

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED

ANNUAL REPORT **2021**

56-1 One Report



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Corporate Culture

Customer Oriented
Professional
Teamwork
Innovation

Social Responsibility



“

In this regards,
investors may obtain further
information from form 56-1 at
www.sec.or.th or www.globalhouse.co.th

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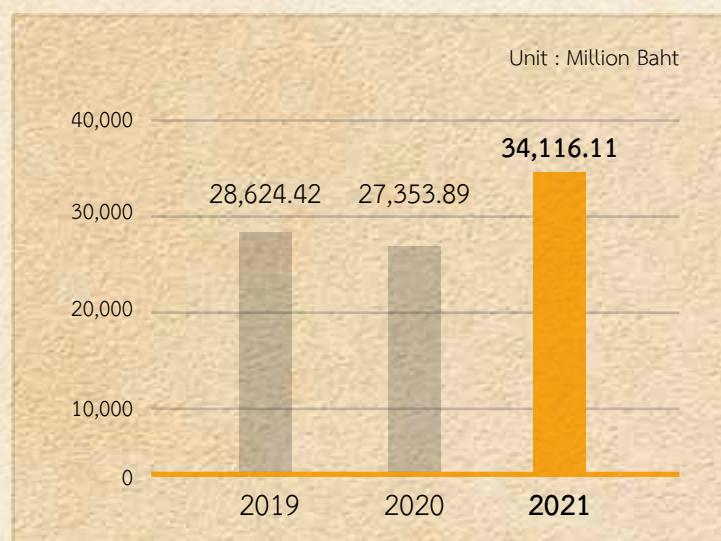
(Unit : Million Baht)

Summary of Financial Statements Information		Consolidated Financial			Financial Statements in the Equity Method	
		2021	2020	2019	2020	2019
Income Statement						
Sales	33,497.80	26,802.96	28,081.45	33,010.21	26,207.95	27,482.16
Total Revenues	34,116.11	27,353.89	28,642.42	33,620.82	26,752.64	28,020.32
Gross Profit	8,430.81	6,401.96	6,340.38	8,285.52	6,228.60	6,176.68
EBIT	4,322.70	2,676.19	2,875.08	4,190.21	2,582.73	2,783.47
Net Profit (Loss)	3,358.97	1,975.52	2,14.08	3,245.11	1,908.71	2,038.93
Balance Sheet						
Total Assets	39,274.60	36,020.30	35,986.39	38,090.50	35,058.52	35,592.87
Total Liabilities	19,438.55	18,806.46	19,855.47	18,745.76	18,154.99	19,718.07
Total Shareholders' Equity	19,836.05	17,213.84	16,130.92	19,344.74	16,903.53	15,874.80
Financial Ratio						
Gross Profit Margin (%)	25.17	23.89	22.58	25.10	23.77	22.48
Net Profit Margin (%)	9.85	7.22	7.39	9.65	7.13	7.28
Return on Equity (%)	18.13	11.85	13.63	17.90	11.65	13.35
Return on Assets (%)	8.92	5.49	6.31	8.87	5.40	6.16
Debt to Equity Ratio (Time)	0.98	1.09	1.23	0.97	1.07	1.24
Earnings per Share						
Earnings per Share (Baht / Share)	0.7266	0.4444	0.4756	0.7052	0.4336	0.4632
Book Value per Share (Baht / Share)	4.3106	3.9108	3.8393	4.2039	3.8403	3.7783
Common Stocks (Shares)	4,601,671,149	4,401,609,967	4,201,540,599	4,601,671,149	4,401,609,967	4,201,540,599

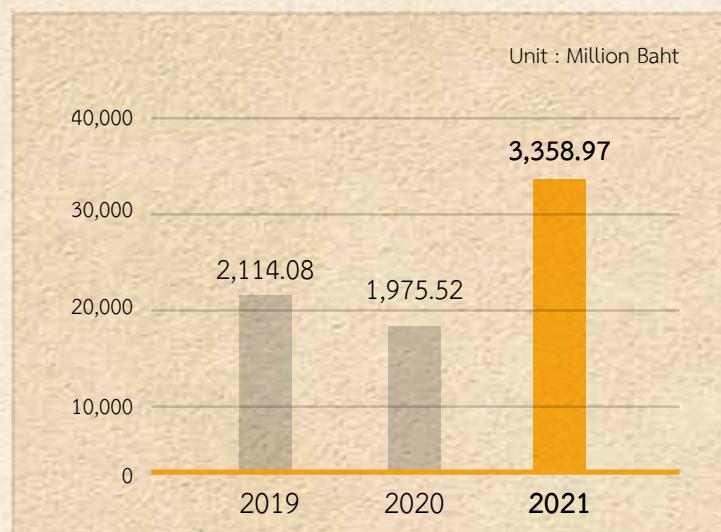
Financial Highlights for the year 2019 - 2021



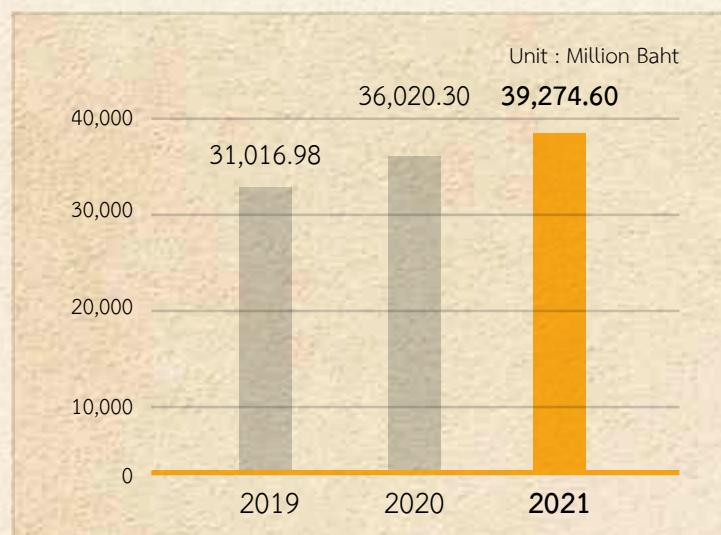
Total Revenues



Net Profit



Total Assets



Message from the Chairman

For the past 2021, the company still meet challenge from COVID-19 pandemic for the second year, especially second wave from the spread of infection of the Delta variant which severely affect to economic and social of the country. Including challenges in marketing and business competitions are more intensively, these challenges are motivation for the company to adjust and improve the efficiency of operation, develop the current using technology system as well as improve employees to increase potential to be competitive.

The operating result of the company and subsidiaries in 2021, there are total revenue of Baht 34,116.11 million and net profit of Baht 3,358.97 million, increased from 2020 by 24.72% and 70.03% respectively. In respect of the store expansion and investment in the past year, the company operate business followed in domestic store expansion plan for more 4 stores, along with expand the investment in retail business for construction and home decoration to ASEAN with business partners in Indonesia and Philippines.

Nevertheless, the company not consider only profit maximization or economic growth, but have development and enhancement of good corporate governance continuously to create value of business

to be grow sustainable together with taking into account responsibility to stakeholders for all value chain both in social and environmental. As manifested from the company has received “Excellent” corporate governance assessment from the program Corporate Governance Report of Thailand Listed Companies 2021 (CGR), had been selected to be listed in Thailand Sustainability Investment : THSI 2021 for the listed companies conduct its business with realization to Environmental, Social, and Governance or ESG, including received 100 marks (full marks) assessment as its 3rd consecutive year for the Annual General Meeting Checklist 2021 (AGM Checklist).

Finally, on behalf of the Company’s Board of Directors, we would like to extend our gratitude to all executives and employees for their dedication in role as the driving force of the company, as well as to customers, suppliers, shareholders and all stakeholders for their trust and confidence to continued support the company’s business operations and hope to get support from you always.

Yours Sincerely,



(Mr. Apisit Rujikeatkamjorn)

Chairman



Message from Chief Executive Officer

The Year 2021, Thailand and all over the world faced with Covid - 19 outbreak which is continuing to mutate and affect to all sectors including the company's operation. Nevertheless, we, executive committee and all employees have learned many experiences from the past year and realize to safety, sanitation for all customers, employees, and all stakeholders. Therefore, we give the importance in pushing all employees to be fully vaccinated, so that, our employees have been fully vaccinated in proportion of 96.16% (as of 15 February, 2022)

For the Company's operating results in 2021, regarded as another year that we have the highest business profits with total revenues of Baht 34,116.11 million and net profit of Baht 3,358.97 million, which has grown-up more than the year 2020 at 24.72 % and 70.03 % respectively. As a result of adjusting the operation strategy in all aspects for driving business, leading to sales value of both same stores and new stores have significantly grown-up.



Anyway, we still have the intention to expand new stores and renovate same stores continuously with the principle "Prevent the company from High-Risk status while growing in competitive level". The Company continues to strive to keep the financial ratio to be in best level and ready to fully expand business when opportunity comes.

In addition, we realize to responsibility to all stakeholders to create sustainability in business operations along with giving the importance to society, environment, and corporate governance. Resulting to the Company had performance in sustainability which was accepted by various sectors, such as; was selected to be included in the list of "Thailand Sustainability Investment (THSI)" in kind of services group from the Stock Exchange of Thailand (SET), received an excellent 5-star rating on Corporate Governance Report (CGR) for Thai Listed Companies by Thai Institute of Directors (IOD), and received 100 marks (full marks) assessment as its 3rd consecutive year for the Annual General Meeting Checklist 2021 (AGM Checklist), assessed by Thai Investors Association.

On behalf of Chief Executive Officer for Siam Global House Public Company Limited, I would like to thank all shareholders, trade partners, customers and all stakeholders for the continued confidence and trust in the company's operations until get through this challenging period, and wish all of you to be healthy, stay safe from Covid-19, with a lot of happiness, herewith kindly wait for receiving dividend in this May.

Yours Sincerely,

A handwritten signature in black ink, appearing to read "mr. witoon".

(Mr. Witoon Suriyawanakul)
Chief Executive Officer

Pride Awards



Corporate Governance Report of Thailand Listed Companies 2021

The company has received Excellent CG Scoring or scoring of 5 from the program Corporate Governance Report of Thailand Listed Companies 2021 (CGR) organized by Thai Institute of Directors (IOD) and the Securities Exchange and Commission (SEC) and the Stock Exchange of Thailand (SET).



AGM Checklist 2021

The Company has received 100 marks (full marks) assessment as its 3rd consecutive year for the Annual General Meeting Checklist 2021 (AGM Checklist), assessed by Thai Investors Association



Thailand Sustainability Investment 2021 : THIS

The company had been selected to be one of 146 listed companies which has been listed in Thailand Sustainability Investment: THIS 2021 from the Stock Exchange of Thailand (SET) in kind of services group. The mentioned awards was given for the listed companies conduct its business with realization to Environmental, Social, and Governance or ESG



Best Payments and Collections Solution

The company has received Best Payments and Collections Solution awards from the success in developing Digital QR Solutions cooperated with **Krungsri** (Bank of Ayudhya PCL). The solution enhances efficiency of the payment system standard aiming to provide more convenience for customers who buy products and services at Global House with easier, faster and more safe payment channels by developing payment solutions to be in accordance with all form of demands and respond all Global House's customers' needs

Global

House

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Siam Global House
Public Company Limited



First Branch
Roi Et



Company Registration
8th June 2007



Siam Global House Co., Ltd
(Khon Kaen)



Initial Registered Capital
700,000,000 Baht



GLOBAL

Registration No.
0107551000029

Registered Capital 4,601,683,147.00 Baht

Paid-up Capital 4,601,671,149.00 Baht

Par Value 1 Baht



Mr. Witoon Suriyawanakul

Chief Executive Officer

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01

Business Operation





1. Business Structure and Operation

1.1 Policy and Business Overview

Siam Global House Public Company Limited has established from the merge of two companies (Siam Global House Company Limited and Siam Global House Khon Kaen Company Limited) which are merged according to certificate of incorporation on 8 th June 2007 with initial registered capital of Baht 700,000,000 million. The main objective is to operate a retail business in construction materials, and home decorative items, tools and equipment for home and garden, in large warehouse stores under the trade name of “Global House”. Which is the one of the largest distributors in Thailand to sell construction materials and home decorative items with one stop service. The company opened its first branch in Roi Et, operated by Mr. Witoon Suriyawankul, Chief Executive Officer, with inspiration and intention to build the new thing to commercial circles of construction materials in Thailand by concept and philosophy “All Inclusive for your house”, which is regarded as the initiator of retail business integration in construction materials to become warehouse stores by containing all products in structure group, home décor products, building and gardening, and equipment, inclusive of other various categories of products more than 280,000 SKUs disposed in an orderly manner in the huge store warehouse, where feature average area of 10,787 - 32,000 sq.m in order to provide our customers the convenience of viewing, selecting, and closely touching the product by themselves.

1.1.1 Vision Mission Corporate Culture Objectives and Goals

 Vision The best distribution channel for building materials and home furnishings of ASEAN (A Better Choice for A Better Home)	
Mission The Company will focus on value creation of products and services to be proper with customers need of each area along with the management of cost and administrative expenses to be appropriate level in order to deliver the worthiness of products and services to customers. To achieve the vision of “A Better Choice for A Better Home”, beside of the management with the good governance principle and focusing on excellence of working process, the Company also emphasizes on developing distribution channels, building customer’s relations, collaborating with the business partners, together with developing the information technology system and human resources to support business growth and increase proper value to stakeholders and society generally.	



5

CORPORATE CULTURE

CUSTOMER ORIENTED



Prescribed that customers and customer needs both external and internal (employees) are important things and use to be principles of decision-making.

2



Performing work at full capacity, using logical decision-making on facts and information, being responsible for the assigned duties, including respect to the commitment for the completion.

PROFESSIONAL

TEAMWORK

3



Giving importance to the team participation, encourage each other to achieve a goal, and building good relationship and communication between employees and departments to achieve the Company's goal

4



INNOVATION

5



SOCIAL RESPONSIBILITY

Giving Contributions to the community and society as well as volunteering in various activities for the public both outside and inside the Company.

FAST



Facilitation for the speed of service.



RIGHT

Distribution of quality products and accuracy and reliable service.

CHEAP



Selling goods at a fair and affordable price.



EASY

Friendly services, employees with the ability to provide good advice to customers, product placement for convenient browsing and buying, along with delivery service.



Providing customers with polite, mannered and professional service along

POLITE



Objectives & Goals

Siam Global House Public Company Limited is a listed company founded with objective to conduct a retail business of construction materials, decorative materials, tools, equipment used for home and garden construction, renovation, decoration within a single large building, under the trade name “Global House”. By the end of the year 2021, there are a total of 75 domestic branches covering 6 regions ;

- the central 13 branches; Nakhon Pathom, Lopburi, Nakhonnayok, Salaya, Pathumtani, Singburi, SamutSongkram, Ang Thong, Thepharak (Samut Prakan), Phra Nakhon Si Ayutthaya, Chai Nat, Krathum Baen(Samut Sakhon) and Soi Noi (Nonthaburi).
- The Eastern 5 branches; Rayong, Chon Buri, Chanthaburi, Trad and Kabin Buri (Prachin Buri).
- The Western 4 branches; Ratchaburi, Pranburi (Prachuap Khirikhan), Kanchanaburi, and Prachuap Khirikhan.
- The northeastern 30 branches; Roi Et, Khon Kaen, Udon Thani, Kalasin, Maha Sarakham, Nong Khai, NakhonRatchasrima, Sakon Nakhon, Nakhonphanom, Chaiyaphum, Surin, Mukdahan, Ban-Phai(Khon Kaen), Ubonratchatani, Ban Tad (Udonthani) Nongbualamphu, Buriram, Yasothon, Bungkan, Loei, Chum Phae, Phang khon ,Chokchai, Dankhun Thot ,Nang Rong (Burirum), Kanthararak, Det Udom (Ubon Ratchathani) Kuchinarai (Kalasin) Phayakkhaphum Phisai (Mahasarakham) and Nong Han (Udon Thani).
- The northern 18 branches; Chiang Mai, Nakhon Sawan, Phitsanulok, Lumphun, Phrae, Lampang, Nan, Sukhothai, Kamphaeng phet, Phetchabun, ChiangRai, Uttaradit, Fang, Mae Hong Son Mae Sai (Chiang Rai), Pha Yao, Wiang Pa Pao (Chiang Rai) and Phan (Chiang Rai).

- The Southern 5 branches; Suratthani, Nakhonsithammarat, Phatthalung, Satun and Phuket.

In addition, to achieve the Company’s goal which aims to be *“The best distribution channel for building materials and home furnishings of ASEAN”*, the Company is in process of stores expansion to cover all areas of Thailand ,including of distribution channel development to support the changing of life style. Currently, the Company is studying of opportunities to expand distribution channels to other countries in ASEAN.

The Company was well aware that the continuous business growth must be driven by the growth from the performance and stores expansion. Thus, the Company emphasizes on mainly responding customer needs by considering for products reviewing and services processes to customers, categories and composition of products, variety of products procurement, fair and reasonable pricing, an efficient products storage, and cost saving, including products offering for each store by considering market demands and consumer behaviors of each store to be priority.

In addition, the Company aims to continuously expand stores covering the provinces in all regions to respond the consumer needs entirely. In 2021, the company has expanded more 4 stores, by the end of the year, the company has operated total 75 stores.



1.1.2 The important change and development in the past 3 years period.



2019

On 23rd April 2019, the Annual General Meeting of Shareholders' 2019 have resolution to increase the Company's registered capital to be Baht 4,201,543,026.00 by issuing common stock of total 200,073,477 shares at the par value of Baht 1 per share for paying in common stock dividends. The company has opened more 5 operating stores i.e., Mae Sai, Satun, Phuket, Kantharalak and Krathumbean. **By the end of 2019, there were total 66 stores.**

2020

On 24th April 2020, the Annual General Meeting of Shareholders' 2020 have resolution to increase the Company's registered capital to be Baht 4,401,613,960.00 by issuing common stock of total 200,073,361 shares at the par value of Baht 1 per share for paying in common stock dividends. The company has opened more 5 operating stores i.e., Sainoi, Det-Udom, Phayao, Kuchinrai and Wiang Pa Pao. **By the end of 2020, there were total 71 stores.**



2021

On 7th April 2021, the Annual General Meeting of Shareholders' 2020 have resolution to increase the Company's registered capital to be Baht 4,601,683,147.00 by issuing common stock of total 200,073,180 shares at the par value of Baht 1 per share for paying in common stock dividends.

According to the resolution of the Board of Director's meeting No. 4/2022 has approved the resolution to establish Guangxi Global House International Trade Co., LTD, subsidiary in China for import and export the products by register to establish the company on September 29, 2021 with registered capital 3,500,000.00 renminbi or equal to 17,950,450.00 Baht by the shareholding proportion 100%

The company has opened more 4 operating stores i.e., Phayakkhaphumphisai, Kabinburi, Nongkan and Phan (Chiang Rai). By the end of 2021, there are total 75 operating stores.



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1.1.3 The proceeds from an IPO according to objectives in details as below;

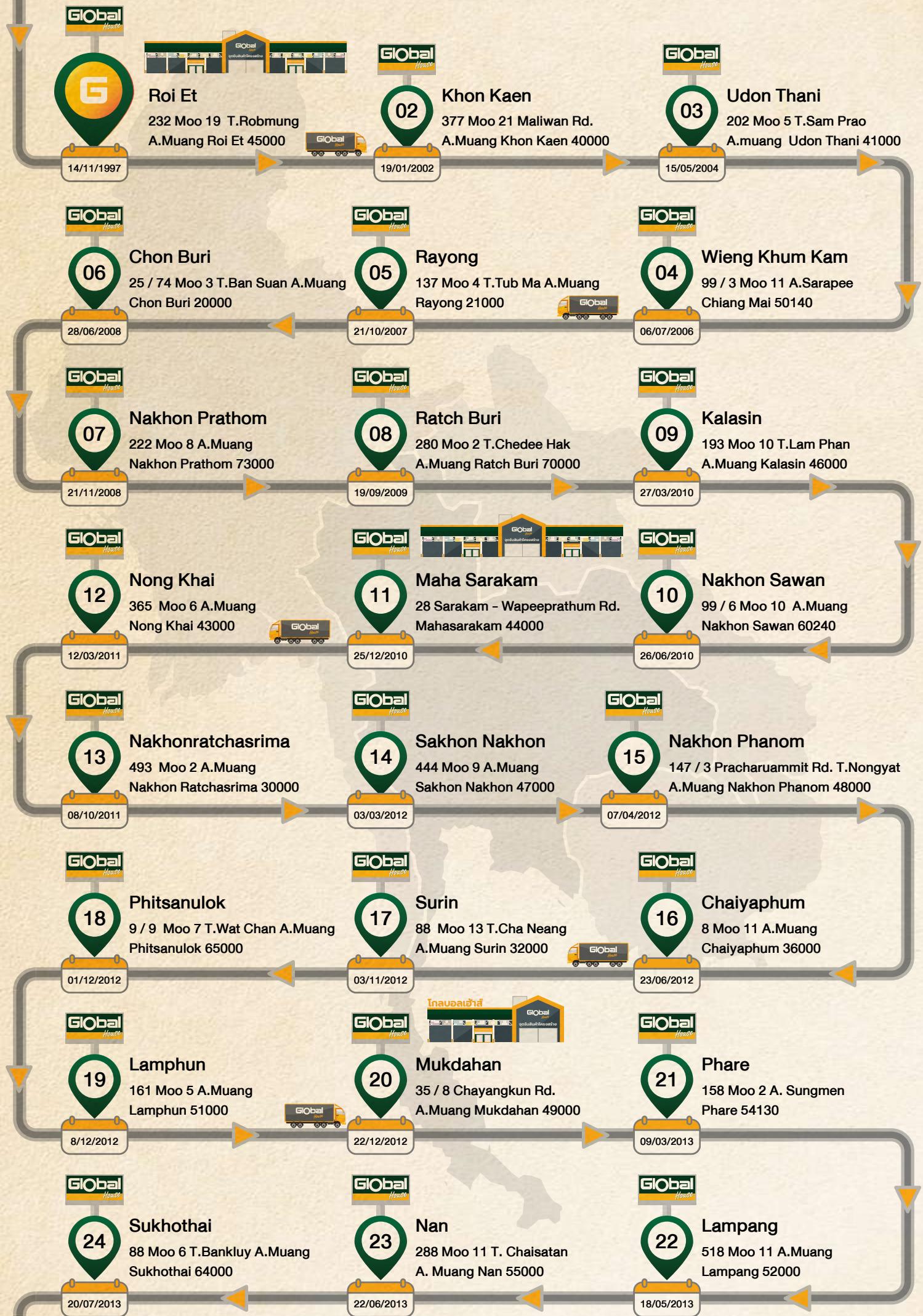
The proceed objective	Estimated Fund Amount (Million Baht)	Estimated time of the proceed	Details / Proceeding
1. For the purpose of asset purchasing or investing in related parties with current business operation	500	3 years of redemption maturity 12 th July 2021	The company issued "Siam Global House Public Company Limited" debenture No. 1 / 2018 with redemption maturity in 2021 to offer Unsubordinated and unsecured debentures in registered name form without debenture holder representative to financial institution investors by fixed interest rate 2.44% per year (Quarterly payment) which the company has already redeemed.
2. For the purpose of loans repayment or issuing debentures			
3. Used for working capital			

