Co., Ltd.
- 42. Indoguna Vina Food Service Co., Ltd.
- 43. Aro Commercial Company Limited
- 44. Indoguna (Cambodia) Company Limited
- 45. Makro (Guangzhou) Food Company Limited
- 46. CP Wholesale India Private Limited
- 47. Guangzhou Huada Makro Food Supermarket Company Limited
- 48. MAXZI THE GOOD FOOD RESTAURANT & CAF. L.L.C.
- 49. Indoguna (Singapore) Pte Ltd
- 50. Indoguna Dubai L.L.C.
- 51. Just Meat Company Limited
- 52. Indoguna Lordly Company Limited
- 53. Makro Cambodia Company Limited
- 54. MAXZI GLOBAL FZCO
- 55. Indoguna Muscat LLC
- 56. Lotuss Stores (Malaysia) Sdn. Bhd.

Information of Head of Internal Audit

Mr. Taweesak Jitsmankul

62 years old

Position

Secretary of Audit Committee Vice President – Internal Audit

Appointment Date

January 28, 2022

Education

· Master of Accountancy, Thammasat 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, 2023)

*Included Employee Joint Investment Program (EJIP)

• Held personally 0.00

0.00102*

• Held by spouse or minor children -None-

Family Relationship among Directors and Executives

-None-

Duties and Responsibilities of the Head of Internal Audit

- 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.
- 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.
- 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 Head of Compliance Unit

Ms. Walainoot Kattirat

41 years old

Position

Compliance

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, 2023)

*Included Employee Joint Investment Program (EJIP)

• Held personally 0.00009*

• 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, 2023, fixed assets of the Company and subsidiaries that used in business operations are as follow:

Fixed Assets	Net Book Value (Million Baht)
Land	68,608
Buildings' building improvements and right-of-use asset improvements	93,207
Machinery and equipment	21,640
Furniture, fixtures and office equipment	18,787
Assets under construction and installation	6,155
Other fixed assets	5,395
Total Fixed Assets	213,792

The Company and subsidiaries fixed assets with total net book value of Baht 12,711 million were pledged under long-term borrowings from financial institution.

Intangible Assets

As of December 31, 2023, intangible assets of the Company and subsidiaries that used in business operations are as follow:

Intangible Assets	Net Book Value (Million Baht)
Goodwill	360,641
Other intangible assets	54,400

Most of the goodwill and other intangible assets arose from the subsidiary (CP Axtra 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 CP Axtra Public Company Limited.

Other intangible assets consist of assets with a definite useful lives which are computer software, customer base and 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, 2023, right of use assets of the Company and subsidiaries that used in business operations are as follow:

Right of Use Assets	Net Book Value (Million Baht)
Land	45,148
Buildings	36,550
Machinery and equipment	3,579
Furniture, fixtures and office equipment	691
Vehicles	575
Total Right of Use Assets	86,543

According to the TFRS 16 lease accounting policy in effect from January 1, 2020, the Company and its subsidiaries stipulates that the Company and its subsidiaries 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 convenience stores wholesaling, retailing and mall, 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 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, 2023, the Company has investments in subsidiaries at amount of Baht 282,236 million or 63.47 percent of total assets from the separate financial statement.

The Company and its subsidiaries has investments in associates totaling Baht 9,081 million and investments in joint venture of Baht 5,703 million or 1.60 percent of total assets from the consolidated financial statement.

Details of Assets Appraisal

In the fiscal year 2023, 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 2023 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. Dumrongsak Kittiprapas (Effective Date November, 10, 2023 in replacement of Pol. Gen. Phatcharavat Wongsuwan who had resigned on August 30, 2023), 3. Mr. Padoong Techasarintr 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 2023, 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:

Considered and Approved the Appointment of the (New) Corporate Governance Sub-Committee for the Year 2023

The Sustainability and Corporate Governance Committee has approved the appointment of the (new) Corporate Governance Sub-Committee for the year 2023 to replace the retired members and to ensure the continuity of the Corporate Governance Sub-Committee.