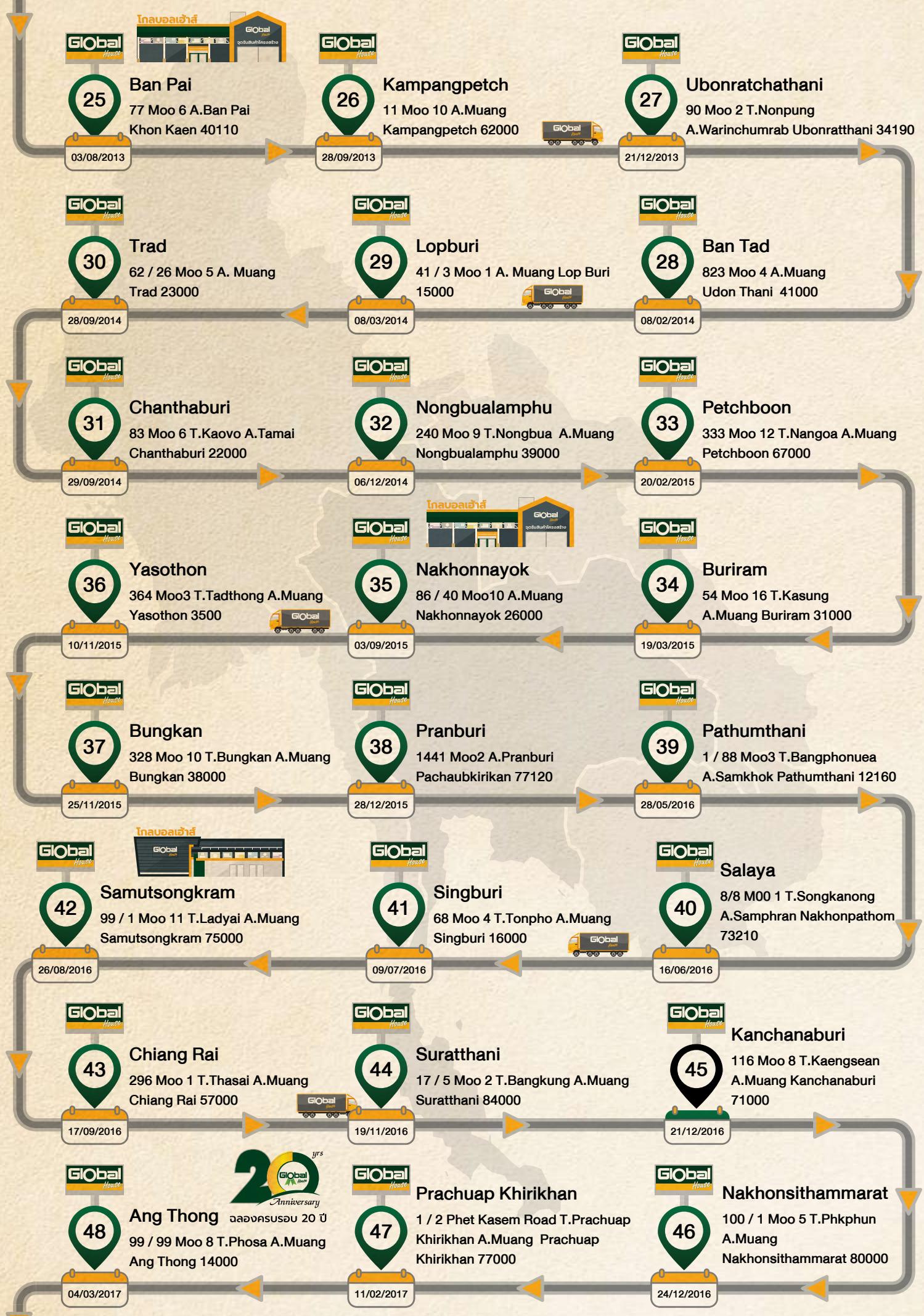
1.1.4 The company's engagement in Prospectus and/or office authorization conditions and/or conditions to be listing of securities of the Stock Exchange of Thailand.

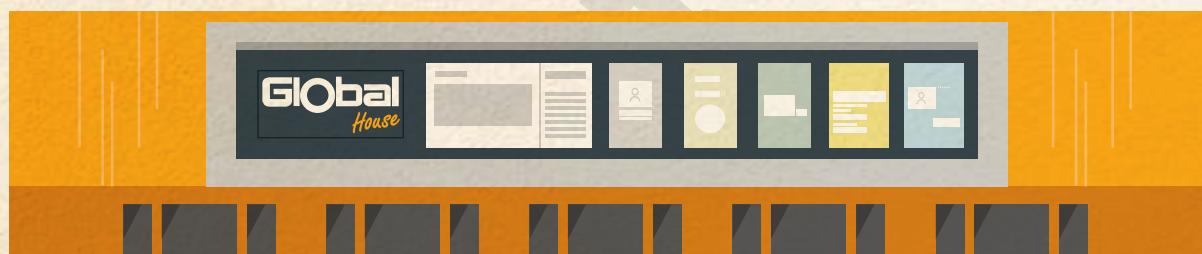
- None -

1.1.5 Company Head Office

Company's Listed Name	Siam Global House Public Company Limited
Symbol	GLOBAL
Registration No	0107551000029
Type of Business	Selling goods and providing complete range of services relating to construction, decorations, tools, office equipment, and additional improvement of buildings, houses, and other places as One Stop Shopping
Address	232 Moo 19 Rob Muang, Muang, Roi Et, Thailand 45000
Telephone	043-519-777
Fax	043-511-492, 043-519-649
Website	www.globalhouse.co.th
Registered Capital	4,601,683,147.00 Baht
Paid-up Capital	4,601,671,149.00 Baht
Par Value	1 Baht



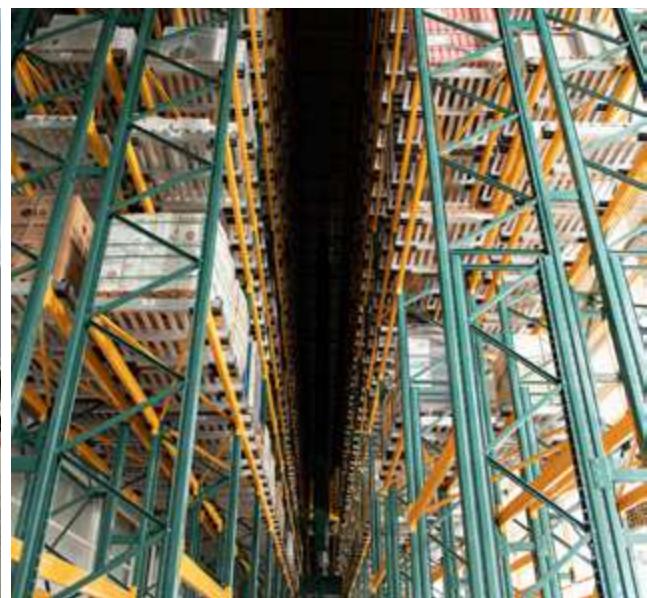






inspiration and intention to build the new thing to commercial circles of construction materials in Thailand by concept and philosophy

“ALL INCLUSIVE FOR YOU HOUSE”



Wangnoi Distribution Center

October 9, 2017 the company has opened Distribution Center which is large warehouse with area more than 100 Rai, located at Amphur Wangnoi, Pranakorn Sri Ayutthaya, to support business growth in the future.

The management

Wangnoi Distribution Center uses ASRS (Automated Storage Retrieval System) in product management which is system controlled by computer, result to increase rapidity, accuracy and reduce cost in product management efficient for all Supply Chain.

1.2 Overview of Business Operation

Business Nature of the Company

“Global House” is distribution center of construction materials, decorative items, tools and equipment used in home and garden for construction, renovation, and decoration in form of One Stop Shopping Home Center. The important target customers are house owners, self-employed group; technicians, small and medium contractors, small construction materials shop, and residential and building construction projects. All products for sale will be in the huge store warehouse under the same roof where is product storage and ready to deliver to customers immediately. The Company has divided products into 2 groups as follow;

Building Material Group	Decorative items
Cements and Construction materials	Doors, Windows and Woods
Steels, Nails and Wires	Hardware
Roofs and Installation tools	Electrical Accessories
Tanks, Pipes, Water Systems and Gardening	Sanitary wares and Kitchens Ceramic Tiles and Decorative items Paints and Chemicals Furniture and Appliances

Business Nature of Subsidiaries and Joint Venture

- **Global House Cambodia Co., Ltd (GBC)**
established on 27 February 2017. with the objective for retailing construction materials and home decor products in Cambodia by Global House holds 55% shares of GBC.
- **Guangxi Global House International Trade Co., Ltd.**
Established on September 29th, 2021 with the objective for import and export products in China by the shareholding proportion 100%
- **Global House International Co., Ltd. (GBI)**
Global House International Co., Ltd.(“GBI”) is a joint venture and established on 25 February 2015 from collaboration between Global House Public Company Limited and SCG Distribution Co., Ltd. in the proportion of 50:50. The main objective is Holding Company for investment in retailing of construction materials and home décor products in ASEAN. The investment of GBI will focus on shareholding and taking a part in management with local partners in each country to rely on the knowledge and expertise in business management of GBI collaborated with proficiency in area of local partners. Presently, GBI has invested in the Lao People’s Democratic Republic by holding shares 34% of Souvanny Home Center Public Company, Republic of the Union of Myanmar by holding shares 30.33% of Pro-1 Global Co., Ltd and Republic of the Union of Indonesia by holding shares 22% of Caturkarda Depo Bangunan Tbk Co., Ltd

1.2.1 Revenue Structure

The revenues of the Company and subsidiaries are comprised of sales revenues and other revenues, with the detail as follows;

Revenue Structure	Revenue (Unit : Million Baht)					
	31 December 2021		31 December 2020		31 December 2019	
	Amount	%	Amount	%	Amount	%
1. Sale revenue	33,010.21	96.76	26,207.95	95.81	27,482.16	96.01
1.1 Building Material Products	16,286.41	47.74	10,713.21	39.17	10,439.47	36.47
1.2 Decorative Products	16,723.80	49.02	15,494.74	56.64	17,042.69	59.54
2. Other Revenue	610.61	1.79	544.70	1.99	538.16	1.88
3. Subsidiary Revenue	495.29	1.45	601.24	2.20	604.10	2.11
Total Revenue	34,116.11	100.00	27,353.89	100.00	28,624.42	100.00

Remark : Other revenue is the revenue from service, rental, other interest revenue, gain and loss from foreign exchange, Gain and loss from disposal of assets, revenue from sale promotion.

1.2.2 Product Information

(1) Product description, services and business innovation developments

Product Lines

Type of Goods	Example of Goods	Number of item
1. Building Material Group		
Cement and Structure	Cement Portland, Cement Plaster	805
Steel, Tack and Wire	Steel Round, Steel Deformed bars	4,227
Tile and Equipment Installation	Ceramic Tile, Concrete Tile	12,733
Tank, Waterspout, Water System and Gardening	Plastics Tank and Stainless Tank, Trough and Gardening Equipment	21,051
2. Hardware and Decorative Group		
Doors, Windows, Woods and Equipment	Wood doors, PVC doors, Windows, Frame	18,808
Tools	Steels Tools, Wood tools etc.	46,420
Electricity and Equipment	Switch, Plug, Cables, Lighting	36,162
Electrical Appliances and Kitchenware	Home Appliances and Kitchenware	30,374
Sanitary ware, bath and kitchen	Sanitary ware, Bathtub	30,354
Ceramic, Floor material and wall	Ceramic flooring, Granites tiles	27,711
Painting and Chemical material	Paints, Base, Oil	17,626
Furniture and Home Decoration Products	Bed, Wardrobe, Chairs, Mattress, Sofa, Office equipments	18,465
Sport and Leisure Equipment	Bicycle, Exercise Bike, Treadmill, Fitness Equipments	2,295
Home and Clearing equipment	Sideboard, Shelves, Home Equipments, Cleaning Equipments	7,252
Outlet & Living	Home Decoration and products, Office Equipment, Recreation, Skill Development Toys for Children, Vehicle Care Products, Coffee Shops	6,778
Total	281,061 Items	

From our concept “All Inclusive for your House”, Global provided the categories of product more than 280,000SKUs. As a result of this, the company adopted “the modern trade Innovation system” to establish large warehouse store. Furthermore, we have divided our store into 2 sections;

Area 1 : Shopping Area. This is the place where the customers are able to walk and view the product freely with plenty of service mind staffs who are ready to help and support the customers with the right knowledge immediately.

Area 2 : Drive Through Area This is the place where distributes construction material. We prepare many facilities such as forklifts and overhead cranes for customer service. Moreover, in the concept of Drive Through system, customers can drive their vehicles through the store to collect their order, from placing order and driving off the store with the product, all within 10 minutes.

Services

Global House adheres philosophy of products distribution and giving services under quality policy 5 points as :

Fast	Facilitation for the speed of service.
Right	Distribution of quality products and accuracy and reliable service.
Cheap	Selling goods at a fair and affordable price.
Easy	Friendly services, employees with the ability to provide good advice to customers, product placement for convenient browsing and buying, along with delivery service.
Polite	Providing customers with polite, mannered and professional service along with respect.

Special Order

The Company gives Special Order Service in the event that customers require non-stock items.

Change & Return Policy

The Company accepts to change and return on products in case that customers are dissatisfied in those products or any defects or damages on products causing from production with the return condition within 30 days after the receipt. To be eligible for a return, products must be unused and same condition in the original packaging, together with an original receipt, then the Company will consider and refund in cash immediately

Installation Service

The Company provides installation service to support our products with the installation warranty for 180 days by specialist. Furthermore, provides “Lady Service” for electrical appliances installation service and home renovation especially for lady customers.

Research and Development Policy

The company has its intention to respond the changed consumer needs along with support the change both economic, social and environmental aspects through research and development for products and services including business opportunity. The objective for strengthening competitive advantage of the company in long term. In 2021, the company has innovation development project as follow;

- 1) **Shopping Online Development & Improvement on Click & Collect Project** To increase distribution channels and increase facility in product purchasing including various payment channels to respond lifestyle of new generations.
- 2) **Self - Check Out Point Improvement Project** To increase store efficiency and improve experience in services to be better, Self-Check Out System has taken to use in all stores of Global House
- 3) **Connection System with Bank Agent “Bank of Ayudhya” Development Project** Financial Transaction Service through Bank Agent to increase facility for customers to deposit-withdraw cash into Bank of Ayudhya account.
- 4) **Automated Storage & Retrieval System (ASRS) Development Project** To warehouse, to maximize benefit from using space in vertical by increasing goods shelves in vertical for more product storage. Moreover, to recognize the storage position and check the product status correctly and accurately by the management system on computer system.

Expenses details for innovation research and development

(Unit : million baht)

	2019	2020	2021
Innovation research and development expenses	24.25	26.37	27.03

(2) Marketing and Competition

Product Marketing Policy

The company has important strategies for product marketing by differentiation strategies as below;

- 1) Product Differentiation** The company purchases and distributes completely construction equipment, home decorative items and gardening products both in form of materials and finished good. by focusing on customer's requirements and also selling special products that are non-stock in other shops.
- 2) Service Differentiation** The company arranges its stores in Modern trade style to shows all products for customer's viewing, touching and selection, included installation services, renovation or decoration services, special order products, and giving consults by the company's specialist (Global Pro). Furthermore, the company also emphasizes on customer's convenience since parking until leaving from the store, Plus, there are Drive through service which allows customers to purchase products behind the building store without leaving their cars. In addition, the company has satisfaction guarantee, offering customers a full refund and products can be returned or replaced within 30 days if customers are not satisfied.
- 3) Personal Differentiation** The company's employees always say greetings to customers to build familiarity and to feel that employees are always ready to serve. So that, employees also build impression to customers with their good product knowledge included fast service with quality and being full of service mind and Entrepreneur Spirit. In addition, customers are able to walk and view the product freely, the staff will be giving details or suggestions only when customers need.
- 4) Image Differentiation** The corporate image is Large Home Center where differs from other competitors in construction materials industry both internal and external atmosphere. The shopping area, building style and goods shelves also impresses customers and feel free to select products by themselves with their satisfaction.

Anyhow, all strategies mentioned above have objective to develop excellence for Global House according to guidelines 2P3S as below;



Besides of differentiation strategies, the company has planned marketing strategies according to the principle 4Ps as below;

Product and Service Strategies

The company provides products as much as possible for each category. Currently, there are more than 280,000 items which helps to build exciting selection of products to customers and completely respond customer's needs.

Besides of Product Strategy, the company place an importance in service strategy for customer's convenience by developing and providing facility and build customers satisfaction as below;

- 1) Designing Drive Through system, customers can drive their vehicles through the store to collect their order, since placing order, payment and receipt transaction until driving off the store with the product, all within 10 minutes.
- 2) Transferring goods to the transportation vehicles will be managed by Crane system. By each store, there are not less than 5 cranes and not less than 4 forklifts for product placement on each category for the purpose of rapidity and comfortable services to customers.
- 3) Providing tile display system by model from the system using in Logistics which can quickly search the tile design that customers need within 1 minute, which is regarded as the fastest in Thailand. Besides, the company keeps stock of tiles equal to space more than 200,000 square meters per store.
- 4) The company has always adjusted goods shelves which helps to monitor the goods on shelves result in very low loss rate or defect only 0.1% – 0.3%.
- 5) Delivery Service to the customer

Price Strategies

The company has different pricing policy following the kinds of product by competitive pricing for products with quick inventory turnover, popular products in the market, in order to increase and maintain market share. And pricing aims for profit goals for products with slow inventory turnover or new products in the market.

Place Strategies

The company emphasizes on location in the convenient transportation area and near to the residential community, which will be the important target customer group. Building design is similar to the warehouse as single-stores building in an open and airy spaces for goods shelves and easy to find. By focusing on visual merchandising by creating an attractive product display, establishing an efficient goods transfer system with fastness and convenience. and also emphasizing on building the Modern image and leadership in product distribution.

In the year 2016, the company has invested to install ASRS (Automated Storage & Retrieval System) which helps to manage the warehouse to be more efficient by increasing the rapidity and accuracy in product receiving and storage, reducing working time, reducing labor for transporting items into and out of inventory, space savings for storage and transferring, increasing storage capacity, increasing efficiency of warehouse management included reducing size of land space using for store construction. By the way, the company installed ASRS for the Distribution Center and operated stores in the year 2016 onwards. By the end of 2021, there are total ASRS operated 39 stores

Promotion Strategies

The company has different promotion policy according to the kind of product by sale promotion and selling products in competitive price for the wholesale market and general products in target market and selling products in medium price for rare items.

Besides, the company set the marketing plan along with target for each Segmentation in order to build overall market share increasing efficiently in competition. Which is expert in mostly in particular kind of products as below;

- **Advertisement** with the purpose for Awareness and Perception of the name “Global House” in aspect of distribution, style, location, products, office hours including building brand image that’s Large Home Center in where has the most variety of products and selling in reasonable price with mind service staffs. By using many medias such as local radio, advertising sign, brochure, point of purchase display, direct mail and telephone directory, i.e.
- **Sale Promotion** with the purpose for Awareness, Creditability and Avoidance of Clutter, Lead Generation, Image Building and Reduce Advertising Cost. Target group is customers, mass media, financial institutions, association groups, and retail shops in the country. The activity style consists of publishing a statement of store opening, giving information to mass medias such as business newspaper, local newspaper including public relations department of the partners and organizing the opening ceremony, give supports to the community’s activities, offering scholarships to students in local schools around the company, etc.



Target Customer Group

Customer group of the company has divided into 5 groups by details as below;

- Retail customers group is general minor customers as homeowners, minor technicians who buy product for their own usage (End - User).
- Small Retail shop group is small construction materials shop who buy product for resale in theirs shop.
- Contractor group is the customer group who buy product for using in construction, subcontract to extension and decoration for their customers
- Contractors group is customers group who buy product for using in construction, subcontract to renovation and decoration for their customers.
- Corporate Customer group is customer group who is both government and private sectors.

For higher trend in sale mostly from retail customers who are homeowners, technicians and small/medium contractors.

Marketing Crisis & Competitive

Retail Business in construction materials and home decor products tend to be high-growth in the future as a result of the progress of Mega Project by the government as it was continuously constructed since in the past such as the High-Speed Rail Linked 3 Airport Project, Project Investment Progress of Laem Chabang Port Phase 3, U-Tapao International Airport and Eastern Airport Project (Phase 1), the 3rd Runway Construction for Suvarnabhumi Airport Expansion Project. In addition, there are auctions and constructions of many new Mega Projects, for instance; the double track railway expansion project, High speed rails project, Airport expansion project, and road projects, etc. The aforesaid activities affect to living and lifestyle of people to having continuous development and expansion of community although Thai economy was affected by Covid-19 pandemic in second half of the year 2021 result to sales value doesn't meet the target. Nevertheless, the Company has continuously prepared and adjusted the operation strategy to deal with the situation happened by selecting products which respond customer's New Normal lifestyle to be in accord with customer behavior changed such as products for responding New Normal, Health promotion product group, etc.

In 2021, the Company has realized to the importance in products presentation through Omni Channel whether it be buying products at stores or shopping online more through social media, Website, as well as development and investment in many systems such as; Click & Collect online shopping system Development and Bank Agent Connection System Development for Bank-deposit-and-withdrawal-service of Bank of Ayudhya on sale counter in all stores for increasing customers convenience to buy and use service from home or anywhere. And for increasing customers convenience to buy and use service at stores, the Company has developed Self-Check Out point for customers to pay by themselves, Click & Collect Application Cabinet which is available for 24 hours to pick-up products, Drive-up service during Covid-19 pandemic situation that allows customers to pick-up products without leaving their cars, as well as developing ASRS for increasing the operating efficiency of the company for product storage, following up the products position and checking product status correctly and accurately.

Competitors

Competitors group in construction materials and home decoration industry are divided into the following groups;

(1) Home Center Business Group, for example :

- Home Pro manages by Home Product Center Public Company Limited, operate a retailing business to distribute and give service about construction, renovation, decoration, reparation for Home and residential building under the concept "One Stop Shopping Home Center". Home Pro currently has total 88 stores operated and 9 stores of Home Pro S.
- Thai Watsadu manages by CRC Thai Watsadu Co Ltd., distributes construction materials for completely home and residential reparation and decoration under the unique selling point "All about Home Improvement at Reasonable Prices at Thai Watsadu", which has opened first store in 2010 and now operated total 60 stores.
- Home HUB manages by Mr. Ongat Tangmitpracha., distributes construction materials, and home décor under slogan "Home Hub Fast and Easy". Home Hub currently has total 5 stores operated where are located in Ubon-Ratchathani of 3 stores, and of 2 stores in Khon Kaen and Udonthani.
- Do Home manages by Ubonwatsadu Co Ltd., distributes construction materials, home décor products under concept "Complete, Cheap and Good at...DOHOME". Do Home currently has total 16 stores operated and 7 stores of Do Home to Go.
- MEGA HOME manages by Mega Home Center Co., Ltd, the building materials and appliances distribution center. The major shareholder is Home Product Center Public Company Limited, which opened in 2013 and operated currently total 14 stores.
- Baan & BEYOND manages by CRC Thai Watsadu Co.,Ltd., affiliated to Central Retail Corporation Public Company Limited, department store for home which opened in 2013 and operated currently total 7 stores.

(2) Specialty Store Group, for example :

- Small Retailers who distribute only construction materials, for example; Cement Thai Home Mart, which focus on distribution of SCG Group products but still lack of other products such as ceramic tile, paint, electrical equipment and pumping.

- Ceramic and Sanitary ware Group: Sukapan Center, Boonthavorn, Décor Mart, Grand Home Mart, Inter Sanitary Ceramic, which focus on ceramic and sanitary ware products.
- Furniture and Home décor products: Index Living Mall, S.B. Furniture, and IKEA, which operate retail business for Home decorative items, furniture, bed room set, living room set and kitchen wares. Target customers are high purchasing power customers.
- Electric Appliances: Power Buy: electric appliances retailer affiliated to Central Retail Corporation, and Power Mall: retailer affiliated to The Mall Group.
- Specialty Stores: such as paint store, pumping store, electrical equipment store, hardware store etc. These stores are still lack of diversity of product and also display in traditional trade style.

(3) Procurement and management

Procurement

The Company's procurement is managed and operated by our experienced team of buyers, merchandising department, located in Roi Et head office. The department always searches for new products by following the guidelines below :

- 1) The manufacturer offered the products to the Company.
- 2) Products management and Purchasing Department are sourcing new products from the manufacturers both domestic and abroad by examining the products and appointment to visit the factories before making decision to choose products for sell.
- 3) Products management and Purchasing Department study the market and customer's needs in order to keep information to provide the products in according with customer's needs.

Source of product

The company distributes construction materials, equipment, home decorative products from the manufacturers, Brand agents. All products in the warehouse store are divided into 2 parts, purchasing domestic products about 76% and importing products from aboard about 24% of all purchasing the details are as follows:

- 1) Local manufacturers divided by the product line, presently, the Company have many of suppliers who are our business partners for more than 500 suppliers. We have always supported each other and collaborated in advertising, public relation, sale promotion as well as new stores grand opening event.
- 2) Foreign manufacturers from China and Vietnam totaling more than 100 suppliers. The import products are granite tiles, glass brick, spa bathtub, shower curtain, plywood, door, window, hardware, knob, lamp, cleaning equipment, electric appliances, kitchen ware, gardening tools and equipment, and office furniture, etc.

(4) Asset for business Operation

Detail is shown in Attachment 4 Assets Used in Operations

The important intangible Assets for business operation

As at 31 December 2019, 2020, 2021, the company has intangible assets equal to Baht 15,388,018.00, Baht 11,527,515.00 and Baht 7,467,516.00 respectively. The intangible assets mentioned, that is Computer program and trademark which sum up to be a part of main assets for business operation and land unused for operations as mentioned above.

HOUSE BRAND

The Company currently has house brands products over 10,000 items. We are providing more alternatives for customer. Global house has registered house brands of good quality product and reasonable price. With the efforts of our Procurement team, we could provide longer guarantee service and low-cost products that could make the company become the leading player in the industry.

HOUSE BRAND

Knob, Hinge and Door Accesories



Kitchen Ware



Hardware and Tools



Furniture



Ceramic



Roof



Chemical



HOUSE BRAND

Electric Appliance



Sanitary Ware



Door, Window and Floor



Cleaning



Home and Garden



Construction Material



The Vehicle



Fitness Equipment



(5) High Value Project which Taking Time to Completed that Has Not Been Yet Done

- None -

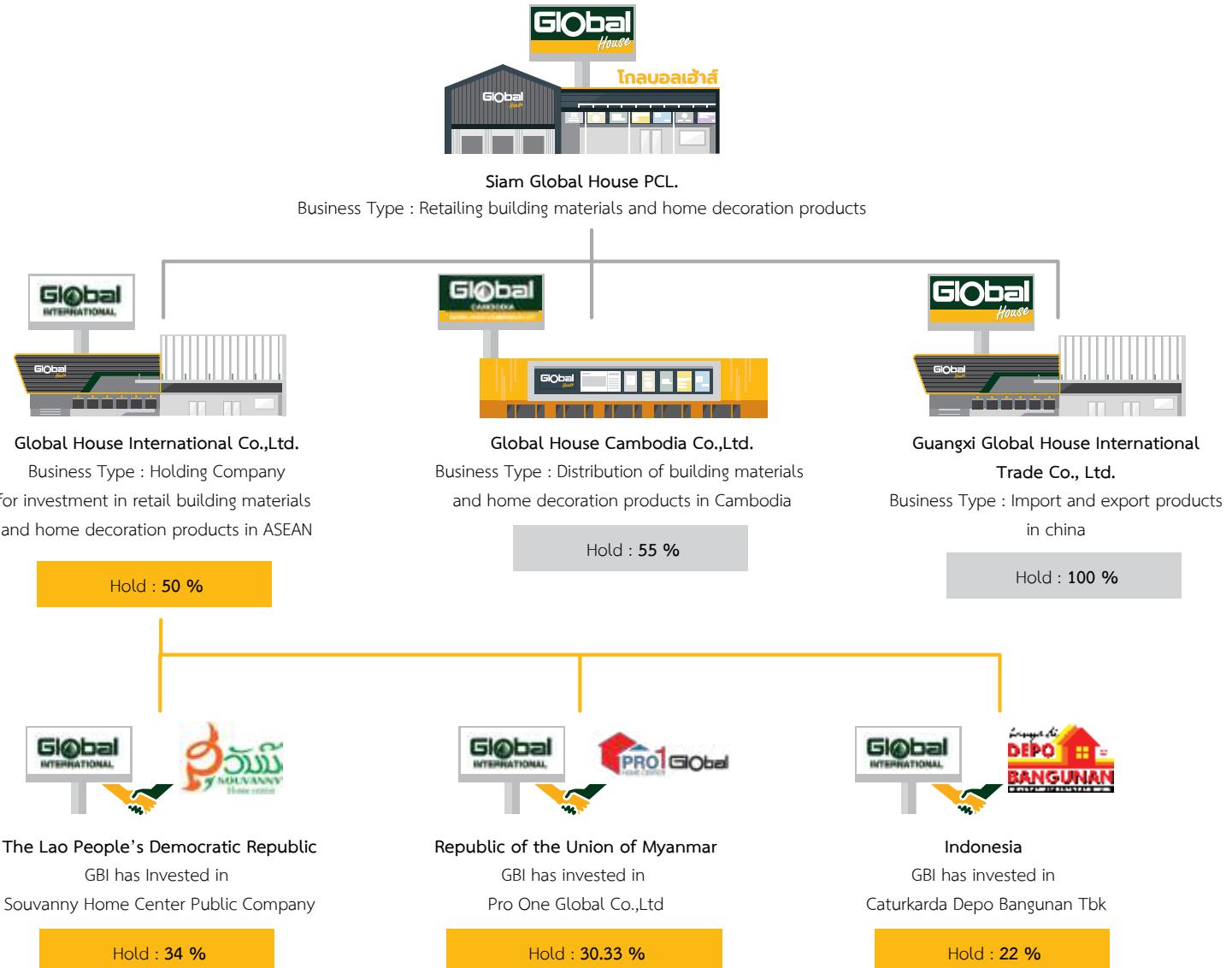


ALL
EXCLUSIVE
FOR
YOU HOUSE



1.3 Company's Business Structure

1.3.1 The Structure of Business Group as 31 December 2021



Subsidiary details

Company's name	Business type	Location	Proportion of shareholding	Paid-up Capital
Global House Cambodia Co., Ltd.	Distribution of building materials and home decoration Product in Cambodia	5881, Street 1992, Bayab Village, Sangkat Phnom Penh Thmey, Khan Sen Sok, Phnom Penh, Kingdom of Cambodia	55%	US\$ 16,000,000
Guangxi Global House International Trade Co., Ltd.	Import and Export products in China	Room 203-83 Fioor2, Building B2, No.27, Jinlong Road Nanning District, China (Guangxi) Pilot Free Trade Zone	100%	RMB 3,500,000

Joint Venture details

Company's name	Business type	Location	Proportion of shareholding	Paid-up Capital
Global House International Co. Ltd (GBI)	Holding company for investment in retail building materials and home decoration product in ASEAN	No.1, Siam Cement Road, Bangsue district, Bangkok 10800	50%	2,685,600,000 baht

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

- None -

1.3.3 Relationship with major shareholders' businesses

- None -

1.3.4 Shareholders

Major shareholder

The top ten of the company's shareholders on the closing date as of December 31, 2021, are comprise of ;

Rank	Name	Shares	Percentage (%)
1	The Suriyawanakuls	1,638,936,542	35.62
2	SCG Distribution Company Limited	1,484,767,080	32.27
3	Thai NVDR Company Limited	146,915,853	3.19
4	Social Security Office	109,266,522	2.37
5	MORGAN STANLEY & CO. INTERNATIONAL PLC	96,082,249	2.09
6	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	50,131,912	1.09
7	Mr. Boonyong Thanyawut	49,354,431	1.07
8	Mrs. Pitchaya Poonlarp	40,104,200	0.87
9	K20SLTF (Select Long Term Equity Fund)	30,923,400	0.67
10	Mr. Jearanai Lerdachkut	23,083,145	0.50
11	Other	932,105,815	20.26
Total		4,601,671,149	100.00

Remark : Details of the Suriyawanakuls as following table.

List of the “Suriyawanakuls”

Rank		Name	Shares	Percentage (%)
1	Ms.	Kunnatee	Suriyawanakul	520,934,637
2	Mr.	Kriengkrai	Suriyawanakul	512,666,699
3	Mr.	Kokrit	Suriyawanakul	178,294,921
4	Mr.	Kongphop	Suriyawanakul	170,313,584
5	Ms.	Chama	Suriyawanakul	169,161,079
6	Mr.	Witoon	Suriyawanakul	26,304,807
7	Mrs.	Warunee	Suriyawanakul	20,798,585
8	Mrs.	Ratnawadee	Suriyawanakul	20,081,864
9	Mr.	Anavat	Suriyawanakul	5,995,899
10	Ms.	Patumwan	Suriyawanakul	5,953,508
11	Mrs.	Karuna	Suriyawanakul	2,465,308
12	Mr.	Wiboon	Suriyawanakul	2,260,162
13	Mr.	Apilas	Suriyawanakul	1,736,136
14	Mr.	Pongsak	Suriyawanakul	608,984
15	Mrs	Juangjira	Suriyawanakul	400,000
16	Mr.	Pichit	Suriyawanakul	295,448
17	Mr.	Adisak	Suriyawanakul	287,008
18	Mr.	Pongkorn	Suriyawanakul	183,428
19	Ms.	Nipapun	Suriyawanakul	78,312
20	Mrs.	Pawika	Suriyawanakul	41,934
21	Mr.	Jakapong	Suriyawanakul	33,971
22	Mr.	Jarupol	Suriyawanakul	17,665
23	Mr.	Pongchai	Suriyawanakul	17,000
24	Mr.	Wittaya	Suriyawanakul	5,558
25	Mr.	Yutthana	Suriyawanakul	45
Total			1,638,936,542	35.62

Details of shareholding of the Board of Directors and Top Executives as at 31 December 2021.

	Name	Position	A number of shareholdings		
			31 Dec 2021	31 Dec 2020	Increase/ (Decrease)
1.	Mr. Apisit Rujikeatkamjorn	Chairman	-	-	-
2.	Mr. Pairoj Juarprathoom	Director / Independent Director / Chairman of Audit & Risk Management Committee	-	-	-
3.	Dr. Boonchai Pitugdamrongkija	Director / Independent Director / Audit & Risk Management Committee	-	-	-
4.	Pol.Gen. Kawee Supanun	Director / Independent Director / Chairman of Nomination & Remuneration Committee	-	-	-
5.	Dr. Vongsak Swasdipanich	Director / Independent Director / Audit & Risk Management Committee / Nomination & Remuneration Committee	-	-	-
6.	Mr. Witoon Suriyawanakul	Director / Chairman of the Executive Committee / Nomination & Remuneration Committee	26,304,807	25,161,120	1,143,687
7.	Mr. Kriangkai Suriyawanakul Spouse and minor children	Director / Executive Director	512,666,699 41,934	490,376,843 40,112	22,289,856 1,822
8.	Mr. Nithi Patarachoke	Director / Executive Director	-	-	-
9.	Mr. Paramate Nisagornsen	Director	-	-	-
10.	Mr. Bunn Kasemsup	Director	-	-	-
11.	Mrs. Warunee Suriyawanakul	Vice - CEO / Executive Director	20,798,585	19,894,299	904,286
12.	Mr. Anavat Suriyawanakul Spouse and minor children	Vice - CEO / Executive Director	5,995,899 198,376,785	5,643,904 189,943,012	351,995 8,433,773
13.	Mr. Yutthana Suriyawanakul	Vice-CEO / Executive Director	45	1,709,635	(1,709,590)
14.	Ms. Chutikan Srisaengchan	Vice-CEO / Executive Director	1,158,388	1,108,024	50,364
15.	Mr. Piphop Vasanaarchasakul	Vice - CEO	-	-	-
16.	Mr. Isara Rujikeatkamiorn	Vice - CEO	9,701,755	9,279,940	421,815
17.	Mr. Khemchat Sungkakam	Vice - CEO	141	135	6
18.	Mr. Pongkorn Suriyawanakul	Assistant - CEO	183,428	324,453	(141,025)
19.	Mr. Tahpanat Asawachchulamanee Spouse and minor children	Assistant - CEO	150 17	144 17	6 0
20.	Ms. Wiphawee Hongsamspjed	Assistant - Vice CEO	264	253	11

Remark : The numbers of shares that increase in 2021 mostly from the stock dividend payment.

Agreement between major shareholders in regard to impact to business operation

- None-

1.4 The Company Registered capital and Paid-Up Capital

1.4.1 Registered capital and Paid-Up Capital

As at 31 December, 2021, the Company has the registered capital of 4,601,683,147.00 Baht and the paid-up capital amount 4,601,671,149.00 Baht. The Company has divided into common stock of 4,601,671,149 Shares par values at 1 Baht per share.

1.4.2 Other stocks which have right or condition different from common stock

- None -

1.4.3 Number of shares and number of shares supporting convertible securities

- None -

1.5 Other Securities

The company issued debentures "Siam global house Public Company Limited" No. 1 / 2018 and maturity date in 2021 for offering to financial institution investors in amount 500,000-unit, value Baht 1,000 per unit, total value Baht 500 million by details as follows;

Type	Issued value (Million Baht)	Issuance Date	Interest rate (%)	Maturity Date
Unsubordinated and unsecured debentures without a debenture holders' representative	500	20 June 2018	Fixed Rate 2.44 % (Interest payment are made every 3 months)	12 July 2021 (3 Year term)

1.6 Dividend Policy

1. Dividend Policy of Siam Global House Public Company Limited

The Company has the policy of dividend payment to shareholders not less than 30% of the net profit for each year after deducting the legal reserves in all types as stipulated in articles of association and laws. If there is no any other necessity event to use such dividend and no significant impacts to the Company's operation from the dividend payment.

The dividend payment for the year 2019 - 2020

	2561	2562	2563
Earnings per share (Baht : Share)	0.5008	0.4853	0.4336
Dividend per share (Baht : Share)	0.2556	0.2529	0.2305
Proportion of dividends payment of net profit (%)	53.71	52.12	53.16

Remark : The earning per share above is basic earnings per share which based on the financial statements of each year, that did not adjust the number of shares of previous years due to increasing of capital for stocks dividend payment.

2. Dividend Policy of Subsidiaries

For Subsidiaries, there are no fixed dividend policy but the consideration will be case by case.

2. Risk Management

The Company emphasizes on the Enterprise Risk Management according to the good corporate governance and believe that risk management is one of strategy which helps the company to achieve the business operation's objective and sustainable growth. Furthermore, business operation presently is always change whether causing from external factors or internal factors which may result to achievement of corporate objectives.

2.1 Policy and Risk Management Plan

The company stipulates the policy and Risk management plan to emphasize on building strong risk management, systematically risk management process. In order to manage risk efficiently and overall, set the acceptable level of risk with risk management process as follows;

- **Determining risk management Policy:** imposing the scope, responsibilities, risk management guidelines in accordance with the strategy and corporate objectives.
- **Risk Identification:** may influence to achieve the business objectives by considering from internal factors and external factors related to the company to cover strategic risks, operational risks, financial risks, legal and regulatory risks and emerging risks.
- **Risk Assessment:** the process of risk assessment according to the principle about probability of occurrence and effects to achieve the corporate **objectives** in order to prioritize risks and identify those risks management method
- **Risk Management:** determining the risk management plan which is important to reduce the probability of occurrence and effects or damages which may arise by managing the risk to be acceptable level.
- **Follow up and Review :** follow up the result of risk management according to the plan including assess the risk management result to ensure that the risk of the company was managed properly. The management will follow up and report to the audit and risk management committee and board of Directors.

2.2 Risk factor to the business operations.

The company analyzes and evaluates the risks, which have effect to the business operation, consisting of strategic risk, operational risk, financial risk, legal and regulatory risks, and emerging risks. In year 2021, there are risk factors and risk management as follows ;

2.2.1 Risk to the business operations

1. Strategic Risks

1) Risk from domestic business expansion investment

The company has policy of stores expansion to cover all over the country. In 2021, the company has expanded more 4 domestic stores, there are total 75 stores. Plus 4 stores are under construction by each store needs investment fund around 300-400 million baht. From continuous stores expansion policy, the company may have risks if the operating result of new stores are not meet the target and affect to overview performance, which may arise from uncontrollable factors, such as Thai economic crisis, world economic crisis, political changes, consumer behavior changes, climate changes, Covid-19 epidemic outbreak, etc.

The company's risk management

The company managed risks from domestic investment expansion by doing Feasibility study and analysis before investment in stores expansion, considering the economic potential of each region appropriately and conform with the company business. Including consumer behavior survey and demand survey of construction materials and decoration products of target customer group in those regions. This helps the company to deal with the risks that may arise. Besides, the company have an advantage of expertise in business from over 20 years of business experience, construction cost for stores expansion both in part of land providing and construction cost expenses with competitive advantage. The aforesaid factors help to reduce risks from investment expansion of the company.

2) Risk from Foreign business expansion investment

The company has expanded investment to aboard by focusing on investment in ASEAN Economics Community which has already operated in Laos, Myanmar and Cambodia and has planned to continuous expand its stores in aboard. This may lead to risks if the operating result of new stores are not meet the target or have loss which result to the financial position and the company's overall performance.

The company's risk management

The company managed such risks relating to foreign investments by doing feasibility analysis and market research and analyzing the return on investment before making an investment decision. The company has considered 2 types of investment, (1) joint Venture on behalf of Global house International Co., Ltd, which is cooperated between the company and SCG Distribution Co., Ltd in proportion of 50:50, under the main objective to be holding Company for investment in construction materials retail business and has invested in Laos and Myanmar and (2) Subsidiaries in Cambodia on behalf of Global House (Cambodia) Co., Ltd, both 2 types of investment emphasize on investment with local partners of each country to rely on their expertise area of local partners, which helps to reduce risks from foreign business expansion investment of the company.

3) Risk from Industry competition

Retail business of building materials and home décor products in overview still has high growth potential and highly competitive, which has led to the big wholesalers and retailers expand their stores or continuous increase their agents to areas where are near the communities, business district and department stores in Bangkok and other regions to cover more market. Consequently, the company may get effects regarding market share from sale revenues that may not achieve the goal as expected, and it could affect to the company's profitability rate from the price competition.

The company's risk management

The company has planned to deal with those competitions by focusing on building differentiation strategy and product variation more than 280,000 items, lead to customers find products completely which are necessary for construction or decoration. In addition, providing home service covered to installation and maintenance for electric appliances, sanitary wares, water pumps, gutters, etc.

Furthermore, the company develop distribution channels and online service to comply with Digital technology and consumer behavior changes, including marketing channels, public relations, and listening customer's complaints and suggestions in order to improve operation to be more efficient which help to decrease the competition risk for the Company.

2. Operational Risks

1) Risk from inventory investment

AS at 31st December 2019, 31st December 2020, and 31st December 2021, the Company had inventory of 15,602.53 million Baht, 14,287.20 million Baht, and 16,185.62 million Baht respectively, or in percentage of total asset are 43.36%, 39.66% and 41.21 %. Referring to differentiation strategy and product variation policy causing the company has product varieties more than 280,000 items, from this highly number of products resulting to the company has risk for obsolescence of products which impact to decreasing of sales volume or lost, becoming sunk cost including other damages which may affect to the business liquidity of the operations.

The company's risk management

The company manages such risks by determining operation strategy for releasing inventory stock, that is sales promotion campaigns, developing online marketing on E-commerce channel, product screening to suitable match with customers for each region, improving service quality and memorandum of product return or exchange with suppliers. The reason for inventory turnover which helps to reduce inventory management cost and sunk cost problem.

Besides, the company has distribution center at "Wangnoi" district, Ayutthaya province where is good location, convenient transportation, able to distribute the products to other regions for all over the country on time. In addition, the company installed the "Automated Storage & Retrieval System: ASRS" for distribution center and all stores of the company that operated in the year 2016. ASRS will help the warehouse management system to be more efficient and able to control inventory quantity by connecting IT system with the management system of the company. That reduces the probability of damage occurrence and the inventory risk of the company. Moreover, the Company also has a policy to install an Automated Storage & Retrieval System for covering all branches completely in order to improve overview of operational efficiency.

2) Risk from product providing

According to differentiation strategy and product variation policy, the company need to provide the quality product which respond variety of customer needs for both quantity and price, including global price fluctuations for some products such as metals and electronics group. Therefore, the company may have risk from product providing to enough for quantity and price demand which may affect to the operation of the company.

The company's risk management

The company has policy for product providing both domestic and overseas from the manufacturers or distribution agents. Plus, the company is trade partner with the Siam Cement Public Company Limited who has its alliances for variety of products manufacturers. Besides, in the past years, the company has established a subsidiary company in China named Guangxi Global House International Trade Co., Ltd with the objective for product providing from China. This help to reduce the risk from product providing of the company.

3) Risk from human resource management

The company has planned to continuous expand its stores both domestic and overseas. Each store needs operational staffs around 150-200 persons, so the company need to manage employees properly even through the sufficient quantity, knowledge and ability to be in line with stores expansion plan for efficiency in operation and competitiveness both domestic and overseas market

The company's risk management

The company stipulates the recruitment strategy both internal and external by giving a chance for existing employees who intent to move back to their hometown for internal and focusing on local personal recruitment for the external strategy. Regarding knowledge and skill development, the company has Learning Center at Head Office and

Coaching Teams who are skillfull and having more than 20 years of training experience to transmit to new employees. Furthermore, the company has fair compensation management related to the economic for each area and properly welfares to attract candidates to work with the company.

4) Risk from customer behavior

The company has operated “Global House” since 1997 with original style both interior and exterior of stores including shopping atmosphere might not accord with consumer behavior of Generation X and Generation Y customers group with high numbers to 80% of all customers. Plus, Generation Y customer group is high potential group, causing the company have risks which may affect to sale revenue and generally of business operation

The company’s risk management

The company manages risk by determining policy for business model adjustment to be “Modern” both appearance and internal atmosphere. Using Shop in Shop strategy such as Life Styles “USUPSO” shop and “La Mayon Coffee” coffee shop. In addition, the company improve and develop products and services from the customer satisfaction survey result in order to respond customer needs and consumer behavior which able to reduce risk in the company’s operation.

5) Risk from Pandemic

The Coronavirus 2019 (COVID - 19) epidemic situation has led to the company has temporarily closed some stores following to the lockdown policy of government for highly infected area. Or some stores where is regularly opened but the customers were decreasing due to concerns about pandemic which affects to sale and operation in overview.