2. Considered and Approved the Appointment of (New) Sub-committee on Sustainable Development for the Year 2023

The Sustainability and Corporate Governance Committee has approved the appointment of the (new) sub-committee on Sustainable Development for the Year 2023 in substitution for some committee members who had retired in order that the sub-committee could proceed on continuously.

3. Approval of the Implementation Plan of the Corporate Governance and the Anti-Corruption for Year 2023

The Sustainability and Corporate Governance Committee approved the implementation of the corporate governance and the Anti-Corruption plan, including target indicators for each area for year 2023 proposed by the Corporate Governance Sub-Committee in order to achieve the "Excellent" level of corporate governance rating from the well-accepted international institutions.

4. Acknowledgement of Operation in Corporate Governance and Anti-Corruption for the Year 2022

The Sustainability and Corporate Governance Committee acknowledged the operation in Corporate Governance and Anti-Corruption for the year 2022 driven by the Sub-committee on Corporate Governance; and provided advice and opinion for improvement and further development.

5. Acknowledgement of the Report on the Implementation of the Corporate Governance Policy, the Anti-Corruption Policy, as well as Sustainability Policy for the year 2023

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. Review on the target of sustainability policy.
- 2. Progress update on implementation of corporate governance plan for each quarter.
- 3. Progress update on implementation of sustainability plan for each quarter.
- 4. 2nd renewal of CAC membership which is valid for 3 years and will expire on June 30, 2026.
- 5. Encouraged the SMEs business partners to join the CAC member.
- 6. Quarterly operation progress on the operation of Personal Data Protection Act (PDPA), Data Governance, and Data Privacy Status.
- 7. Quarterly operation progress on cybersecurity, and measurement of cybersecurity for listed companies (Resilience Survey 2022) organized by the Stock Exchange of Thailand.
- 8. Environmentally Supportive Projects e.g. Distribution of Surplus Food, etc.
- 9. Progress on reporting of conflict of interest through electronic platform in each quarter.
- 10. Amendment of culture in a working place to be complied with relevant laws, rules and regulations in each quarter.
- 11. Communicated and encouraged employees to adopt the policies of good governance, anti-corruption, and social and environmental sustainability development in each quarter.
- 12. Arranged trainings and conducted tests for good governance, anti-corruption, and corporate sustainability development in each quarter.
- 13. Reviewed and resolved complaints relating to good governance and anti-corruption policies, internal corruption inspection, and social and environmental issues in each quarter.
- 14. Quarterly announcement of employees' good deeds and virtues in the Company's Hall of Fame.
- 15. Quarterly report of CP ALL Plc.'s shareholding by the Company's directors and management.

6. Acknowledgement of the Company's being selected for world indices, such as FTSE4 Good Index, MSCI ESG Ratings, and CDP Climate Score for the year 2023

The Sustainability and Corporate Governance Committee acknowledged the Company's capability in ESG perspective for the years 2023. The Company was selected as one of the FTSE4Good Index, under Food Retailers & Wholesalers, for the 6th consecutive year with the total score of 4.5 which is equal to the former year's score, and the Company managed to maintain the higher standard than the industry average in all aspects. The Company was rated A for MSCI ESG Ratings which is the same achievement as the former year. For the environmental aspect, the Company was rated A for CDP (Carbon Disclosure Project).

7. Acknowledgement of the Company's being selected for DJSI, in Food & Staples Retailing Sector for the year 2023

The Sustainability and Corporate Governance Committee acknowledged the Company's performance evaluation on sustainability development for global companies rated by S&P Global. In response to the Company's outstanding ESG performance; we were admitted to Dow Jones Sustainability Indices (DJSI) in Food & Staples Retailing Sector, being selected for the 7th consecutive year for DJSI Emerging Markets, and for the 6th consecutive year for DJSI World.

8. Acknowledgement of the Score of 2023 Annual General Shareholder Meeting's Quality Assessment

The Sustainability and Corporate Governance Committee Acknowledged the score of 2023 Annual Shareholder Meeting's quality assessment, conducted by Thai Investor Association, which the Company received score at 98.

9. Acknowledgement of Survey of Corporate Governance Report of Listed Companies in Thailand in 2023

The Sustainability and Corporate Governance Committee acknowledged survey of Corporate Governance Report (CGR) of listed companies in Thailand in 2023 arranged by IOD which the Company received an excellent assessment for the 5th consecutive year. Also, the committee acknowledged suggestions to develop a better corporate governance of the Company.

10. Acknowledgement of being Chosen to be in the List of Thailand Sustainability Index 2023

The Sustainability and Corporate Governance Committee acknowledged that the Company was chosen to be in the list of Thailand Sustainability Index (SET ESG Ratings) for the year 2023 of Service Industry for 6th 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 3rd consecutive years.

11. Acknowledgement of the Self-Assessment Report of the Sustainability and Corporate Governance Committee for the year 2023

The Sustainability and Corporate Governance Committee acknowledged the Self-Assessment Report of the Sustainability and Corporate Governance Committee for 2023 which amended according to IOD guidance. 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 26, 2024

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 of 3 directors, 2 of which are independent directors namely Pol. Gen. Dumrongsak Kittiprapas, Chairman of the Remuneration and Nomination Committee (replacement of Pol. Gen. Phatcharavat Wongsuwan), 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 2023, the Remuneration and Nomination Committee convened 4 meetings in which all 4 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

The Remuneration and Nomination Committee 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 to the board of directors in replacement of those whose term of office has ended and approval of the proposal to board of directors before the Meeting of Shareholder for year 2023 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 19 and December 31, 2022, 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 2023 ("AGM"). The Board of directors has approved the proposal of The Remuneration and Nomination Committee on February 23, 2023. The AGM dated April 21, 2023 approved to appoint five directors who retire by rotation to be directors of the Company for another term.

The Remuneration and Nomination Committee scrutinized the committee members' knowledge, expertise, capability, qualifications, experience; the company's regulations for Independent Directors; Charter of the Board of Directors; and agreed to propose Pol. Gen. Damrongsak Kittiprapas as a committee member and Independent Director in replacement of Pol. Gen. Phatcharavat Wongsuwan (Independent Director) who had resigned. This proposal is to support the company's development and expansion, both domestically and internationally; and to set the Independent Directors proportion in line with the good governance guidelines. On November 10, 2023, the Board of Directors approved the Remuneration and Nomination Committee's proposal.

2. Determining the Remuneration for Directors and Senior Executives

The Remuneration and Nomination 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 2023 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 Remuneration and Nomination 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 2022 dated April 22, 2022, as well as same rate as approved by the AGM for year 2016 dated April 21, 2016. The AGM for year 2023 was approved Director's remuneration as proposed by the Board of Directors of the Company on April 21, 2023.

The Remuneration and Nomination Committee has considered the 2023 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 2023 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

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. Attendance of Directors Training Organized by IOD in 2023

Throughout the year 2023, the Company's directors and executives continually attended several training sessions organized by IOD, SEC, SET, and Thai Listed Companies Association; and internal trainings held by the Company from various experts invited. All the training provided aim to enrich the directors and executives' knowledge and expertise in order to be resilient to the changing environments and ongoing sustainable development, in terms of business operation and corporate governance as well.

5. Assessment of the Remuneration and Nomination Committee's Performance

According to the Remuneration and Nomination Committee's Performance in 2023 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

MA.O. (

(Police General Dumrongsak Kittiprapas)