The company’s risk management

The Company emphasizes on online distribution channel development to be modern, easier and more accessible to customers. For customers buy products via online channel, you can pick up the products through “Drive Up” channel without getting off the cars. And for customers who buy products or use service at stores, the Company has set preventive measures for cleanliness and safety, such as; screening point at front of stores, providing alcohol gel, cleaning shopping area, etc. For safety of employees, the Company has set screening point before enter the workplace and social distancing around center area. If there are infected employees, the company allows to take a leave for healing and closely observing to make sure that no more infection, so they can back to work. For employees who has close contact with infected persons, the company allows to take a leave 14 days for home isolation according to preventive guidelines of department of disease control, the public health ministry for safety of customers, employees and other stakeholders as well.

6) Corruption Risks

The company operated business with integrity, honesty and transparency according to the good corporate governance and realizes to concise internal control procedures, determining anti - corruption policy, corporate governance manual, Business Ethics and code of conduct including publicizing to all stakeholders to be acknowledged and strictly followed.

The company’s risk management

Beside of compliance to Anti-corruption policy and business ethic, to prevent mentioned above risks that may arise in the organization, the company determines the operation procedure under carefully and properly internal control which is regularly audited and monitored by internal audit team and store management team including building Anti - Corruption Consciousness to employees in the company.

Furthermore, there are ‘whistle blowing’ procedures by allowing both internal employees and external stakeholders to raise concerns about possible improprieties and corruption behavior on a confidential basis for through inspection carefully. Which can be notified via the Company’s website www.globalhouse.co.th in the topic “Whistle Blowing” or e-mail secretary@globalhouse.co.th or Call Center 1160.

7) Human Right Risk

According to the company has expanded stores continuously to cover area over the country causing the company may have human right risk such as employment condition, health and safety of employees, Infringement of privacy information, Restricting Freedom of Expression and Communication regarding safety of community and illegal labor in Supply Chain, etc. Thus, the company must give the importance in auditing the business operations to protect the infringement of human rights by any related persons for all business chains.

The company's risk management

The Company have intention to respect human right and comply with the Human Right Policy of the company to protect the infringement of Human right of employees, customers, trade partners and account payables, shareholders and communities related with the business operations of the company as well as Supply chain, and also procedure of Human Rights Due Diligence. Additionally, the company has provided the channels for handling comments and suggestions from employees through “Red Box” (Box for Suggestions or complaints from employees) which are available all stores, including through welfare committee in each store. Anyway, there were none of the infringement of Human rights causing from business operations of the company to be founded in the past year.

3. Financial Risks

1) Risk from Account Receivable

The Company has policy to sell products both in cash and credit. Highly cash sales revenue when compared to total sales revenue since 2020 - 2021 by the proportion of 95.89%, 96.73% and 97.40% accordingly. The company also place an important on credit sales revenue even though its proportion was lower by separating credit customers to be 5 groups that is general customer group, government agencies group, construction materials store entrepreneurs' group, contractors' group and project owners' group. As at December 31, 2021, the Company has account receivable of 125.22 million Baht

The company's risk management

The company realized to credit line consideration to the customers by considering only customers that has reliable financial status and having the contractor place with a letter of guarantee from SCB Bank with completely contract drafting. Besides, the company have a cooperation with the financial institution for supporting credit for construction materials store entrepreneurs and contractors who are business partner with the company. This helps to reduce risk from account receivable of the company

the company has policy to set the allowance for doubtful accounts by considering the general accounts receivable with no guarantees and overdue more than 60 days to be 100%. For the government agencies, foreign account receivables, and related parties' accounts receivable with overdue more than 90 days, the Company will set the allowance for doubtful accounts to be 100%. In 2021, the Company recorded Expected Credit Loss in impairment of 3.12 million Baht and no bad debt.

2) Risk from interest rates

The company has Interest Bearing Debt paying to the financial institution that is Short-term loans and Long-term loans for using in operation and branch expansion investment. There is floating rate which may increase or decrease depend on interest crisis in financial market. Thus, the company has risk from interest rate fluctuations.

The company's risk management

The company manages risk by applying credit service with many banks for increasing ability to negotiate the interest rate both Short-term loans and Long-term loans. In addition, there are derivative for Long-term loans with the bank in case of fixed rate.

3) Risk from Currency fluctuations

Currency Fluctuations affect to the operation either directly or indirectly due to the company import products from overseas, business expansion, and foreign investment by sale revenues and some expenses are in foreign currency which its value may vary following to the currency exchange rates.

The company's risk management

To reduce effects from currency fluctuations, the company analyzes and closely follows-up the foreign currency volatility and using forward contract from banks to defend any probability of risk occurrence in the future.

4. Compliance Risks

1) Risk from acquiring or having in place licenses or maintain licenses for business operations

In operating the business, some kind of products require a license to sell. That the Company has to provide or maintain various licenses to operate business, for examples, a license or possession for the commercial purpose of the invention utensils or other things made of forbidden wood, license to sell or hold for sell of fertilizer, license for possession of hazardous substance, license to operate business harmful to health, license to sell controlled seed, The company may have risk in providing a license or unable to renew licenses within the deadline completely which may affect to business operations.

The company's risk management

The company manages risk by determining the audit process for completeness of all operation licenses and develops internal operation system for reminding and follow up to renew that license to reduce such risk

2) Risk in compliance with personal data protection act (PDPA)

Personal Data Protection Act B.E.2562 is a legal framework which protects personal data of individuals and allows businesses to realize economic values from personal data which will come into full effect on 1 June 2022. Due to the operation of the company has related to personal data of many groups of stakeholders such as customer, supplier, and employee which may be cause of risk if the compliance is not accord with the regulations correctly.

The company's risk management

The company is well aware of business operation in accordance with the regulations correctly, for example Privacy policy notice and asking for permission to use personal data, responding by right of data processor, appointment of Data Protection Officer (DPO) to comply with applicable laws and regulations including communicate to employees in accordance with legal personal data protection. Besides, the company has set up Back-up system, install Firewall system including follow up and remind to ensure that important data will not be lost or be revealed which able to prevent risk in the operation of the company.

5. Emerging Risks

1) Risk from Technological Change

Presently, the advancement of technology has significantly impact on business operations and competition as play an important role to consumer's behavior such as the increasing preferences of online purchasing or accessing more information through digital media, resulting many entrepreneurs to change their business models.

The company's risk management

To deal with Technological Change and higher competition, the company has adjusted business operational strategy into Retail business in form of Omni-Channel, developing a Click & Collect application for data connection between stores and online channel, including a various of payment channels for customers to be easier accessible to products and services. In order that, the company has Innovation & System Development for developing programs and applications to respond the change of strategy or corporate operational policy in time without Outsourcing and having an advantage in operational cost.

In addition, the Company has improved and developed Roi Et branch which is the first branch to be a prototype of the Digital store for increasing the efficiency of customers service, management and reduce the environmental impact.

2) Cyber threats Risk

The Company has applied Information technology system to support the business operation to increase the efficiency of operations and competitive abilities. The operation connects with internet network, data storage and management via Cloud Technology, which some significant information such as trading information, or privacy information, result in higher risk from cyber threats causing the interruption of operating system or leaking of significant information. That may affect to business operation, image, reputation and trust of all stakeholders.

The company's risk management

The Company has established the Information Technology Security Policy to be framework in corporate governance and management including protection of trading information and privacy information such as Disaster Recovery Plan, Identify and Access right management in information technology, privacy data management policy, system development and data storage more efficient, along with giving knowledge and awareness in Cyber threats to employees. Furthermore, Data Center of the company has been certified by ISO/IEC27001, ISO/IEC20000-1, ISO 22301, ISO50001, CSA STAR standard which are Information Security Management System (ISMS), Information Technology Service Management (ITSM), Business Continuity Management: BCM, and Cloud Security Standards.

3) Risk from changed customers behavior (New Normal)

COVID-19 pandemic has affected rapidly changing customer behavior to be New Normal that is realize more to health and safety such as social distancing, Work from home, inclusive of growth and widespread use of digital technologies. These factors affect to changing behavior and shopping lifestyle of customers for example; shopping online instead of shopping at store, Contactless payment for buying products at store, more product requirement to respond New Normal lifestyle, etc. Therefore, the company must adjust the business operation strategy rapidly to correspond with customer behaviors as New Normal and for increasing of business competitive advantage. Anyway, in the event that the company cannot adjust to catch up with the changing as aforesaid, it might affect to the company growth.

The company's risk management

The company adjust the operation strategy regarding product by procuring more product to support New Normal Lifestyle, for instance; Hygiene product group, Contactless product group, Internet of thing product, products for working or activity in house, DIY or hand-made product group, etc. Besides, the company has applied Technology to increase competitive advantage such as Online distribution channels development for customers to reach and access to products and services faster and easier, increase Self-Check Out point and develop Contactless payment channels to reduce close contact between people for customers buying product at store. Regarding Marketing, organizing more sales promotion activities through social media to persuade customers. Anyway, the company gives the importance in operating cost management for profitability of the company.

4) Risk from climate changes

Global warming impacts to climate change quickly and aggressively lead to many areas in Thailand got effects such as Flood, aridity, storm which is more aggressive including higher temperature also impact to the business operation. Due to the company has stores covered all over the country totaling 75 stores and has some products were placed out of the building such as water tanks, septic tanks and agriculture pipes which need space for storage. Plus, mostly stores are located around suburb where has risk to occur damages.

The company's risk management

The company has policy to hire the building inspector for assessment auditing the safety of building structure and areas around the building covered the outdoor parking of each store, including daily internal auditing by the branch management team for safety of the building. Besides, the company has been done all risk insurances for every branches.

2.2.2 Risk to investment of security holders

1. Risk from the major shareholders that holding shares more than 25% of total issued shares

The Suriyawankuls and SCG Distribution Co., Ltd are the major shareholders that holding shares more than 25% which held total 3,123,703,662 shares or 67.89% of the total issued shares, as of 31 December 2021. Therefore, the Suriyawankuls and SCG Distribution Co., Ltd. can control almost total of the meeting's resolution, whether the appointment committees or requesting the approval for other matters from a majority of the shareholders' meeting. Exception to the law or the Company regulation which determines to get 3/4 votes of the shareholders' meeting. Consequently, the other shareholders may not have enough votes to check and balance the proposals from major shareholders.

The company's risk management

However, the Company has operated in accordance with Business Ethic, the Code of Conduct and good corporate governance principle by adhering on the equitable treatment of shareholders to protect the rights of shareholders and control the Company's operations with transparency and accountability.

2.2.3 Risk to investment in foreign security

The company don't have this risk since no any investment in foreign security.



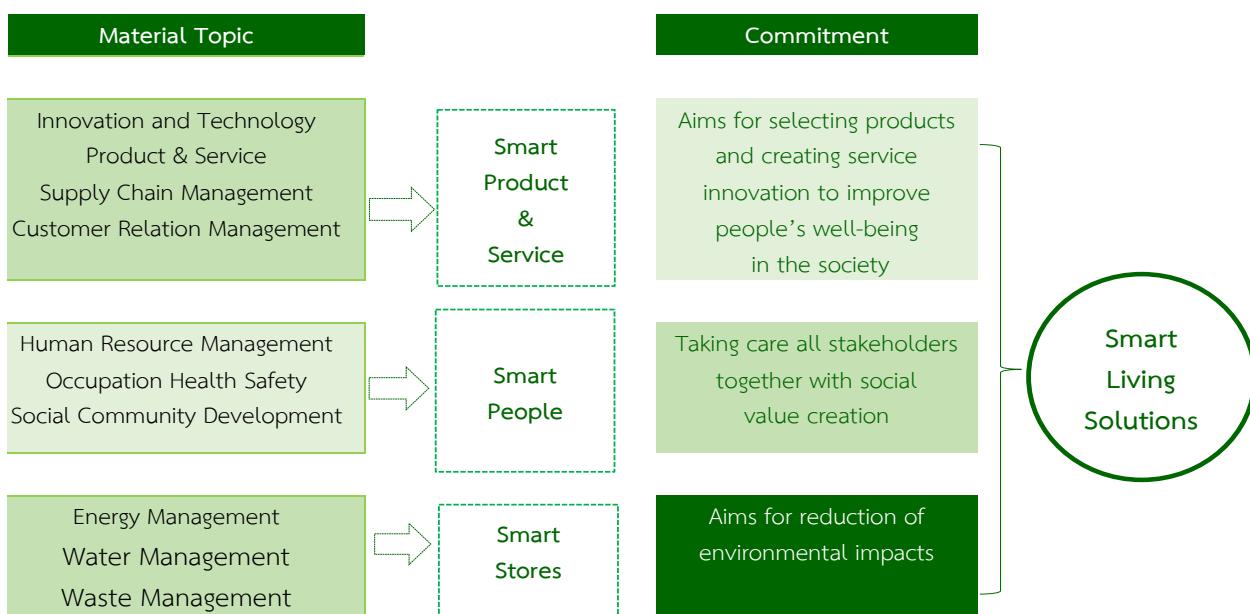
3. Driving Business for Sustainability

3.1 Policy and Target in sustainable management

To support target in business operation in respect of corporate governance principle, for sustainable growth, so the company takes international standard guidelines in social responsibility to apply in development to determine a policy for sustainable development operation, in which the company gives the importance for analysis of sustainable context related to internal and external, by analysis the impacts and value creation in order to cause balances cover all 3 respects that is economic, social and environment, subject to the good corporate governance by taking Integrated sustainable development concept in connection with Business Value Chain from procurement, storage, and distribution marketing and selling, delivery and After-sales service.

Sustainable Development Strategy

Global House operate its business in respect of philosophy, vision and mission of the company to be quality and sustainable growth simultaneously delivery of good quality of life of people in society together with social responsibility "SMART LIVING SOLUTIONS" therefore, to achieve the target set out, the company has established the strategy to reach sustainability as follow;



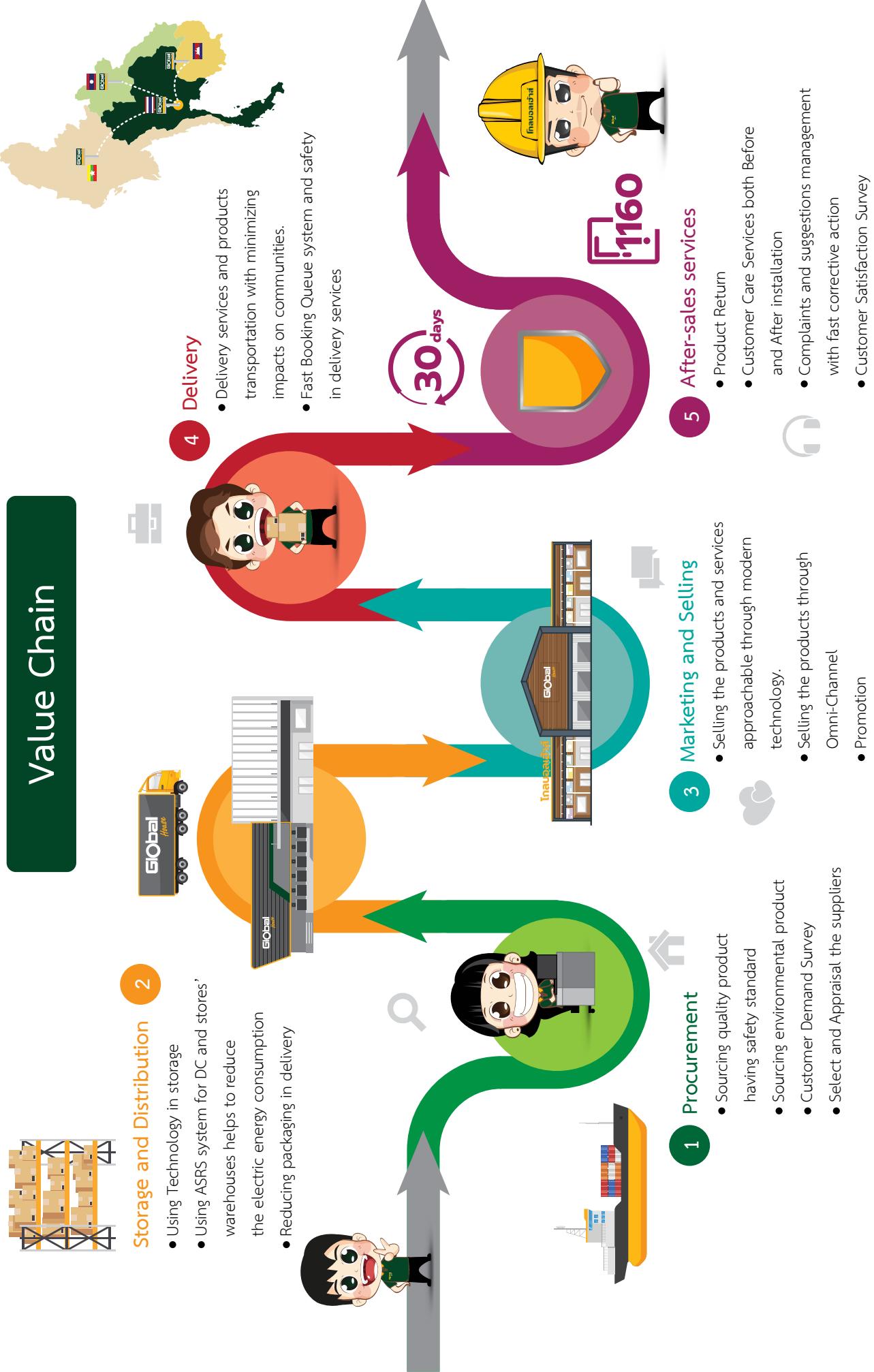
3.2 Impacts Management toward stakeholders in business value chain

3.2.1 Business Value Chain

Value Chain Management

The company has its intention to be creator of products and services innovation for habitation with supporting and improving the people's well-being in the society, together with social responsibility (Smart Living Solutions) The company gives the importance to all processes of business both Supply Chain and Value Chain, including operate business fairly and responsible to all stakeholders.

Value Chain



3.2.2 Stakeholders Analysis in Business Value Chain

Stakeholders Engagement

The company has analyzed and identified the important stakeholders include gives the importance to all stakeholders' engagement both internal and external by communicating and listening its opinions through channels and take into account the stakeholder expectations to properly response their needs and expectations.

Operation with Stakeholders

Stakeholders	Expectation	Operation	Communication Channels
Shareholders	<ul style="list-style-type: none"> 1. continuously growing performance 2. Investment return 3. Management with corporate governance and accountability 	<ul style="list-style-type: none"> 1. Comply with good corporate governance principle 2. Develop communication channels with shareholders / institutions investors. 	<ul style="list-style-type: none"> 1. Shareholder's Annual General Meeting 2. Annual Registration Statement 56-1 form (One Report) 3. Investors Relations 4. website : www.globalhouse.co.th 5. E-mail : ir@globalhouse.co.th
Customers	<ul style="list-style-type: none"> 1. Products responsible for the community, Society and Environment 2. Good quality and reasonable price 3. Safety products and services 4. After-sales services 5. Easy and convenient to access products and service 6. Clearly communication in products details 7. Complaints handling and management 	<ul style="list-style-type: none"> 1. Procurement of Eco Product 2. Distribution the product having standard and safety 3. Develop distribution channels of products and services 4. Fast and Effective in complaints management 5. Treatments both before and after sales including giving service equally. 	<ul style="list-style-type: none"> 1. Customer Satisfaction Survey 2. Call Center 1160 3. website : www.globalhouse.co.th 4. Electronic Media
Employees	<ul style="list-style-type: none"> 1. Proper Compensation and welfares 2. Good quality of life and safety at work 3. Career Advancement and Security 4. Improvement of skill, knowledge and ability in working 5. Practice toward employees by adhering to human rights. 	<ul style="list-style-type: none"> 1. Employee Engagement Activities with the company 2. Security and Career growth 3. Receiving Fair compensation including good welfares 4. Good and Safety in work environment. 5. Receiving trainings in skills related to duties and responsibilities. 	<ul style="list-style-type: none"> 1. Employee Satisfaction Survey 2. Complaints through the Red box for each store 3. Information Communication through Intranet or other channels

Stakeholders	Expectation	Operation	Communication Channels
Suppliers	1. Fair trade 2. Increasing of Purchase Volume 3. Suppliers Development 4. Growth together in business	1. Operates business with ethics and code of conduct 2. Cooperates to develop products 3. Treats suppliers equally 4. Have clearly purchasing process 5. Follows the trading terms and conditions. 6. Independent and Fair-trade competition	1. Policy and ethic in business operation 2. website : www.globalhouse.co.th
Competitors	1. Fair Competitions 2. Non infringement of intellectual property	1. Operates business with ethics and code of conduct 2. Fair and transparency in business competitions	1. Policy and ethic in business operation
Community and Society	1. Operate business with safety and social responsibility 2. Participation and supporting in community's activities 3. Community Improvement 4. Employment/Hiring	1. Participate in activities for supporting community's culture. 2. Encourage occupation of people in community 3. Listening opinions and suggestions of community 4. Save important ecology of the community around the store	Before Construction 1. Area Survey and Public hearing with community After Construction 1. Contact via the management team 2. website : www.globalhouse.co.th
Governmental Sector	1. Law compliance 2. Participation in the projects	1. Support and strictly comply with laws and regulations. 2. Giving cooperation in government sector's activities	1. Contact via the management team 2. website : www.globalhouse.co.th
Creditors	1. Cooperation in financial transaction. 2. Follows the conditions in agreement 3. Growth together in business	1. Strictly comply with conditions and agreement 2. Making a contract legally and transparent	1. Contact via the management team 2. website : www.globalhouse.co.th

Materiality Assessment of sustainability issues

The company intends to operate its business by creating business value together with social and environmental responsibility including properly response to stakeholder expectations and can be assessed concretely, the company has proceeded the materiality assessment process of sustainability as follow;

1) Materiality Identification and Report Scope

The company has considered by external factor analysis and sustainability context and social responsibility operations.

2) Materiality Prioritization

The company takes into account the sustainability issues to prioritize the materiality issues both opportunities and impacts of each issue to economic, social and environment which affect to the company's business operation and materiality and impacts to stakeholder's interest.

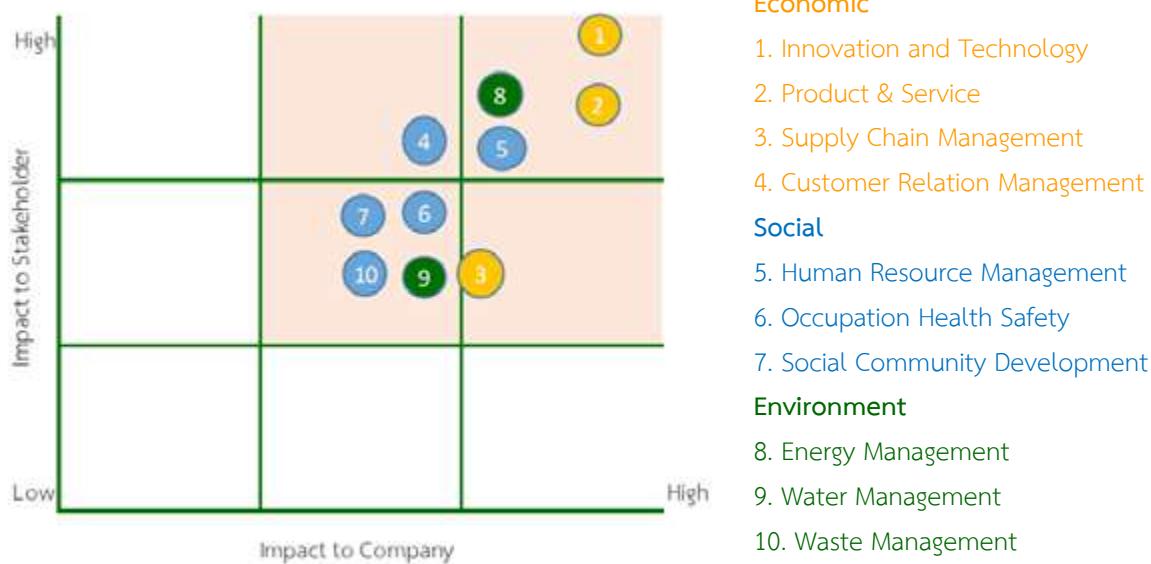
3) Validation

The company assigned to the relevant sectors to verify the accuracy and completeness of significant issues for covering issues in all respects of economy, society and environment.