Chairman of the Remuneration and Nomination Committee

January 25, 2024

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, as the Vice Chairman of Executive Committee, 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 2023, 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 2024 budget and project investments 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 modifications of the Company's Articles of Association in compliance with Public Limited Companies Act B.E. 2535 (A.D. 1992) (Amended Version) regarding delivery of invitation letter for the Board of Directors' Meeting, and advertisement on online media substituting for newspaper; and modifications of the Company's objectives on Business Registration Certificate prior to the actual business operation, before proposing to the Board of Directors and the Shareholders' Meeting for further approval.
- 4. Considered monthly reports on risk management and countermeasures, covering both existing and potential risks such as Business Risk, Sustainability Risk, Emerging Risk, and Black Swan Risk. Elevate corporate crisis management, prepare Business Impact Analysis, Tracking and Monitoring, and Crisis management Plan; before proposing to the Board of Directors for their acknowledgement semi-annually.
- 5. Considered large-scale investment project of the Company and subsidiaries. For project investments over Baht 200 million, they have to be proposed to the Chairman of Executive Committee for the approval, with approval authority for project investments not exceeding Baht 500 million i.e. Hat Yai CDC Construction Project. For project investments exceeding Baht 500 million, they have to be proposed to the Board of Directors for approval e.g. Suvarnabhumi CDC Construction Project (Expansion), and CP RAM's Frozen Ready-to-eat Food Factory Construction Project in Nakhon Ratchasima.
- 6. Considered and granted preliminary approval for Related Transaction Investment in Ascend Commerce Co., Ltd., before proposing to the Audit Committee and the Board of Directors for further approval.
- 7. Approval of guidelines for investment collaboration with SMEs in order to maintain production sources, promote potential SMEs, and create mutual sustainable development in the long run.

- 8. Approval of the 4th Employee Joint Investment Program (EJIP), with a project period of 3 years, starting from October 2023 September 2026; before proposing to the Board of Directors for further approval.
- 9. Approval of land acquisition investment for mixed-used property project of Ek-Chai Distribution System Co., Ltd., in Phuket; before proposing to the Board of Directors for further approval.
- 10. Considered and approved the renewal of various types of insurance policies for the year 2024.
- 11. Approval of appointment for Tisco Asset Management Co., Ltd., as the Fund Management for the CP All's Registered Provident Fund; before proposing to Members of Provident Fund's General Meeting for further approval.
- 12. Acknowledgement of Loans and Debentures Management Plan for the year 2023, and maintenance of Debt-to-Equity Ratio according to Debentures Regulations.
- 13. Acknowledgement of reports on impacts and challenges from global tax collection reform by means of international tax measures (BEPS 2.0 Pillar 2 Base Erosion and Profit Shifting) from experts' analysis for the Company and subsidiaries' strategies adjustments and planning for further improvement.
- 14. Acknowledged the non-executive Board of Directions minutes of meetings for the year 2023 and implement appropriate actions the suggestions, recommendations of the directors to improve the Company and its subsidiaries' performances.
- 15. Acknowledgement of the Company's being selected as one of Dow Jones Sustainability Indices (DJSI-2023) in Food & Staples Retailing Sector, being selected for the 7th consecutive year for DJSI Emerging Markets, and for the 6th consecutive year for DJSI World by obtaining a score of 83 out of 100 which is a lower score than the former year's. Acknowledgement of opportunities to improve and regain the missing score under individual topics. Approval of Impact & Financial Materiality for the next year.
- 16. Acknowledgement of CP All's securities being held by the Board of Directors and Executives for the year 2023; for proposal to the Board of Directors, and declaration in the Company's annual report.
- 17. Acknowledged the 2023 self-assessment score of the Executive Committee which 93 percent was assessed excellent, and 7 percent was assessed well which a better that last year.

On behalf of the Executive Committee

A S

(Mr. Korsak Chairasmisak)
Chairman of the Executive Committee
January 31, 2024

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 2023, 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 4 areas i.e. Business Risk, Emerging Risk, Sustainability Risk, and Black Swan 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. In 2023 there were a total of 16 divisional training sessions and 4 organizational training sessions in the form of Simulation Tests and Top Tests. There was elevation of ISO 22301 level at Bang Bua Thong Distribution Center and the elevation process was expanded to Suvarnabhumi Distribution Center as well.

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 2023, 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 2024 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 74 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 2023, 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, 967 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 292 risk champions in their departments. Employees throughout the year, more than 2,465 issues to be sent to relevant departments to review the risks according to the next assessment.

In 2023 the Company boosted up Risk Management training for the Risk Management Committee (RMC) in 4 dimensions inclusive of Guru/Experts, Exercises (Crisis), 3As (Alert, Analysis, Alarm) Signaling, and External Training. Knowledge enrichment was provided for information technology users inclusive of the Board of Directors and Executives, employees, and customers by means of a seminar under the topic "Russia-Ukraine War Impacts" on Thai Economy and Industry.