4) Review for continuous improvement

The company accepts to listen stakeholder's feedback in opinions and suggestions in order to continually improve and adjust the material of sustainable development report through various channels both internal and external the company.

Sustainability Materiality Assessment Outcome 2021



From the result of material issues, the company has classified the issues and plan the strategies in sustainability to be in accordance with the company's strategy which covered in various aspects as follow;



Good Corporate Governance

Corporate Governance

Determination

The company assured that business will grow sustainable based on operation under good corporate governance, transparency, fairness and accountability. The company has stipulated Corporate Governance Manual, Business Ethics and Code of Conduct, and Anti-Corruption Policy. With important goal for directors, executives and all employees to adhere and follow including respect rights of all stakeholders.

Management Guidelines

The company push forward to control the compliance to corporate governance policy, business ethics, Code of Conduct, and Anti-corruption policy, to be a part of regular working and adhere to comply for all the organization. And for promoting all employees to realize to legal working with related regulations, the Company has communicated through employee orientation training, internal communication channel “Share Point” and the company website.

Performance for the year 2021

- 1) The Board of Directors has reviewed “Corporate Governance Manual, Business Ethics and Code of Conduct” to be up-to-date in accordance with changed environment.
- 2) Participation in “Corporate Governance Report : CGR” program of Thailand listed companies 2021 organized by Thai Institute of Directors Association (IOD) and the Stock Exchange of Thailand (SET) which has received “Excellent” assessment result or “5 stars” scoring.
- 3) The Company has received 100 marks (full marks) assessment in “Excellent” mark as its 3rd consecutive year for the Annual General Meeting Checklist 2021 (AGM Checklist), which indicated that the company aims to execute a good governance principle regarding to rights and equality of all shareholders. Anyway, the company has intended to maintain the scoring in “Excellent” level always.
- 4) The company have no complaints or disputes regarding business ethics.

The Board of Directors (total) 10 directors	Independent Directors 4 directors
Non-Executive Directors 8 directors	Female Director -None-
Executive Directors 2 directors	Average Rate of meeting attendance of total directors, equal to 100.00%

1. Anti-Corruption

Management Guidelines

- 1) The Company intend to operate its business with honesty, integrity, transparency, accountability, and not support or accept all forms of corruption either directly or indirectly.
- 2) The Board of Directors’ meeting no.3/2015 on August 14, 2015, has established the Anti-Corruption policy in writing which covered the practical guidelines about requesting or receiving any benefit related business and practice carefully regarding political contribution, offering or accepting assets and welcome dinner concerning the company’s business, a charity donation or sponsorship and business relation and procurement with government and private sector
- 3) Stipulated the subsidiaries and joint venture to adhere Anti-Corruption policy to be principles of conduct the business operation.
- 4) Has publicized Anti-Corruption policy to all stakeholders through the company website, internal communication channel “Share Point”, public relation board of all stores and Annual Report

- 5) Organizing the training to give knowledge about Anti-Corruption policy to directors, executives, and all employees continuously.
- 6) Adjust the practical guidelines to be in line with Anti-Corruption policy by campaign in organization for “Anti-Corruption PC-installation job”, employees and/or Product Consultant: PC are prohibited to subcontract for installation job without service channels of the company and communicate to all employees in all stores to be acknowledged and followed.
- 7) Provide the communication channel to receive complaints or whistleblowing about Corruption through Email or website of the company together with stipulate the protection measure for complainers or whistleblowers.

Anyway, further information enclosed in subject 8.1.4. Anti-Corruption

2. Human Right Management

Determination and Goals

The company supports and respects human rights according to international standard which is liberty that “All humans have human dignity and equal liberty and rights”. The company adheres to it principle and equally treats all stakeholders, non-discrimination or restriction with important goal in business operation without human rights infringement in all working processes.

Management Guidelines

The company has established the human rights policy in corporate governance manual and business ethics which is comprise of practices toward stakeholders both internal and external. Determining all directors, executives and employees to adhere the practices to ensure that the business operation shall proceed with prudence, without any acts causing human right infringement either directly and indirectly. The company has publicized the mentioned policy through the company’s website, internal communication channel “Share Point” and employee training to be acknowledged and followed.

The Performance of Human rights 2021

- 1) Non-restrictions and giving equal opportunity in employment, non-restrictions on physical difference by gender, nationality, and religion, the company has encouraged and supported disabled person by Employing people with disabilities total 101 persons.
- 2) Giving employees an opportunity to associate in establishing of The Employee Welfare Committee and Occupational Health and Working Environment Committee to be Employee’s Representative for negotiating and giving suggestions in any matters.
- 3) Screening and Auditing suppliers in regard to human rights for the fairness of business operation, non-infringement of human rights of its employees and labors, as well as providing Code of conduct for Suppliers and publicizing to suppliers.
- 4) Training and Giving Knowledge in regard to Human rights to all employees for their understanding and participation in protection of Human rights infringement protection in all activities of the company.
- 5) No complaints or disputes considering Human Right.

Total number of employees divided by religion

Buddhist	Christ	Islam	Total
9,810 persons	16 persons	129 persons	9,955 persons

Total Number of Employees divided by region

Northern	Central	Eastern	Western	North Eastern	Southern	Total
1,620 persons	2,398 persons	490 persons	479 persons	4,282 persons	686 persons	9,955 persons

The proportion of female employees form total employees (Gender Equality)

The proportion of female employees	percent / Total numbers
Female employees per total number of employees	43.07%
Female Executives in operation per total executive (Manager)	36.30%
Female Executives in middle level per total executives (Directors, Deputy Directors)	42.96%
Female Executives in total executives' level	25.00%



Economic Sustainability Management

Smart Product & Service

“Aims for selecting products and creating service innovation
to improve people's well-being in the society”

The company emphasizes on business operations with integrity and building customer satisfaction by giving the importance to quality products and services, together with readiness of employees “GBH Smart People” subject to 5 quality policies as follows;

Fast	Facilitation for fastness in service.
Right	Selling quality product and giving services correct and reliable
Cheap	Selling product with fair and cheap price
Easy	Giving friendly services, employees have ability to give customers an advice
Polite	Giving services to customer polite, well-mannered, respect customers with professionalism.

1. Innovation and Technology

Intention

The Company has intended to operate business to be modern by applying innovation and technology to continuous increase the efficiency in business operations and leading to business development in new styles.

Management Guidelines

The Company has established Information Technology Policy which focus on creating service innovation, including cooperation with business partners for improving services to efficiently respond customers need, as well as increasing the competitive potential in business.

Performance for the year 2021

- 1) Shopping online on Click & Collect Application Development and Improvement Project For increasing distribution channels and convenience in shopping, and also various payment channels to respond the changed lifestyle of new generation



2) Self-Check Out Development Project The Covid-19 epidemic situation has resulted in change of customers behavior and lifestyle, by social distancing to decrease the spread of disease, and change of new technologies. Thus, the company have realized the importance of technology using for fast service by applying Self-Service system to increase the efficiency and fastness of stores as well as giving services to respond the changed customers lifestyle.



3) Digital OR Solutions development with Bank of Ayudhya The Company has developed Digital OR Solution together with Bank of Ayudhya to enhance the payment standards on distribution channels all over the country and online channels for minor clients and entrepreneurs who buy products at stores to receive more the convenience, fastness and security in payment. The Company has developed the payment solutions to be in accordance and cover all requirements in all forms to respond all customer groups' needs.



2. Products and Services

Intention

The Company intend to manage products and services to efficiently respond customers' needs including improve quality of life for people living in society.

Target

	Target	Target Year
Increase the proportion of revenues of ESG product groups (Energy Saving group, Global Warming Reducing, Natural Resources Saving, Health Care Products, Disability & Elderly Care Products, products for New Normal Market (of total sales revenues)	40%	2025
Increasing customer satisfaction	95%	2025
Increase the efficiency of same-day delivery	70%	2025

Strategy

- Increasing channels to reach new products and services
- Enhancing safety standards of products and services
- Procuring products and improving services to reach consumer's needs.
- Increasing efficiency in same-day delivery

Management Guidelines

The Company strives to search products and improve services to be quality standard in fair price under lifestyle changing in New Normal way of living which more realize to safety, purchasing behavior through online channels more, eco-friendly product trends, reaching the aging society, as well as increasing the efficiency in same-day delivery and installation service to efficiently respond customer needs.

Operations in 2021 in aspect of quality products

Eco - friendly Products

The Company strives to provide and support the distribution of eco-friendly products with awareness of environmental impacts, and support the responsible consumption to customers. The Company has divided Eco-friendly products to be 4 groups as bellows;

ESG 1 Energy saving group, reducing global warming group, Natural resources saving group.

ESG 2 Health Promotional Group

ESG 3 Elderly & Disability Care Products Group

ESG 4 Product group for responding New Normal way of living

Performance

	2021
The proportion of sales revenue of ESG product group / total sales revenues	25.30%



ESG 1 Energy saving group, reducing global warming group, Natural resources saving group

Environmental problems affected to climate change becoming a trend for consumers to be aware of using eco-friendly products. For supporting the responsible consumption for customers, the Company has provided eco-friendly products, energy saving product group, Promotion of Renewable Energy Products, global warming reducing products, and natural resource saving, etc.



ESG 2 Health Promotional Group

Due to the Covid-19 pandemic situation stimulates people to realize more to health care, the Company has provided quality health promotional products, such as; Home Fitness Equipment, and Outdoor Sports Equipment inclusive of Good Hygiene Promotional Products in type of cleaning products, etc.



ESG 3 Elderly & Disability Care Products Group

The year 2021, Thailand have reached the criterion of a “complete-aged society” which means the number of people aged 60 years and over, representing more than 20% of total populations. In order to satisfy the needs of elderly customers group, the Company has provided safety products proper with elderly and disability persons with CIT standards certified by the Construction Institute of Thailand, Ministry of Industry, such as; washbasin, basin faucets, toilets, bidet spray set, handrails, shower chair, etc.



ESG 4 Product group for responding New Normal way of living

Covid-19 outbreak situation has led to customers behavior changing in New Normal way of living which realizes more to safety, such as; social distancing, close-contact reducing, work from home, study from home, living activities at home more. Therefore, the Company has provided products to satisfy the changed needs and lifestyles of customers, which are available in present as follows;

- Home Décor Product Group; products for home decorations with family members, such as; decoration accessories, curtains, wallpapers, carpets, room dividers, sofa, recliner chairs, etc.
- Office supplies for working or studying from home products group, such as; working desks, chairs, gaming chairs, bookcases, etc.
- Cooking products group; small kitchen appliances for easy cooking such as air fryer, shabu-pot, electric grill, etc.
- Internet of thing products group; products for remote monitoring through network such as smart closed-circuit television, smart desk lamps, smart switches, Smart LED Bulbs, etc.



Safety Standards of products

Company realizes to the safety and quality of products, since the product management team will work together with suppliers or manufacturers in products checking regularly and product safety certified by the government department. The products have been passed quality checking as stipulated by laws and have been certified security standards as follows;



Thai Industrial Standard (TIS)



Food and Drug Administration (FDA)



European Conformity (CE)



American Society for Testing and Materials (ASTM)



American National Standards Institute (ANSI)



European Standards (EN)



DIN Standards (DIN)



British Standards (BSI)



Forest Stewardship Council (FSC)



DVGW Certificate (DVGW)



CIT Label of products for elders and people with disabilities such as grab bars and sanitary ware

In case of any problems about products, the Company has return policy to refund within 30 days by customers can claim new products or refund in cash according to the terms and conditions.

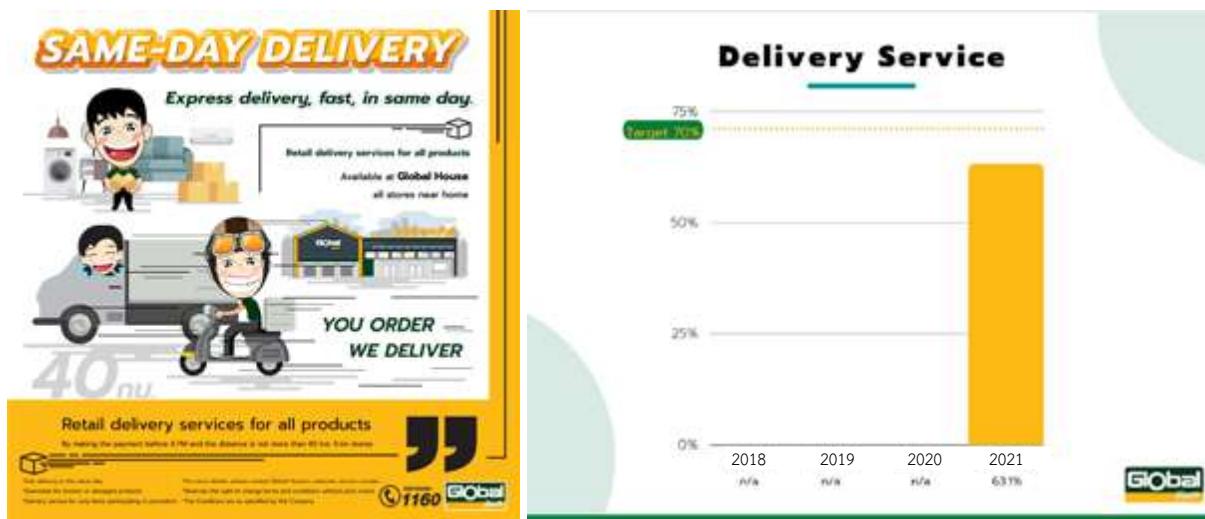
Operations in 2021 in aspect of quality services

Omni Channel Shopping Online System

Presently, customers lifestyle and requirements have been changed along with evolution of technology, leading customers to buy products through online channels more. Thus, the Company has developed the ordering system and Omni Channel, which is combined between shopping both online and offline to satisfy customers, plus with delivery service or ordering and get products by themselves at stores near home through Click & Collect service. By customers can buy products through various channels such as online channel, applications, call center 1160, and the company website.

Delivery Service (Same Day Delivery)

The Company has developed online delivery booking system which customers can choose the date and time as required, along with in the past year, the Company has increased the efficiency of delivery service to be fast within same-day ordering to respond the needs and satisfy customers, so the company has launched the Same Day Delivery to facilitate customers who lives in the place where the distance is less than 40 km. When customers order general products; air-conditioners, water heaters, water filters, washing-machines, water pumps, gas stoves, cooker hoods, furniture, tiles, whatever customers have placed an order before 4 PM., the Company will deliver such orders within 7 PM in same day. Beside of Same Day Delivery, the company also assures that products will arrive customers in good condition without any damages on the way.



Product Installation Service

The Company has product installation service for increasing the customers convenience when they buy products of, electrical appliances products group, toilet products, water filters, water tanks and pumps, finished kitchen products, gutters, electrical system and garages, etc. Including guarantee the quality of installation service within a maximum of 180 days and the Company has increased the efficiency of product installation service within a day for customers who buy products before 02.00 PM. for responding the needs and building customer's satisfaction.



3. Supply Chain Management

Customer Selection Criteria

Procurement is important process to fix expenses and quality of product and service which the company shall bring to use in operation, so the company must have operation procedure beneficial for highest to the company with fairness, reasonability, transparency, and accountability. Besides, the company also give the importance to trading partners on their supports for a mutual benefit and establish good working relationship with trading partners/suppliers based on respect and mutual trust.

The company give the importance to suppliers selection properly to ensure that the selection process and treatments toward trading partners/suppliers proceed equal and fair. The company has realized to participation in responsibility and establishing good relationship with society, community and environment, the company together with trading partners, manufacturers, and suppliers who always support vision and objective of the company. And to indicate the determination in sustainable business operating, there are the following selection criteria;

- Having a good credit history and potential to be growth together with the company in long term.
- Having production process which concern to society and environment according to regulations by laws such as non-infringement of human rights, non-use illegal labour, non-destructive environment.
- Produce or Distribute quality product and quality assurance
- Delivery product in agreed quantity and timely.
- Supporting in promotion and after-sale services to customers.

Customer Risk Assessment

The company has analysis of purchasing history information of trading partners by considering from necessary details such as numbers of trading partners, purchased product group, value of purchasing, and source of trading partners, in order to analyze working procedure and risk management in Supply Chain.

Supply Chain Management Goals

Supply Chain Strategies		Goals	Goal Years
Code of Conduct for Suppliers	Noticed	100%	2021
	Acknowledged	80%	2021
	Trainings	70%	2025
Risk Assessment	ESG Risk Assessment	90%	2022
Sustainability	Employees Training – Supply Chain and Sustainability	100%	2022
	Suppliers Training – Supply Chain and Sustainability	70%	2025

Purchasing Information of Suppliers

Source of product	Numbers (names)	Rate (%)
Thailand	562	75.84
Oversea	179	24.16

Furthermore, the company has classified important suppliers by selecting from sales volumes and suppliers with hard-to-find substitute products, in order to identify the important suppliers of the company and to be reference information in risk management causing from suppliers.

- CRITICAL SUPPLIER means Supplier with high sales volume, hard-to-find substitute products, consider as these suppliers shall be classified as HIGH-RISK TIER 1SUPPLIER which need to pass the annual supplier evaluation
- NON-CRITICAL SUPPLIER means Supplier with medium or low sales volume and medium or low risk level, not be classified as HIGH-RISK TIER 1SUPPLIER

Critical Supplier Details

Types of Suppliers	Numbers (Names)	Rate (%)
Critical Supplier	35	4.72
Non-Critical Supplier	706	95.28

Action Measure in the event that supplier's non-compliance in regulations

- Negotiate to resolve the problem with determining the problem scope and clearly period
- Viral warning and writing warning
- Termination of trade agreement
- Claim for damages

Corporate Governance and suppliers' assessment

The Company has established the practical guidelines manual for suppliers to be guidelines in business operation of suppliers and determined the annual sustainability assessment of suppliers covered environment, social, and Governance: ESG.

Operating result in 2021

- Suppliers have passed the auditing in the number of 390 companies from total 562 companies, equal to 69.39%

Specify credit term policy

The Company gives the importance to liquidity and Cash management by specifying the criteria and credit term processing for suppliers within 7-180 days, which considering from many factors such as business operation period, purchase value, product quality etc.

Credit term period information of the company according to actual average duration with details as below;

Details	2019	2020	2021
Account Payable Day	41 Day	40 Day	42 Day

Suppliers Development

Since 2010 the company has applied the VMI system (Vendor Managed Inventory) which is the product management system by suppliers in order to increase the efficiency in product selling of suppliers with inventory management for the company. The important principle of VMI, that is Suppliers can access to actual sales information of the company and inventory for each store, then the suppliers can settle the production plan, delivery plan and promotion sale accurate and meet different requirements of each area. The company gives authority to suppliers for opening purchase order and refill products for the company. Anyway, VMI will help to increase product sales of suppliers and increase an efficiency of supply chain for both suppliers and company, as well as respond customer needs consecutively.

4. Customer's relation management

Intention

The company intend to operate business fairly, consider to highest customers satisfaction by determining that employees must give product information and service truly, and not conceal material information that may lead to misunderstanding which affect to customer decision to purchase.

Goal

- Customers Satisfaction Index increase to be 95% within 2025 for both products and services.

Management guidelines

- Continuous building customer engagement by approach and respond customer needs efficient.
- Intend to deliver quality products and services for building good experience to customers.
- Customer Satisfaction Survey and bring the result to adjust and improve products and service annually.
- Improve Online distribution channels to be easily accessible and more convenient.

Operating

1. Responsibilities toward customers

Pre-sales Service

- The company adheres to fair marketing by providing customers the information relating to the products and services with reality and undistorted of important information that may lead to misunderstanding result in customer's making decision.
- Employees must give promptly advices for product using and risk probability from using together with preventive measures of possible danger to customers.

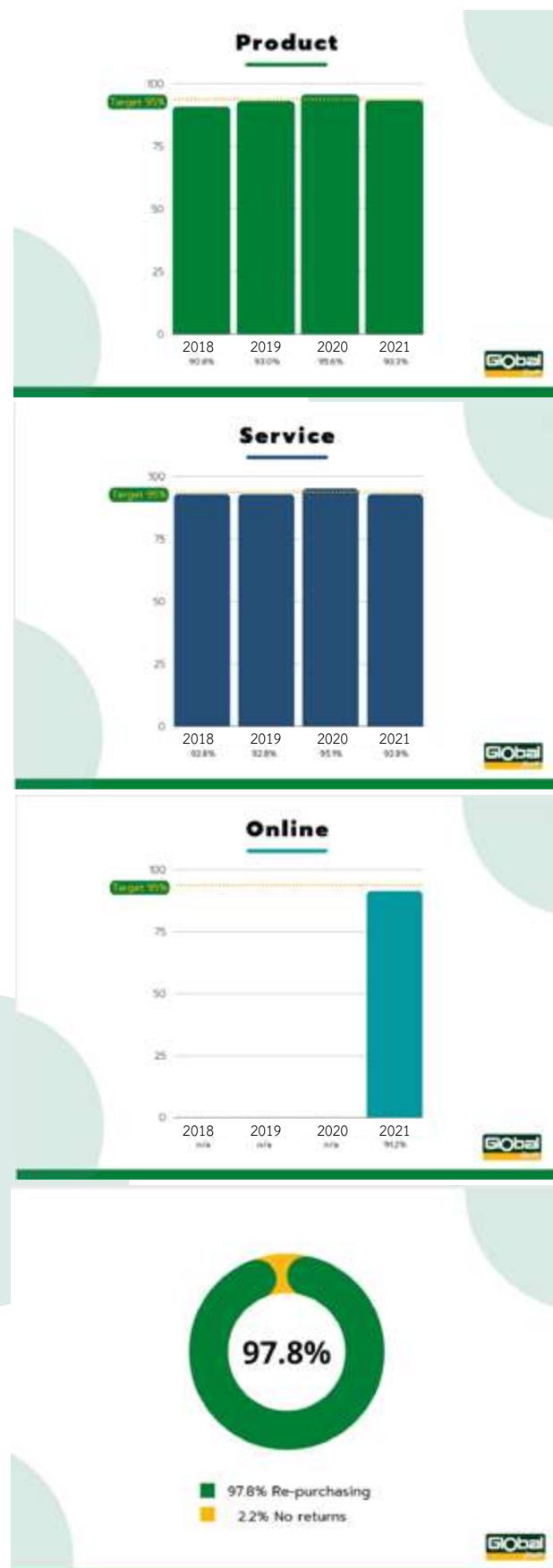
After-sales Service

- Delivery and Installation Service for electrical product groups, electrical system, floor tiles, doors, windows, wood floorings, laminate-floorings, water tanks, water pumps, gutters, cookware, toilets, and painting, according to terms and conditions of the company as well as warranty after installation.
- Product repair services for House Brand products shall repair following to stipulated terms and conditions. For products having Brand owners, the company will be the coordinator in order to deliver product to Brand owners along with following-up the product repair until completed.
- The company has determined the policy for goods return after-sale within period time not exceeding 30 days from the date of purchasing.