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 has raised the level of Risk Management by Third Party Audit and arranges a Cyber Crisis Management Exercise in case of a cyber-attack on critical information by 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 executive.

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 2023 which adopted IOD guidance including accordance with the duty in the Charter. The committee received an excellent score of 93 percent and a good score of 7 percent which a better than last year.

(Mr. Korsak Chairasmisak)
Chairman of the Risk Management Committee
January 31, 2024

Report of the Audit Committee

The Company's Board of Directors appointed the Audit Committee consisting of three independent directors who are knowledgeable and experience in legal, management, finance and accounting, tax, economic and knowledge in business. Which is 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 2023, the Audit Committee held a total of 13 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 2023. 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. Examination and review the sufficiency and appropriateness of the Company and its subsidiaries' internal control and risk management to ensure that the Company's operation has undergone adequately vigilant control by means of monthly scrutiny on Internal Audit Reports, provision of advantageous comment on the reports, and following—up of corrective actions on integral issues reported by Internal Auditors and External Auditors in order to prevent repeated incidences. Moreover, Internal Audit Charter is reviewed to ensure the suitability and compliance with Internal Standards for the Professional Practice of Internal Auditing, and Code of Ethics for Audit Profession. Approval of Annual Internal Audit Plan which is conforming the Company's strategies. Supporting Internal Audit to work independently. Emphasizing on application of information technology to the internal audit operation to enhance its efficiency and effectiveness. Encouragement on proficiency development for human resource to be resilient to the fast changed 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 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 Board of Directors and Executives highly value the risk management. The Risk Management Committee is under the supervision of Executive Chairman and is responsible for comprehensive risk assessment inclusive of internal and external factors and their potential impacts, preparation of Risk Management Reports to prevent or decrease the possible impacts on the business operation to the acceptable level. The company focuses on risks which encompass Environmental, Social and Governance (ESG), and Emerging Risk which could impact the Company's accomplishment, such as cyber security risk, 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 operation. 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 values and realizes the management's explicit policy regarding laws and regulations compliance. Hence Legal & Compliance Unit was initiated for the responsibility of providing consultation; promoting and following up operation to ensure compliance with laws and the Company's regulations; and encouraging employees' awareness, knowledge, understanding on legal issues related to the business operation by means of tests and legal training. Monthly new legal regulations enforcement is also updated to employees. Besides, the Company has developed a legal application which gathers laws, company's regulations, and contracts entered with business partners; for employees extensive and quick access in order to eliminate breaches of laws and company's regulations. The Company also complies to Securities and Exchange Act, Stock Exchange of Thailand's rules and regulations, Revenue Code, Personal Data Protection Act (PDPA), and other important regulations relating the Company's business operation. From the thorough review, there was not any intended ignorance, or any significant violation of laws or regulations concerning the Company's business operation.

- 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 ethics 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 for the second time. Additionally, the Company successfully encouraged its 15 business partners to join the Small and Medium Enterprises (SMEs) certification program of the CAC. Following such success, the Company received the CAC Change Agent Award for the third year for its commitment in transparency and encouraging SMEs suppliers to participate in the Thai business sector's efforts to combat corruption.
- 7. The Audit Committee reviewed the Audit Committee Charter to ensure that the committee's roles and responsibility are in compliance with 2023's Best Practice and Guidelines for Audit Committee set by the Securities and Exchange Commission (SEC), and the Stock Exchange of Thailand (SET). The SEC's Best Practice and Guidelines for Audit Committee focus on the Audit Committee's roles and responsibility in overseeing and pursuing the business operation efficiently to maximize the Company and shareholders' benefits according to good corporate governance. The crucial regulations were specified in the Audit Committee Charter. Quarterly Reports were proposed to the Company's Board of Directors' Meeting for their acknowledgment of the Audit Committee's operation according to 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 2024 with the total fees of 6,020,000 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

and rake

February 23, 2024



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