2. Customer Satisfaction

The Company has specified the customers satisfaction survey process inclusive of customer comments handling process for taking the result to develop and improve products and services as well as continuous improving business operation process of the company and building customers satisfaction to always use the company's services continuous.

Customer Satisfaction



Remark : In the year 2021, the Company has improved the customer satisfaction assessment from questionnaire documents to be online assessment, and also has added subject of satisfaction in using service through online channels.

3. Customers' Personal Data Protection Policy and Practical Guidelines

The Company have realized the importance in respecting privacy rights and keeping personal data security of customers, suppliers, employees. The Company, therefore, formulates the Personal Data Privacy Policy to notify of its policy, details of data collection, the use or disclosure of personal data, according to the Personal Data Protection Act, B.E. 2562 (2019) (PDPA), including prescribes the regulations in the company's operations with strict measures in personal data security to ensure that the personal data of customers, suppliers, and employees, will be kept confidential. At all events, the Company have been required to obtain the consent by data subjects before using their personal data, and need to be legitimate use.

The Company has followed-up the probable complaints in 2021, there were none of the complaints related to personal data breach of customers, suppliers, and employees.

Data Privacy and Data Security statistics

Complaints related to personal data breach	2019	2020	2021
Number of complaints related to personal data breach - Customers	0	0	0
Number of complaints related to personal data breach - Suppliers	0	0	0
Number of complaints related to personal data breach - Employees	0	0	0

Action Procedure after occurrence of data impacts

The Company have procedure of taking action with personal data breach by the Data Protection Officer: DPO will notify the Innovation & System Development to check the cause, the origin of leaking of information and the corrective action as well as report directly to the Board of Directors

3.3 Sustainability Management in Environmental Dimension

Smart Stores
“Aims for reduction of environmental impacts”

3.3.1 Environmental Policy and Practices

The Company emphasizes on business operations and growth together with environmental management. Although the business operations have no direct impacts on the environment or produce pollution like factory, anyway, the company realizes to the importance of environmental care. Managing the efficient use of resources to reduce and prevent impacts on the environment causing from the operations of the company by setting “Environmental Policy” to be guideline in operations with environmental responsibility.

Natural resource management goals	2019	2020	2021	Goals	Goal Year
Percentage of Alternative Energy Consumption	27.35%	57.75%	53.93%	65%	2027
Electricity Generation from Solar Cell (kWh / year)	18,505,129	77,049,661	78,860,821	100,000,000	2027
Water Consumption per store (Cubic Meter) reduced	7,930	5,406	5,243	-	-
Quantity of re - use water	102,209	137,515	224,640	-	-
Increase of cumulative green space (square meter)	7,445	9,926	11,800	-	-
Quantity of A4 paper use per store (Pcs)	44,371	31,169	33,820	28,000	2030

3.3.2 Environmental Performance

1. Energy Management

Determination

The company has intention to operate its business simultaneously with efficient energy management, maintains to prevent the environmental impacts by adhering the Sustainable Resource Use Guidelines together with Climate Change Mitigation and Adaptation, which begins from designing the building structure, work process improvement, machine, equipment to conform with energy conservation.

Management guidelines

- 1) Operations under regulations, laws and international standard
- 2) Since 2016, the company has policy to install Automated Storage & Retrieval System: ASRS (which is closed system, no lighting required in working result in reducing electricity consumption, besides of energy saving, the ASRS also helps to improve the efficiency in warehouse management)
- 3) In 2017, the company have changed the air-conditioning system from Misting Fans to be Air-Condition and improve lighting system inside the store which need to use more electric energy, then, have policy to install Solar Rooftop to generate electric energy from solar energy for energy saving in long term, and the company have already installed completely for all stores in 2019, resulted in reduction of operating expenses of the company. Moreover, in 2020, the company have developed the Air-condition control program causing more reduction of energy consumption.

Operating Results

1.1 Details of Electricity consumption from transmission line

Year	Numbers of Store	The quantity used for electric energy consumption (kWh)	The quantity used for electricity per area (kWh / square meter)
2018	61	47,387,558.37	36.34
2019	66	49,159,471.93	35.61
2020	71	56,380,314.27	38.87
2021	75	72,367,475.00	47.97

Remark :

- The period of 2018-2019, on process of changing the air conditioning from Misting fans to be replaced by air-conditioners, which have finished in 2019.
- The year 2020, the Company have temporarily closed their 39 stores since 22 March to 16 May 2020, according to Lockdown measures to control the Covid-19 pandemic, led to the electricity consumption from transmission line per store was lower than the year 2021.

1.2 Renewable Energy Consumption (Solar rooftop)

Since the year 2017, the company has policy for renewable energy consumption, so the company has started the Solar Rooftop Installation Project for electricity generation from Solar energy, no effects on environment as it's clean energy and also helps to reduce the operating expenses. In 2021, the company has Solar Rooftop to generate its own electricity covered in all stores, totally 75 stores, the generated electricity volumes 78,860,821 kWh/year.

Year	Number of Stores	Accumulated number of installed store (Solar cell)	Generated Electricity Volumes (kWh / year)
2019	66	66	18,505,129
2020	71	71	77,049,661
2021	75	75	78,860,821



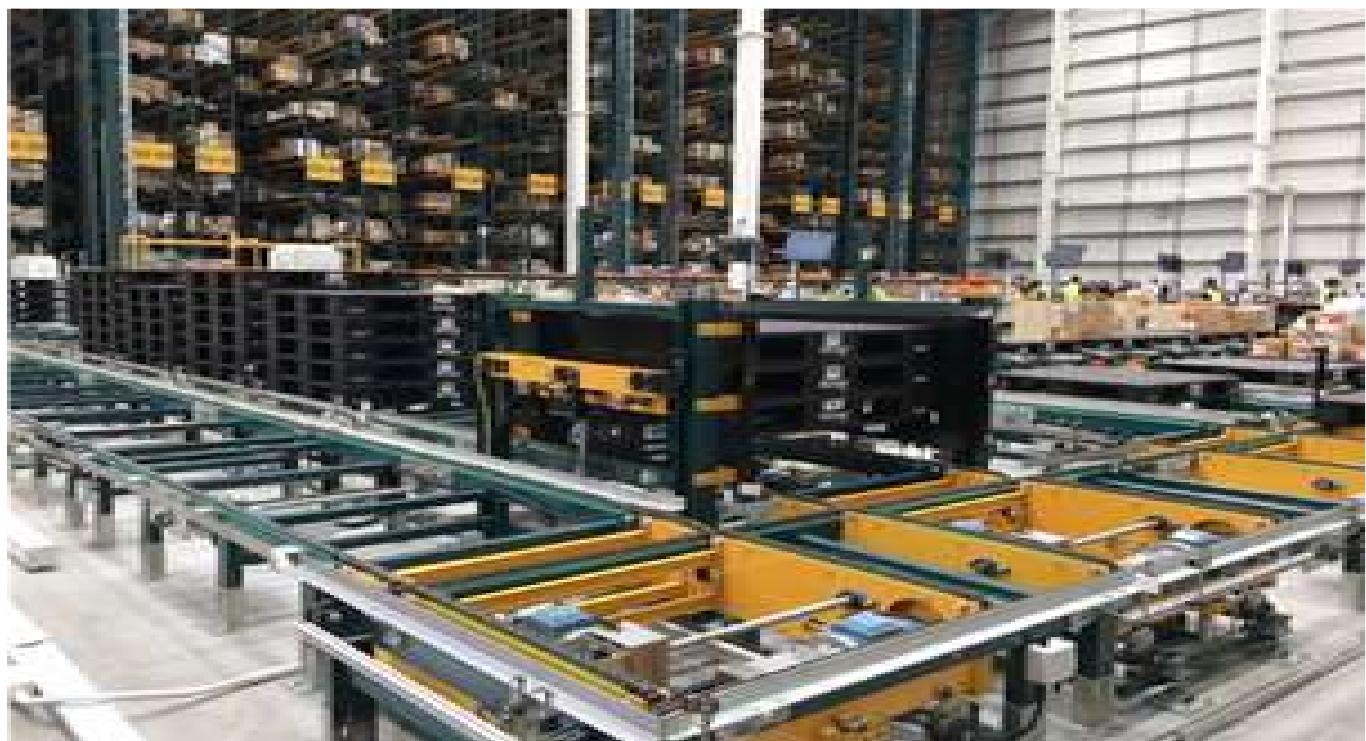
1.3 Electric Power System Changing Project both interior and exterior

The company have action plan to improve lighting system both inside and outside the building which result to reduction of energy consumption for 541,042.40 kWh/year by the details of operations as below;

Project	Number of Stores	Reduced Energy Volumes (kWh/Year)
Change street light around the building from Street Light 120 Watt to be Solar Cell system	22	385,440
Change Customer's Garage light from LED 20 Watt to be Solar Cell system	17	62,050.0
Change light in display tray from LED 14 Watt to be LED 10 Watt	36	68,328.0
Change Aisle light from TLD 36-Watt, 13 set to be LED 48-Watt, 4 set	19	24,882.8
Change Rack light from TLD 20 Watt to be LED 18 Watt	36	341.6

1.4 Automated Storage & Retrieval System: ASRS

Since the Year 2016, the company has installed Automated Storage & Retrieval System: ASRS which is controlled by computer in all the system to increase rapidity, accuracy and efficiency in the warehouse management of the company. Besides, the ASRS is closed system, no lighting required to work, result to reduce electricity energy consumption result in the electric energy consumption has reduced. In 2021, the company has installed completely 39 stores.



2. Water Management

Determination and Goal

The company gives the importance to efficient water consumption, from water supply, ground water and Recycle water in the company's operation for realizing to the importance of water and energy conservation as well as maximizing the value.

Management Guidelines

The company has water consumption management by mostly using within the building store and the staff canteen for cleaning. Anyway, the company attempts to reduce water consumption volumes by determining the Technic department to regularly calibrate waterpipe, cleaning equipment and water meter in every month.

For new store expansion and same-store renovation, the company has determined to install water-saving sanitary ware, urinal, and automatic faucet. In addition, the company operates the reduction of wastewater emission to environment project by recycling wastewater from stores through the wastewater treatment process to reuse in water the plants, can reduce the water consumption volumes from water supply and ground water by the following water consumption details during the year 2019 - 2021;

Operating Result 2021

Water Consumption Statistic

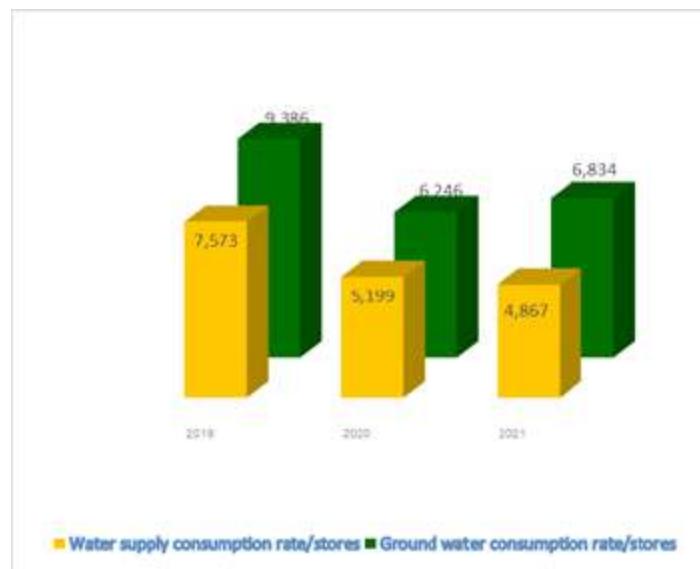
	2019	2020	2021
Accumulated Number of stores	66	71	75
Accumulated Number of stores in water supply consumption	53	57	61
Accumulated Number of stores in ground water consumption	13	14	14
Accumulated Number of stores in water the plants system	15	20	26
Water Consumption Volumes separated by sources			
• Accumulated water supply consumption volumes (m ³ / year)	401,382	296,394	296,940
• Accumulated ground water consumption volumes (m ³ / year)	122,021	87,444	95,670
Total Volume of water consumption (m³/year)	523,403	383,838	392,610
Net rate of water consumption of store			
• Water supply consumption rate / stores*	7,573	5,199	4,867
• Ground water consumption rate / stores*	9,386	6,246	6,834
Water Recycling volumes (m ³ / year)	102,209	137,515	224,640
Accumulate Green Area (m ² .)	7,445	9,926	11,800

Remark : * water Consumption Rate*/store has reduced due to the company has cancelled Misting Air system during 2019 onwards

As at the end of 2021, the Company have total 75 stores, the stores used for water supply of 61 stores, and the stores used for ground water of 14 stores. From water consumption information of the company in 2021, the quantity used for water supply per store has decreased by 6.39% due to the Company has changed the faucets and urinals and upgraded to be sensor system, and toilets were changed to be water-saving toilets for new stores and same stores in the renovation plan. For the quantity used for ground water per store has increased by 9.41% as a result of temporary closure of stores in 2020 according to Lockdown measures since 22 March to 16 May, 2020 to control the Covid-19 pandemic, causing the quantity used for ground water was lower than the year 2021.

In addition, the Company have water reuse and accumulated green space increased from the year 2020 by 63.36% and 18.88% respectively.

rate of water consumption 2019 - 2021



3. Waste and Garbage Management

Determination and Goals

The company has policy and guidelines for proper and systematic management of waste and garbage generated in the store, no effects to the community, environment and conform with the laws. The waste and garbage generated from the operations, customers and employees; the company aims for reducing scrap waste including campaign for reducing the use of plastic bag.

Management Guidelines

The company arranges the garbage and waste sorting separated, divide into 4 types for instance; general scraps, general wastes, garbage and infectious wastes, by the following details and management guidelines;

- Scraps wastes; waste generated from the company's operations such as paper boxes packaging, plastic bands, paint cans, and scrap iron, the company shall distribute to waste buyers in local and regularly determine the annual bidding.
- Wet garbage generated from canteen which has not much quantity, managed by food waste sorting and give to employees who want to feed their pets or make Biofertilizer.
- Infectious wastes such as masks, Bandages and absorbent cotton, the company has determined to put it in garbage bag for "Infectious wastes" and tightly close for the disposal in a correct way by the local government.
- General waste, the company has determined to sort and storage in designated area for sanitary disposal by the local government.

3.1 Love the Earth Shopping Project

The company has campaign for reducing the use of plastic bag with awareness that plastic is a cause of waste and Incineration produce carbon dioxide result in rising average air temperatures near Earth's surface and occurs greenhouse gases. Thus, the company has established the project "Love the Earth Shopping" by encouraging customers to refuse plastic bag including giving member customers for more points.

3.2 Reducing paper use

Determination and goals

The company pay attention in natural resource consumption restrictive to maximize benefits and reducing the woodcutting as well as reducing the water consumption in paper production process. The company has determined the goal to “Reducing paper use” by setting the reduction target of paper use to be 28,000 pcs. Per store within the year 2030.

Management Guidelines

The company has policy to promote the Reducing A4 paper use by changing the form of receipt/tax invoice from A4 paper use to be A5 paper use. Besides, the company has campaign for paper use appreciative by setting the printing limitation as necessary in order to reduce and reuse as well as improve the working style to be Paperless by developing program for internal using.

Operating Result 2021

In 2021, the number of A4 paper used in the operation of 2,536,500 pcs or average 33,820 pcs per store, when compared to the year 2020, the number of A4 paper used was increased by 323,500 pcs or 14.62%. Due to the year 2020, the Company has temporarily closed of 39 stores according to the Lockdown measure since 22 March to 16 May 2020 to control the Covid-19 epidemic situation, led to the number of A4 paper used in 2020 was lower than the year 2021.

Paper Use quantity/Year	2019	2020	2021
A4 paper quantity use in office (pcs)	2,928,500	2,213,000	2,536,500
Numbers of store	66	71	75
Using rate per store (pcs)	44,371	31,169	33,820

4. Management for reduction of Greenhouse Gas

Intention and Goals

The Company intends to be a part of resolving the Climate Change problem by focusing on reduction of Greenhouse Gas from operating activities or from all stakeholders of the company.

Management Guidelines

4.1 Electric Forklift and Electric Stacker Using

Due to daily operating activities of stores about transferring products, picking and products storage, need to use Forklift to be convenient, fast and labor-saving, the Company has defined that Electric Stacker for using in area of home décor products and electric forklift for using in construction products.

Since the year 2020, the Company has policy of using Electric Forklift for new stores and replacement of Forklift fuel of same stores which was ended of life. Due to the company has realized that the fuel combustion was the cause of Greenhouse Gas, and air pollution, while the Electric Forklift and Electric Stacker have no environmental impacts.

The Performance

Year	Number of Electric Forklift (cars)	Number of Electric Stacker (cars)
2019	-	133
2020	10	136
2021	36	150



4.2 EV Charger Station installation project

The Company has installed EV Charger Station in service area of stores to support the use of renewable energy and reduce Greenhouse Gas causing from all stakeholders of the Company. At the end of 2021, the Company have EV Charger Station in number of 12 stores.



Activities for promoting employees to participate in energy and environment conservation.

- 1) Provide knowledge and training employees regarding environment including reduction method of Energy consumption by publicizing through corporate media such as Energy saving campaign signs, public relations board, and intranet, i.e.
- 2) Publicize to all employees to participate in reduction of Energy consumption such as electric saving, water saving, including usually audit water pipes and equipment to be in good condition and efficient.
- 3) Encourage the executives and employees to turn off air-conditioners and lighting during lunch time or being outside the room for a while.

We have policy to use renewable energy, aware of using limited natural resources to maximize the benefit.

SIAM GLOBAL HOUSE

aims to be a part of solving climate change by focusing on reducing Greenhouse Gas emissions from the operating activities.



3.4 Social Sustainability Management

Smart People
“Taking care all stakeholders together with social value creation”

3.4.1 Social Policies and Practices

Human Rights Policy

The company realizes that respecting human rights is the important responsibility and concern with all stakeholders such as customers, employees, suppliers, creditors, communities related to the business operations of the company. Thus, the company has stipulated the human rights policy in accordance with laws in the country and international standard for instance, UN Guiding Principles on Business and Human Rights: UNGPs in order to apply to be corporate practices regard as responsibilities of directors, executives, and employees need to be acknowledged and comply by publicizing the policy on the company’s website and more information at below;
<https://globalhouse.co.th/investors/th/governance>

3.4.2 Social Performance

1. Human Resource Management

Human Resources is important part in business operations to achieve goals and success including competitive advantage and sustainable growth

Management Guidelines

The company has intention to manage the human resources according to the good corporate governance principle by determining the personal strategy since recruitment, employee's development and employee retention together with supporting employees equal for career growth and advancement without restrictions on gender, nationality, and religion. The company emphasizes on Knowledge and ability development as well as encourages employees to be good citizen with volunteer spirit, make public and social benefit following to the Human Resource Management Policy of the company “GBH Smart People”

1.1 Employee Recruitment

With respect to the main operation plan focusing on continuous store expansion every year, cause the company must setting the recruitment plan in advance. In order that, the company has stipulated the employment policy by promoting mainly local employment in area where the store is located for supporting local economic and labor development including internal recruitment for transfer to their hometown.



Furthermore, the company has promoted career building for disadvantaged peoples by giving the cooperation and supporting the employment policy of the government sector such as Elderly Employment, Disability Employment, New Graduated Employment (Co-payment Project), with the performance of the past years as follow;

Co-Payment Project

The company has supported the policy of government sector with respect to Co-Payment Project for new graduated by opening to continuously recruit employees since October 2020 until now. There are total numbers of employees was hired through this project 833 persons.

Job description / Year	2020 (persons)	2021 (persons)
Information Technology Department	2	8
Marketing Department	0	8
Inventory Management Department	0	7
Accounting & Financial Department	4	19
Human Resource Department	0	7
Operation Department	14	784
Total	20	833

GBH happy mind near home

The company supports and gives employees an opportunity to transfer back to their hometowns under the “GBH Happy Mind Near Home” project, in order to encourage employees to back to take care their family and happy work. In the year 2021, there are total numbers of employees who has joined this project 67 persons.

Year	Total Numbers of Employees joined (persons)
2019	-
2020	87
2021	67

Elderly Employment

To support the Aging Society, the company has encouraged Elderly Employment for people aged 60 or older and be ready to work by providing the proper work with elderly work capacity. In the year 2021, there are total 31 elders working at the company in total 20 stores.



Year	Elder Employees (persons)
2019	26
2020	35
2021	31

Disability Employment

The company gives the importance and supports Disability Employment with respect to Empowerment of Persons with Disabilities Act, B.E. 2550 (2007) and the revised Disabilities Empowerment Act (No. 2), B.E. 2556] following to the article 33 and 35. Anyhow, the company has provided the job description proper with labors capacity and potentiality by hiring the disabled persons as follow;

Disability Employment	2019	2020	2021
1. Full-time Employment follows the article 33	75 persons	76 persons	83 persons
2. Disabilities Employment follows the article 35 (Total)	13 persons	16 persons	18 persons
2.1 Providing area for lottery distribution	13 persons	16 persons	15 persons
2.2 Hired to be Teacher for Roi Et Education School for the Blind	0 person	0 person	3 persons

Employees Statistics 2021

The employee proportion separated by gender

Details	Male Employee		Female Employee		Total Employees (person)
	Quantity (person)	Percentage	Quantity (person)	Percentage	
Operation Employees					
• Staff level	4,159	58.23	2,983	41.77	7,142
• Management level / Store Executives	1,269	67.54	610	32.46	1,879
Center Support Employees					
• Staff level	127	21.20	472	78.80	599
• Manager level or higher	63	25.00	189	75.00	252
Disabled Employees	49	59.04	34	40.96	83

The employee proportion separated by age

	Quantity (person)	Percent / Total Employees
Younger than 30 year	4,122	41.41
Between 30 - 55 year	5,639	56.64
Older than 55 year	194	1.95

The employee proportion separated by years' experience

	Quantity (person)	Percent / Total Employees
0 - 5 years	6,951	69.82
5 - 10 years	2,465	24.76
10 - 15 years	372	3.74
More than 15 years	167	1.68

1.2 Employees Training and Development

The company gives the importance for Employees Development in order to develop the potentiality and efficiency in working by selecting the proper content of course with the business type and being in accordance with external factors which may affect to business at that time. In the past years, the company has arranged the training for employees 10,074 persons, total 3,428 hours and there are the training expenses totally 198,653.45 Baht, with training course's details as follow;

Course	Quantity (Person)	Total Numbers of Hour	Average (Hours / person)
Working Skill Enhancing Course for Store Director	1	210	210
Work Skill Enhancing Course for Deputy Store Director	12	2,520	210
Working Strategy of Product Management Department	160	4,000	25
Working Strategy of Innovation & System Development Department	65	520	8
Working Strategy of Accounting & Financial Department	41	328	8
Working Strategy of Marketing, Sales Coordination, Call center Department	44	352	8
Working Strategy of Human Resource Department	8	64	8
Basic Barista	6	126	21
Teamwork	3,662	25,634	7
Excellent Leadership Development	124	868	7
Service mind	3,299	26,392	8
Techniques to convince customers to increase sales	1,506	10,542	7
Review work procedure and learning product	457	3,199	7
Occupational Hazard Preventive Measures	123	861	7
Selling Techniques during Covid - 19 crisis	395	2,765	7
Crane Operator, Signal Man, Material Adhesives, Crane Supervisor for Overhead Crane, Gantry Crane and Others Stationary Crane Operator Training	171	5,130	30

Details	2021	2020
Total trained employees (person)	10,074	8,489
Total Hours of training (hours)	83,511	69,157
Total hours/person/year	8.29	8.15
Training Value (Baht)	198,653.45	387,301.12

Beside of employees' development as mentioned above, the company also expands the cooperation and development to the education institution by making Memorandum of Understanding (MOU) with Rajabhat-University Maha Sarakham, regarding building graduate and Work Integrated Learning: WIL by linking learning matter in education and work experience in organization. The objective for developing qualifications and skills of students in Bachelor of Business Administration Program (Digital Business) to meet demands in business sector.

Anyhow, the company also participates in sharing and exchange of experience about skills and qualifications needed in actual working of business sector in present for the education institutions who interest in learning such as Roi Et Rajabhat University, Sakonnakorn Rajabhat University in order to develop skills of graduate in any program to meet demands in business sector in the future.

1.3 Employee Retention

Employee is important part in business operation to be sustainable growth, the company gives the importance in employee retention to build the employee engagement in the organization by the following treatments;

Performance of the year 2021

1) Employee's Compensation and Welfare Management

The company defines the compensation and welfare management for employees with fairness, non-discrimination and being appropriated with economic condition and comply with working area in order to be adequate for employees' cost of living. Apart from salary payment is higher than the average rate as stipulated by laws, the company also provides additional other welfares for employees such as position allowance, cost of living, active payment, provident fund, accident insurance, uniform, loan, employee benefit fund, employee's fever gifts, maternity gifts, funeral grants for the employee's family person, etc.

- Temporary store closure in 2021 from the Covid-19 pandemic situation according to the command by the government sector, the company has treated employees by paying in advance subvention from the government sector in 50% and additional grants from the company 25% for preventing the impacts to employee's income causing from temporary store closure in area of Samutsakorn, Phra Nakhon Si Ayutthaya, Pathum Thani, Chonburi, Trat, Lopburi, Prachuap Khiri Khan, and Kanchanaburi, which result in work suspension of 818 employees
- Reward gold medal to appreciate employees who has taken part to drive the company's operation more than 26 years for business growth and progress. In 2021, there are employees getting the gold medal with honor card as follow;

Years' experience	Numbers (person)	Reward
10 years	153	Golden Medal 25 St.
15 years	41	Golden Medal 50 St.
25 years	2	Golden Medal 2 Baht

Remark : Employees who has right to receive rewards need to be in the company's employee status only as at reward day and counting the years' experience since the beginning of work with the company.



2) Other Benefits

Beside of fair compensations and welfare for employees, the company also aims for employees having good quality of life and stability by providing credit with low interest rate for employees in order to relieve the financial problems, and liabilities which is important cause of employee's stress and may affect their quality of life and living including probably reduce the work efficiency. Furthermore, the company encourages the employees having their own residence by cooperating in loan project for employee welfare by the Islamic Bank of Thailand which there are total employees has participated in this project total 16 persons.

3) Treatment employees under Covid-19 pandemic situation

Under the situation of Covid-19 pandemic, the company have no policy to reduce employees or closedown unless compliance with the government sector only. In addition, the company aims to treat employees to be safety by determining the employee's treatment measure as follows;

General Group Employees Treatment: determines to daily check temperature before entry in office and store, provides alcohol gel around the store and office, always cleaning center area, setting social distancing for all activities in the company such as having lunch in canteen, working space, organize the virtual conference via online media instead of meeting in a room for preventing the infection.



Vulnerable Group in Health Employees treatment: gives an opportunity for pregnant employees, elderly employees aged 55 years old and above, disabled employees, and employees with health problems, to take a leave without pay but the company shall give special allowance 50% of salary and have a right to get normally employees welfares in order to relieve their worry and be safety. There are employees who has participated voluntarily total 9 persons.

Covid - 19 Infectious Group Employees Treatment: The company also concerns about the Covid-19 infectious employees who need to heal themselves by Home Isolation, the company has delivered "Care Box" (which consist of necessary medicine and medical supplies) to employee's residence total 295 persons for healing themselves. Furthermore, the company's staff team has closely following-up and tracing until being cured and back to work as usual, anyhow, the aforesaid treatment measure also inclusive of PC employees (Product Consultant) with the intention that "We will get through this crisis together"



Supporting employees to get COVID-19 vaccines : the company supports employees who is qualified to get Vaccine against Covid-10 by the Public Health Ministry, can go out to get vaccine without taking of leave in order to build Herd Immunity following to the government policy. There are total employees who got vaccines 8,956 persons equal to 89.96% of total employees.

Work from Home and flexible working hours: for keeping social distancing, the company allow office staff to work from home by providing office supplies and work system as well as work schedule 2 period that is 8.30 AM – 05.30 PM and 10.00 AM – 01.00 PM. The objective for working management as necessary and appropriated, total staffs participated 58 persons, equal to 6.21% of total numbers of Office staffs.

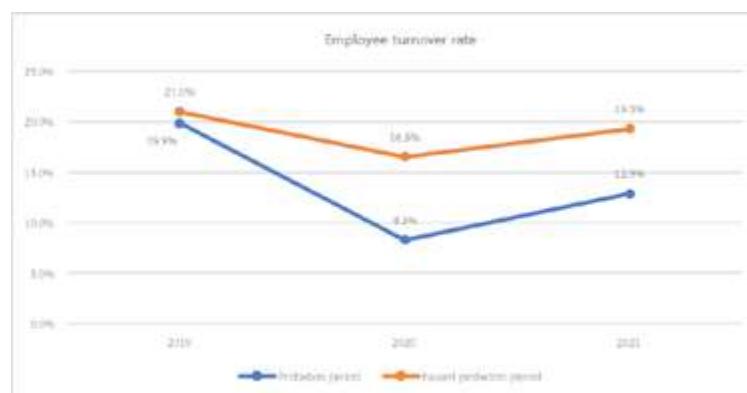
4) Employee's Engagement

The company has provided Employee Engagement Survey to be channels for handling opinions and suggestions from employees. The company has analyzed and set the corrective action plan for the related issues from the survey result and communicate to all employees over the organization for improving employee satisfaction and engagement to be higher. In 2021, the company has set target of employee engagement score at 75%, the survey result is equal to 89.77% which is higher than defined target. Regarding this survey, there are employees participated 8,774 persons, equal to 91% of total employees. The survey result showed that top 3 important factors in working of employees that is, Big and stable company, work near home with more family time, and good benefits for salary and welfares.

Besides of the important factors as mentioned above, there are additional suggestions in overview of relevant issues such as welfares, equipment in working and office supplies, and employees' activities which is beneficial to company in order to consider improvement to be appropriate with area and concerning department hereafter.



Employee Turnover Statistics



2. Occupational Safety and Health and working environment

The company realized that good sanitation and safety in working environment will promote the efficiency in working and build trust to all stakeholders. Thus, the company gives the importance to the management guidelines for occupational health and working environment for safety to employees and all stakeholders.

Determination and Goals

The company has intention to operate business without the occurrence of accidents by setting target “Zero Accident” to persuade employees realize to the importance and work carefully, without accidents which cause of injuries from the working in every activity of operations. By defining the relevant target as follow;

- Every year : 0 Fatality of Employees
- Every year : 0 Occupational Illness Frequency Rate of Employees
- Within 2025 : Less than 1.0 Lost Time Injury Frequency Rate of Employees.

Management Guidelines

The company has determined the safety management guidelines by taking the safety principle and occupational health to apply in operation activities as follows;

- Comply with a laws, regulations, and guidelines with regard to health and safety either being noticed in present and going to be noticed in the future.
- Risk assessment in activities related to the operations such as conflagration, product storage, machine using, forklift and equipment, chemicals, and electrical system, etc.
- Determine the proper preventive measures and provide safety equipment completely, sufficient and always ready to use, by preparing the Personal Protective equipment: PPE, namely Back support, safety shoe, helmet, gloves, reflective vest for employees in all stores and determining to wear every time while working.
- Build the organizational safety culture and encourage knowledges as well as cultivate consciousness regarding health and safety to employees and concerned persons through channels and activities such as training for giving knowledges, safety activities, public relation through various channels, etc.
- Prepare an emergency plan for fire prevention and fire suppression and annual firefighting and evacuation fire drill by determining that all employees need to participate in the activities.

The performance of operations in 2021, there are 0 Fatality of Employees and 101 times of Lost Time Injury statistic with Lost time Injury Frequency Rate: LTFR equal to 3.94% decreased by 8.37% when compared to 2020.

Accident Statistic

Accident Rate	2020	2021
Numbers of Store	71	75
Numbers of Lost time accident	99	101
Lost time injury Frequency average per store ¹	1.39	1.35
Lost time Injury Frequency Rate: LTFR ²	4.30	3.94
Fatality of employees	0	0
Numbers of Fatality of employees	0	0

Remark : 1. Lost time injury frequency average per store = Numbers of accident/Numbers of store

2. Lost time Injury Frequency Rate = Numbers of accident/Numbers of total working hours x 1,000,000

3. Community improvement for society

The Company realizes to the role of participation in social value creation, aims to enhance the people's quality of life and strengthen the economy of community, together with operates business by considering social responsibility, based on the balanced mutual value creation with stakeholders.

Management Guidelines

The Company supports and promotes the use of business processing in creating multiple value to society and community through the projects and activities, such as; generating income for small entrepreneurs, promoting distribution channels for agriculturist group, and strengthening skills and knowledges to students for better quality of life, as well as promoting employees to participate in volunteer working with the communities.

Performance of the year 2021

1) Promoting the distribution channels of products for agriculturist group through “Sharing Happiness, creating smile and Kasetdee Platform project”

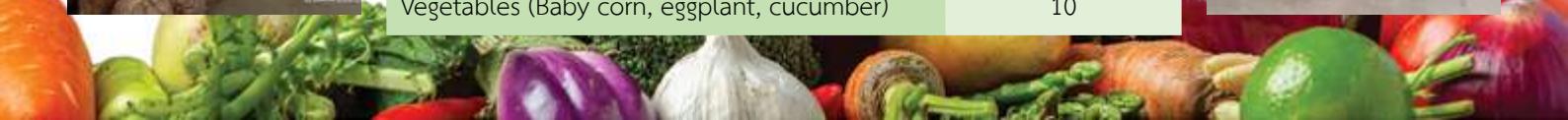
The Covid -19 epidemic situation has led to agriculturist on loss of income because they cannot sell the products and resulted in oversupply of agricultural products. Therefore, the Company has established “Sharing happiness, creating smile project” to be a part to relieve problem of agriculturist. The Company purchases agricultural products in area of Nakhon Ratchasima province, such as; sweet corns, sweet potatoes, bananas, peanuts, and taros, etc. and distributes to “Happiness sharing area” of each store for consumers in those area to access agricultural products with good quality in fair price.

In addition, the Company also supports small courier entrepreneurs by using their transportation service to its stores in area of Nakhon Ratchasima, Khon Kaen, Kalasin, Roi-Et, and Mahasarakam provinces.

Furthermore, the Company has developed “Kasetdee Platform” with its intention to be another channel to facilitate agriculturists or small entrepreneurs who are interested, to offer their agricultural products fast and efficient to the Company. Form the aforesaid projects, the Company supports and distributes agricultural products through “Kasetdee platform” for all the year 2021



Agricultural products	Quantity (tons)
Cavendish Bananas	83
Sweet Corns	298
Sweet purple potatoes	76
Peanuts	22
Taros	11
Vegetables (Baby corn, eggplant, cucumber)	10



2) Promoting Hom Mali Rice distribution project for Kasetwisai Agricultural Cooperatives

Thung Kula Rong-Hai Hom Mali Rice is the excellent jasmine rice and product champion of Roi-et for long times, but agriculturists face the rice price slump problem and could not export to foreign countries, resulted in rice buffer stocks in Roi-Et area. Thus, to relieve rice buffer stocks problem of agriculturists, the Company have purchased Hom Mali Rice in 5 kgs package, from Kasetwisai Agricultural Cooperatives, in number of 96,000 bags or 480 tons, and distributed to “Happiness Sharing Area” of all 76 stores over the country, which have received well feedback.

The promoting Hom Mali Rice distribution project, for Kasetwisai Agricultural Cooperatives, Roi-Et province, is the project that helps about 2,000 families of agriculturist who cultivates Hom Mali rice, with more than 120,000 Rai for Hom Mali Rice cultivation area.

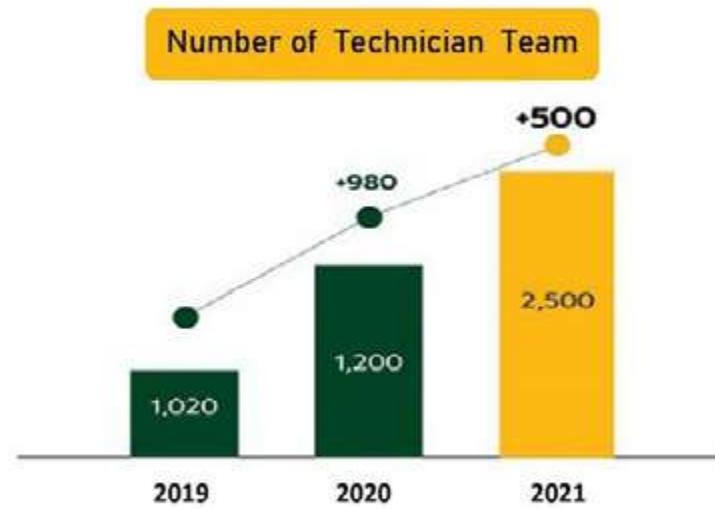


3) Generating Income for small entrepreneurs “Changdee Project”

The Company aims for being a part of enhancing quality of life and creating well-being for societies and communities where the company operates all 76 stores over the country. Thus, the Company has established “Changdee project” and gives, the technicians or small entrepreneurs who do business about installation or residential renovation in the region, an opportunity to work together with the company, which have distributed, the installation service over 50 services, such as; installation of electrical appliances, electrical system, toilets, water pump, gutters, garages, cooking wares, etc., to technicians and small entrepreneurs. Besides, the Company has cooperated with Business Partners; Mitsubishi Samsung Haier Midea Gree Toshiba LG Daikin TCL BEKO, etc.



Presently, there are total 2,500 teams of technicians who is interested to join with the company, details as of the year 2021, by the technicians can generate income from product installation service for more than 58,000 items from 76 stores, covering area of over 77 provinces. For each year, the technicians have development and obtained the annual trainings from department of skill development, in addition, the Company have increased the installation technicians every year to be sufficient with customer's needs. Details of technicians as follow;



Changdee Project		
Business Impact	Social Impact	
	Technicians	Customers
<ul style="list-style-type: none"> • Have technicians for supporting stores expansion • Support more services • Help to push sales • Have one stop service • Increasing Product Sales • Building customer satisfaction 	<ul style="list-style-type: none"> • Always have jobs • Have stable income • Families have better wellbeing • Work near home and closer to family • Got Extra Income from Part Time • Stable career 	<ul style="list-style-type: none"> • Get installation service with quality standard • Relieve about cancellation of technicians • Get services on time • Get installation warranty • Get one stop service • Get installation service in one day, and fast



Changdee Project

The Company aims for being a part of enhancing quality of life and creating well-being for societies and communities where the company operates all 76 stores over the country, the company, therefore, has established “Changdee Project” for building the business impact.



The Annual Awards Activity

The Company has organized the annual awards activities for the installation technicians who have excellent performance of each store, for giving them the morale and encouragement





4) Others Corporate Social Responsibility

The Company always give support activities beneficial to society either in form of donations or giving cooperation with government and private sector through department 75 stores. In 2021, the company has supported total 563 activities, equal to Baht 44,360,340.81 with details as below;

Educational and Youth development

The company donated products to be used as teaching aids for school, Professional Training College, Provincial Technical College, in provinces where the company have stores located, donated grant-in-aid to renovate the school building and places for 66 schools in 14 provinces by total Baht 16,859,028 and support products to be prizes for children day's activities to various organizations

Medical

The Company gives the importance and awareness in human life-saving, due to Thailand and all over the world faced Covid-19 pandemic situation in the past years, the company has collaborated with SCG foundation to donate Biological Safety Cabinet 27 cabinets in total value Baht 2,700,000 to hospitals. In addition, the company donated grant in amount Baht 100,000.00 to Kabinburi hospital for buying medical equipment and donated money and needed things to repair and renovate Kanchanaburi Hospitals in total value Baht 650,000.00.

Physically Disabled persons & Specianeeds people Contributions

The Company are a part in raising money donations from customers, the

faithful, and Global employees from all stores to the foundation for the blind in Thailand under the Royal patronage of H.M. the Queen, head office, by putting the offertory box in stores which can collect donations Baht 450,000.00 Baht including support prizes.

Religion

Donated Money and products of construction material and equipment to restore the church, parsonage and dhamma retreat totally 75 places.

Other Activities

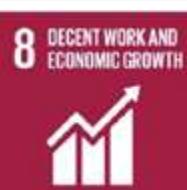
The company donated 135,496 bottles of "LAMAYON" drinking water and personal protective equipment (PPE) in value of Baht 389,345.56 for supporting the activities of government sector and private sector through the store. In addition, also donated money by Baht 100,000.00 to help for transportation of Roi-Et infected patients to come back to heal themselves at Roi-Et.

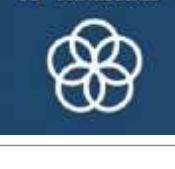


5) The company operate its business with social and community responsibility by giving the importance to reduce environmental impacts and avoid the operations that may cause negative impacts to quality of life for the communities around the store. In 2021, the company have no complaints from communities regarding social or environmental issue.



3.5 Sustainable Development Goals (SDG_s)

SDGs Sustainable Development Goals	Action to support Goals	Ref. Page
 1 NO POVERTY End Poverty	<ul style="list-style-type: none"> • Co - payment • GBH Happy Mind Near Home • Promoting distribution channels for agricultural products 	76 76 83 - 84
 2 ZERO HUNGER End hunger, and improved nutrition for all at all ages	<ul style="list-style-type: none"> • Supporting proper salary and welfare 	79 - 80 , 128
 3 GOOD HEALTH AND WELL-BEING Healthy lives and well-being for all at all ages	<ul style="list-style-type: none"> • Quality products and services 	58 - 61
 4 QUALITY EDUCATION Inclusive and equitable quality education	<ul style="list-style-type: none"> • Employee Potentaility Training and Development 	78
 5 GENDER EQUALITY Achieve gender equality and empower all women and girls	<ul style="list-style-type: none"> • Human Rights Management 	54 - 55
 6 CLEAN WATER AND SANITATION Availability and sustainable management of water and sanitation for all	<ul style="list-style-type: none"> • Water Management 	70 - 71
 7 AFFORDABLE AND CLEAN ENERGY Sustainable modern energy which is accessible for all	<ul style="list-style-type: none"> • Efficient Renewable Energy Use 	68
 8 DECENT WORK AND ECONOMIC GROWTH Inclusive and sustainable economic growth, productive employment and decent work for all	<ul style="list-style-type: none"> • “Changdee” Project 	85 - 86

SDGs Sustainable Development Goals	Action to support Goals	Ref. Page	
 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.	<ul style="list-style-type: none"> • Selling Online Development and Adjustment Project • Self-Check Out Development Project • Bank Agent Connection System Development Project • ASRS development project 	25 , 56 25 , 57 25 , 57 25 , 69
 10 REDUCED INEQUALITIES	Reduce inequality within and among countries	<ul style="list-style-type: none"> • Elderly Employment • Disability Employment • Diversity Employment with non-discrimination 	76 77 77
 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Sustainable consumption and production patterns	<ul style="list-style-type: none"> • Use Solar Energy as a renewable energy 	68
 13 CLIMATE ACTION	Take urgent action to combat climate change and its impacts	<ul style="list-style-type: none"> • Efficient Energy Use 	68 - 69
 14 LIFE BELOW WATER	Use the oceans, seas and marine resources	<ul style="list-style-type: none"> • Water Management 	70
 15 LIFE ON LAND	Use of terrestrial ecosystems	<ul style="list-style-type: none"> • Waste Management 	71 - 72
 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Peaceful and inclusive societies, justice, and non-discrimination	<ul style="list-style-type: none"> • Respect Human Rights • Good Corporate Rights 	54 - 55 53
 17 PARTNERSHIPS FOR THE GOALS	Implementation and revitalize the Global Partnership for Sustainable Development	<ul style="list-style-type: none"> • Supply Chain Management 	62 - 63

3.6 GRI Content Index

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3.7 Regarding this Development Sustainable Report

Regarding this report

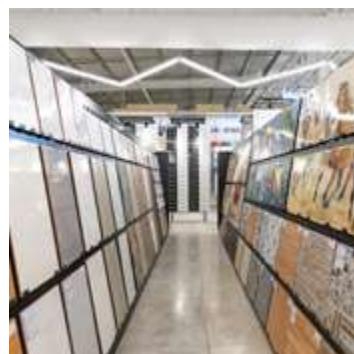
Siam Global house Public Company Limited has prepared development sustainable report to be a part of the 2021 Annual Report (Form 56 - 1 One-Report) to indicate the determination to operate on sustainability by creating social and environmental value together with fairly operating. For being in accordance with Global Reporting Initiative (GRI) Standards, the matters of development sustainable report emphasize on sustainability issues that all stakeholders give importance, and related to business operation of the company.

Scope of Report

Scope of this report has declared operating results covered all process of the company's operation specified Global House business in Thailand which is main business during period since January 1st, 2021 to December 31st, 2021.

More Information

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website www.globalhouse.co.th



4. Management Discussion and Analysis

4.1 Overview of operating result

The year 2021 is the second year of Covid-19 outbreak that continues to *affect Thai economy and society* particularly in period of second quarter and third quarter. Therefore, the government imposes strict lockdown measures again in Bangkok and suburbs that caused economic activities were obviously impacted.

Nevertheless, the company can deal with the challenges arise by adjusting the operation strategy to be in accordance with economic condition that continue to be affected by Covid-19 pandemic, and changing customer behavior in New Normal, such as; House Brand product Management, increase sales through different more channels, online distribution channels development to be more easily accessible to products and services for customers as well as stores renovation to be modern for attracting more customers into stores.

From the operation strategy adjustment resulted to the company have net profit (separate financial statements) equal to Baht 3,245.11 million increasing by Baht 1,336.40 million or 70.02%. And include share of profit of joint venture from Global House International Co., Ltd and investment in a subsidiary company on behalf of Global House Cambodia Co., Ltd, led to the Company's net profit of consolidated financial statements was Baht 3,358.97 million increasing by Baht 1,383.45 million or 70.03 % compared with the year 2020

In addition, the Company has followed to the plan of domestic stores expansion and investment expansion in retail business for construction materials and home decoration in Asean with business partners, by details as follow;

Domestic Store Expansion

The Company has opened more 4 stores at Phayakkhaphum Phisai, Kabin Buri, Nong Han, and Phan. Therefore, the end of year 2021, the Company has operated total 75 stores.

Establishment of the subsidiary company

The Company has established subsidiary company in China under name "Guangxi Global House International Trade Co., LTD.", by holding 100.00% of share with objective to support the Company's business operations. Besides, the Board of Directors has approved the establishment of the subsidiary company in Philippines under name "Global House Philippines Co., Ltd", by holding 55.00% of share with objective to support the business expansion in Philippines, which is currently being processed

Investment Expansion

The Company has expanded investment to Indonesia on behalf of "Global House International Co., Ltd or ("GBI") which is joint venture company between the company and "SCG Distribution Co., Ltd" in proportion of 50%. GBI holds 22% in Caturkarda Depo Bangunan Tbk or ("CKDB"), by CKDB is a leading Indonesian retailer of building material, decorative, hardware, construction, renovation, and decorative house/garden products under the brand "Depo Bangunan".

Performance and profitability

In 2021, The company's total revenues and net profit were Baht 34,116.11 million and Baht 3,358.97 million increasing from the year 2020 by 24.72% and 70.03% respectively. As a result of adjusting operation strategy to be in accord with economic conditions that continue to be affected by Covid-19 pandemic and changing customer behavior in New Normal, such as; House Brand product Management, increase sales through many more different channels, online distribution channels development to be more easily accessible to products and services for customers as well as stores renovation to be modern for attracting more customers into stores.

1) Revenue

Unit : Million Baht

Transactions	2021		2020		2019	
	Amount	%	Amount	%	Amount	%
1. Sale Revenues	33,010.21	96.76	26,207.95	95.81	27,482.16	96.01
• Construction Material Products	16,286.41	47.74	10,713.21	39.17	10,439.47	36.47
• Decoration Material Products	16,723.80	49.02	15,494.74	56.64	17,042.69	59.54
2. Other Revenues	610.61	1.79	544.70	1.99	538.16	1.88
3. Subsidiaries Revenues	495.29	1.45	601.24	2.20	604.10	2.11
Total Revenues	34,116.11	100.00	27,353.89	100.00	28,624.42	100.00

In 2021, total revenues of the company and subsidiaries were Baht 34,116.11 million increasing by Baht 6,762.23 million or 24.72% from the year 2020. It was mainly driven by the increase of same stores sales growth and opening new 4 stores. The company's revenues were divided to be; sales revenues, other revenues, and subsidiaries revenues with details as follows;

- Sales Revenues was Baht 33,010.21 million increasing by Baht 6,802.26 million or 25.95%, comprise of retail sales revenues of construction material products and decoration material products. In 2021, sales revenue was increased by Baht 5,573.20 million and Baht 1,229.06 million respectively.
- Other revenues was Baht 610.61 million increasing by Baht 65.91 million or 12.10%. The main reasons from the increase of sale promotion revenues and transportation revenues of the company.
- Mostly revenues from subsidiaries, which are sales revenues, and other revenues of subsidiaries in Cambodia on behalf of Global House Cambodia Co., Ltd, were Baht 494.81 million decreasing by Baht 106.43 million or 17.70%. Due to Curfew order and Lockdown measure of the government to control Covid

2) Cost of Sales and Gross Profit

In 2021, the company and subsidiaries have cost of sales Baht 25,067.00 million increasing from the year 2020 by Baht 4,666.00 million or 22.87%. As a result of the increase of sales revenues that gross profit was Baht 8,430.81 million increasing from the year 2020 by Baht 2,028.85 million, gross profit margin was 25.17% increasing from last year that gross profit margin was 23.89%. This is due to the strategy adjustment of House Brand products management and steel price increased in some periods

3) Distribution Costs & Administrative expenses

In 2021, the company and subsidiaries have distribution costs and administrative expenses of Baht 4,806.97 million increasing from the year 2020 by Baht 505.99 million or 11.76%, such expenses were equal to 14.35% of sales by details of each expense as follows;

- Distribution cost was Baht 2,600.87 million increasing by Baht 279.85 million or 12.06%. It was mainly driven by the increase of salary expenses of 4 new stores and selling expenses.
- Administrative expense was Baht 2,205.16 million increasing by Baht 293.06 million or 15.33% arise from expenses of Head quarter and expenses for same stores renovation to improve the stores image to be modern and correspond the customers' behavior in the present.
- Other expense was Baht 0.95 million decreasing from last year by Baht 66.91 million or 98.60% due to the decrease of depreciation and amortization expenses from stores renovation.

4) Financial Costs

Financial costs for the year 2021 was Baht 180.42 million decreasing by Baht 65.46 million or 26.62% from the year 2020 as the Company has made repayment of loans from financial institutions in every quarter and redemption of debentures in 3rd quarter, resulted in the decrease of interest expenses.

5) Net Profit

Performance for the year 2021, the company and subsidiaries have net profit of Baht 3,358.97 million increasing by Baht 1,383.45 million or 70.03% compared with the year 2020 and considered Net profit ratio/net sales that was equal to 10.03% increasing from last year that Net profit ratio/sales was 7.37%. It was mainly due to the company's operation strategy adjustment that produced the increase of sales of products and services including efficiency of expenses management.

6) EBITDA

EBITDA for the year 2021 was Baht 5,583.59 million increasing from the year 2020 by Baht 1,767.14 million or 46.30%.

7) Profit Efficiency

- **Return on Equity: ROE**

As at 31 December 2021, return on equity (ROE) was 16.93% increasing from last year that ROE was 11.48% or increasing by 5.45% due to net profit was increased by 70.03%

- **Return on Assets: ROA**

As at 31 December 2021, return on assets (ROA) was 8.92% increasing from last year that ROA was 5.49% or increasing by 3.43% due to net profit was increased by 70.03%

4.3 Asset Management

As at 31 December 2021, the company and subsidiaries have total assets in number of Baht 39,274.60 million increasing from last year by Baht 3,254.30 million or 9.03% as a result of changing of significant transactions as follows;

- Cash and cash equivalents were increased by Baht 469.83 million from the company's operation.
- Account receivables and other account receivables were increased by Baht 8.24 million due to the increase of undue related party receivables and other account receivables causing from operation related to sale promotion. As at 31 December 2021, accrued trade receivables aging for more than 12 months was equal to Baht 2.97 million and set allowance for doubtful accounts of Baht 3.12 million and the company have no bad debt in 2021.
- Inventories were increased by Baht 1,898.42 million pursuant to product management policy, product preparation for seasonal marketing including some products prices tend to rise. The company indicated inventories by cost or net realizable value whichever is lower, product management by computer software and preventive measure from deterioration or obsolescence of products. Along with the company has established the policy of forecasting allowance for obsolete and slow-moving inventories from conditions and stock aging of inventories. In the event that there are deteriorated or obsolete products, the company shall consider to decrease merchandises according to accounting standards.
- Investment in joint venture was increased by Baht 669.05 million due to the company has expanded investment in retail business of construction materials and decorative products in Indonesia through "Global House International Co., Ltd (or "GBI") which is joint venture company between the company and "SCG Distribution Co., Ltd" in proportion of 50%.
- Investment in bonds was increased by Baht 100.00 million which is divided into; Baht 50.00 million invested in debentures of Muangthai Capital Public Company Limited with 3 years tenor, and Baht 50.00 million invested in debentures of Sahakol Equipment Public Company Limited with 3 years tenor, which the company shall receive benefits in form of interest rate of 3.23% and 4.90% per annum respectively.
- The property plant and equipment were decreased Baht 48.92 million due to the increase of accumulated depreciation, although the property plant and equipment of new 4 stores were raised last year.

4.4 Liquidity and Sufficiency of capital

1) Cash Flow

The Company and Subsidiaries have capital management by preparing a cash flow forecast to use in working capital management for sufficient liquidity and low financial cost. By comparing cash flow for the year end 31 December 2021 with the same period of the year 2020 as follows;

Unit : Million Baht

Transactions	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Cash flow from operating activities	3,204.31	4,829.93	3,110.94	4,796.93
Cash flow used in investment activities	(2,602.72)	(2,160.87)	(2,540.17)	(2,155.13)
Net Cash flow used in Financing Activities	(142.88)	(2,740.72)	(113.01)	(2,714.97)
Effect of translating financial statements	11.11	(3.32)	-	-
Net Increase (Decrease) in Cash and Cash Equivalent	469.82	(74.98)	457.76	(73.17)

As at 31 December 2021, the Company and subsidiaries have Cash and Cash Equivalent of Baht 1,694.11 million increasing from 31 December 2020 by Baht 469.83 million arise from the following activities;

- Net cash from operating activities in 2021 of baht 3,204.31 million, from operations before changes in operating assets and liabilities of Baht 5,577.53 million, and working capital increasing from changes in significant operating assets and liabilities, namely decrease in trade and other receivables of Baht 20.51 million, increase in inventories of Baht 1,930.81 million, increase in trade and other payables of Baht 268.40 million, increase in provisions for post-employment benefits of Baht 17.36 million, and income tax paid of Baht 711.32 million.
- Net Cash used in investment activities in 2021 of Baht 2,602.72 million, mostly for the purchase of the property plant and equipment for stores expansion in 2021 and the next year. And for same stores renovation to be modern style of Baht 1,857.20 million, Computer software of Baht 1.30 million, temporary investments of Baht 77.72 million, investment in joint venture in Global House International Co., Ltd of Baht 583.30 million, and investment in bonds of Baht 100.00 million.
- Net Cash used in financing activities in 2021 of Baht 142.88 million, came from the increase of short-term loans from financial institutions of Baht 873.12 million, long term loans increasing by Baht 1,464.00 million, repayment on long-term loans of Baht 966.89 million, repayment on Lease Liabilities of Baht 53.61 million, redemption of debentures due of Baht 500.00 million, and dividend paid of Baht 814.49 million.

2) Sufficiency of liquidity

In 2021, the Company and Subsidiaries had security and sufficiency of liquidity, and Affordability as follows;

- Liquidity Ratio as at 31 December 2021 was equal to 1.16 times increasing from last year that its liquidity ratio was 1.03 times arise from current assets and current liabilities increasing by 15.12% and 1.58% respectively.
- Debt to Equity ratio (D/E Ratio) as at 31 December 2021 was equal to 0.98 times decreasing from last year that its D/E ratio was 1.09 times due to repayment on loans from financial institutions and redemption of debentures due. And Interest Coverage Ratio) as at 31 December 2021 was equal to 30.97 times increasing from the same period of the year 2020 by 15.62 times. This was due to the decrease of interest paid from repayment on short-term loans and long-term loans from financial institutions and redemption of debentures due.

3) Source of Capital

The company use capital in operation from sales revenues and loans from financial institutions as follows;

- Sales Revenues; due to the company have cash policy result to revenues from cash sales was always high. When compared with total sales revenues since 2019 - 2021, the proportion of cash sales was equal to 95.89%, 96.73%, and 97.64% respectively.
- Loans from financial institutions, were comprised of short-term-loans in form of promissory note and long-term-loans as at 31 December 2021, of Baht 12,066.05 million and Baht 3,183.44 million respectively.

4) Shareholder's Equity

As at 31 December 2021, shareholder's equity was equal to Baht 19,836.05 million increasing from last year of Baht 2,622.21 million or 15.23%. Arise from the increase of unappropriated retained earnings of Baht 2,329.02 million and increase of other components of equity by Baht 50.58 million.

5) Capital Expenditures

In 2021, the Company had capital expenditures of land purchase for building construction of new stores expansion and same stores renovation to be modern style, with a total of Baht 1,857.20 million. And the company has invested in joint venture of Baht 583.30 million by source of investment funds came from cash from operations and loans from financial institutions.

4.5 Liabilities and Off-balance sheet liability Management

As at 31 December 2021, the Company and Subsidiaries had total assets of Baht 19,438.55 million, increasing from last year by Baht 632.09 million or 3.36% as a result of significant transactions changing as follows;

- Short-term-loans from financial institutions were increased by Baht 873.12 million for using to be working capital in operations of the company.
- Trade Account Payables and other account payables were decreased by Baht 445.35 million due to the company has repaid to account payables on due.
- Long-term-loans were increased by Baht 497.11 million Due to the company have a plan to repay from Cash flow from operating activities
- Lease Liabilities were increased by Baht 50.57 million, was affected by the increase of lease liabilities referring to *Amendment of Thai Financial Reporting Standard (TFRS) No.16 “Leases”*, which the Company has signed lease agreement in 2021 for preparing of more store's expansion of its subsidiaries.
- Debentures were decreased by Baht 500.00 million since the company has repaid on due debentures redemption in 3rd quarter of the year 2021.
- Other current liabilities were increased by Baht 6.44 million arise from derivative agreement (Forward) for using in operations.

So that, in 2021, the Company has complied with conditions and regulations as stipulated in loans agreement with financial institutions and has already repaid on both short-term-loans and long-term-loans on due.

4.6 Factors which may affect to the operation in the future

The Company has assessed the factors which may affect to the operation in the future along with reviewed the plan to be in accordance with the situation. Due to Covid-19 pandemic affect to changing customer behavior in New Normal that caused the customers have more realized to the health and safety, have social distancing, work from home, thus, the company must adjust the operation plan to correspond the changing as follows;

- Procuring more products to support New Normal lifestyle such as; Hygiene product group, contactless product group, Internet of thing product group, products for working or activities in house, DIY or handmade product group, etc.

- Applying technology to increase competitive advantage such as Online distribution channels development for customers to be more fast and easily accessible to products and services. And increasing the Self-Check Out point for customers who buy products at stores as well as developing contactless payment channels for reducing close contact between people.
- Organizing more sale promotion activities through social media channels for attracting customers.
- Increasing same day delivery service for the convenience and fastness in product receiving of customers.

4.7 Key Financial Information

Items (Unit : Million Baht)	31 Dec 2019	31 Dec 2020	31 Dec 2021
Statement of income			
Net sales	28,081	26,803	33,498
Transportation income	94	102	117
Other income	449	449	501
Total revenues	28,624	27,354	34,116
Cost of goods sold	21,741	20,401	25,067
Distribution costs	2,179	2,321	2,601
Administrative expenses	1,826	1,912	2,205
Other expense	33	68	1
Profit from operating activities	2,845	2,652	4,242
Finance costs	(268)	(246)	(180)
Share of Profit of Joint Venture	29	23	81
Profit before Income Tax	2,606	2,430	4,142
Income Tax Expense	492	455	783
Profit for the year	2,114	1,975	3,359
Statement of financial position			
Total Assets	35,986	36,020	39,275
Current assets	18,179	16,184	18,631
Cash and cash equivalents	1,299	1,224	1,694
Trade and other accounts receivable	1,271	666	674
Short-term loans to joint venture and accrued interest income	6	6	-
Merchandises	15,603	14,288	16,186
Temporary Investment – Deposits at Financial Institutions	-	-	78
Non-current assets	17,807	19,836	20,643
Investment in joint venture	815	838	1,508
Land not use in operation	500	500	500
Property, plant and equipment	16,105	17,148	17,099
Right-of-use assets	308	1,270	1,283
Intangible assets	15	12	7
Deferred tax assets	50	60	138
Other non-current assets	14	8	8
Total liabilities	19,855	18,806	19,439
Current liabilities	18,823	15,761	16,011
Short-term loans from financial institutions	14,220	11,193	12,066

Items (Unit : Million Baht)	31 Dec 2019	31 Dec 2020	31 Dec 2021
Trade and other accounts payable	3,399	2,988	2,543
Current portion of long-term loans	943	883	1,045
Current portion of lease liabilities	-	15	18
Debentures – Maturity date within a year	-	500	-
Current portion of accrued rental expenses	10	-	-
Income tax payable	224	177	328
Other current liabilities	27	5	12
Non-Current Liabilities	1,032	3,045	3,427
Long-term loans	333	1,803	2,139
Lease liabilities	-	1,081	1,129
Debentures	500	-	-
Accrued rental expenses	67	-	-
Deferred tax liabilities	10	8	11
Provisions for employee benefits	116	147	144
Other non-current liabilities	6	6	5
Shareholders' Equity	16,131	17,214	19,836
Equity attributable to equity holders of the parent	15,912	16,981	19,561
Non-controlling interest	219	233	275
Statement of cash flows			
Cash flows from operating activities	1,530	4,830	3,204
Cash flows from investing activities	(2,863)	(2,161)	(2,603)
Cash flows from financing activities	(1,982)	(2,741)	(143)
Net increase (decrease) in cash and cash equivalents	638	(75)	470
Cash and cash equivalents at end of year	1,299	1,224	1,694
Liquidity Ratio			
Current Ratio (time)	0.95	1.03	1.16
Quick Ratio (time)	0.14	0.12	0.15
Current Ratio - Cash basis (time)	0.16	0.28	0.20
Account Receivable Turnover (time)	20.86	27.68	50.01
Account Receivable Day (day)	17.50	13.19	7.30
Inventory Turnover (time)	1.50	1.37	1.65
Inventory Day (day)	242.60	267.38	221.86
Account Payable Turnover (time)	7.23	6.39	9.06
Account Payable Day (day)	50.52	57.14	40.27
Cash (day)	209.58	223.43	188.89

Items (Unit : Million Baht)	31 Dec 2019	31 Dec 2020	31 Dec 2021
Profitability Ratio			
Gross Profit Margin (%)	22.58%	23.89%	25.17%
Operation Profit Margin (%)	10.13%	9.89%	12.66%
Other Revenue to Total Revenue (%)	1.90%	2.01%	1.81%
Cash flow to Operation Profit (%)	53.79%	182.13%	75.54%
Net Profit Margin (%)	7.39%	7.22%	9.85%
Return on Equity (%)	13.63%	11.85%	18.13%
Efficiency Ratio			
Return on Asset (%)	6.31%	5.49%	8.92%
Return on Fixed Asset (%)	18.21%	16.68%	22.84%
Asset Turnover (time)	0.85	0.76	0.91
Financial Policy Ratio			
Debts to Equity Ratio (time)	1.23	1.09	0.98
Interest Coverage Ratio (time)	14.19	15.62	30.97
Interest Bearing Debt to EBITDA (time)	4.21	4.03	2.93
Debt Service Coverage (time)	0.19	0.32	0.43
Dividend Payout Ratio (%)	38.91%	43.66%	24.25%



5. General Information and Other Key Information

5.1 General Information

Regulator	The Securities and Exchange Commission 333/3 Vibhavadi Rangsit Road, Chomphon, Chatuchak Bangkok 10900 Telephone 02-695-9999 Fax 02-695-9660
Regulator	The Stock Exchange of Thailand 93 The Stock Exchange of Thailand Building, Rachadapisek Road, Dindaeng Bangkok 10400 Telephone 02-009-9726-50 Fax 02-009-9807-8
Share Registrar	Thailand Securities Depository Company Limited 93 The Stock Exchange of Thailand Building, Rachadapisek Road, Dindaeng Bangkok 10400 Telephone 02-009-9000 Fax 02-009-9991
Auditor	M.R. & ASSOCIATES Co.,LTD 705-705 Chaopaya Tower 89, Soi Wat Suan Plue, Charoenkrung Road, Bangrak, Bangkok 10500 Telephone 02-630-7500 Fax 02-630-7506
Bond Registrar	The Debenture of Siam Global House PCL. 1/2018 Bank of Ayutthaya Public Company Limited 1222 Rama III Road, Bang Phongphang, Yan Nawa, Bangkok 10120 Thailand Telephone 02-296-5695, 02-296-2796 Fax 02-683-1302

5.2 Other key Information

- None -

5.3 Legal Dispute

As of December 31, 2021, The Company has no Legal Dispute



Initiative of business integration in general construction material distribution to become business in form of warehouse store.

WAREHOUSE STORE

To collect products in structure group, home décor products, building and gardening, and equipment, inclusive of other various products over 280,000 items that have been arranged in the huge store with an area of 10,787 – 32,000 square meters, to facilitate customers to closely view and touch products.

02

Corporate Governance



6. Corporate Governance Policy

6.1 Corporate Governance Policy Overview

The Company realizes the importance of the good Corporate Governance, the transparent management system and accountability in order to confidence of shareholders, investors and stakeholders. Therefore, the Board of Directors had set the manual Code of Conduct for committee, executive officer and employees and published through <https://globalhouse.co.th/investors/th/governance>

The company gives priority to the good governance, transparent management system, and the accountability to promote trust among shareholders, investors, and all relevant people. The company implements Code of Best Practices principles as the guidelines for business operation which involving the following five articles.

1. Rights of Shareholders

The company gives the importance to rights of all shareholders equally. Besides of determining the policy in corporate governance taking into consideration of rights of shareholders not limited only to rights as stipulated by laws. In 2021, the company conduct following to the good corporate governance criteria as below;

Before the Meeting

- 1) The Company allow shareholders to propose the meeting's agenda, questions about the company's operation and list of qualified persons to be elected as directors of the company, in advance for the Annual General Meeting for the year 2021 though the company website since 21st, October 2020 to 31st January 2021.
- 2) The Company provides details, date, time, place, and agenda including all details related to the matters which can be used to decide on the resolution sufficiently and timely for shareholders. The Company has delivered the invitation letter to the meeting and supporting documents in both Thai and English versions to shareholders in advance more than 21 days, including has publicized on the company's website on 3 March, 2021 which is done more than 30 day in advance of the meeting date. In order for the shareholders to have enough time to study the information for the meeting, and in 2021, the Company does not call an Extraordinary General Meeting of Shareholders
- 3) The Company has policy to encourage and facilitate the shareholders' attendance for shareholders including institutional investors by convening the shareholders' meeting at a conveniently accessible venue and sufficient to support the shareholders.
- 4) The Company will notify shareholders for the rules and regulations in the meeting including publicization such information in the company's website in advance before delivery the documents for giving shareholders a chance to study the meeting's information in sufficient time.
- 5) The Company will facilitate shareholders to exercise their rights to attend shareholders' meeting and rights to vote fully and shall not take any actions that may limit the chance to attend shareholders' meeting.
- 6) The Company has policy to promote institutional investors in the shareholder's meeting attendance by contact and communication to facilitate in registration at least 1 day prior to the shareholders' meeting date.
- 7) In the event that minor shareholders and institutional shareholders were unable to attend the meeting, the company allows shareholders to delegate an independent director to vote. In 2021, the company has appointed Mr.Pairoj Juarprathoom, Dr. Boonchai itugdamrongkija, and Dr.Vongsak Swasdipanich to be independent directors, the proxy.

Meeting Day

- 1) The Annual General Meeting of Shareholders for the year 2021 on April 7th, 2021, the company has encouraged shareholders to attend the meeting which convened the AGM at Siam Global house Public Co., Ltd, headquarter. The company facilitate to shareholders by providing shuttle bus from Roi-Et Bus terminal and Roi-Et airport to the meeting place, In addition, due to the COVID-19 pandemic situation, the company concerns about safety of shareholders and attendants, so the company has determined the practical guidelines for AGM's attendance as below;
 - Shareholders can exercise their rights in the shareholders' meeting by give a proxy to the company's independent director to attend the meeting and deliver the proxy letter with written evidence to the company at least 1 day prior to the shareholders' meeting date.
 - Shareholders in risk areas, the company suggests to give a proxy to other persons or independent directors to represent in the meeting's attendance.
 - Shareholders or proxy who intend to attend the meeting by themselves, the company will set the screening point area and reserve the right to attend in the meeting place, in case of risk contact persons, together with making approaches to attendants to wear face mask in the meeting's attendance.
- 2) The company provides the appropriate time and gives shareholders a chance to express their opinions and ask questions to the meeting about the matters related to the company. Besides, the company will proceed the meeting respectively to the agenda as specified in the invitation letter.
- 3) The Voting in the shareholders' meeting, the company uses voting cards of each agenda item by applying barcode system in the counting of votes for more convenient, fast and efficient. Besides, the company also has representative to acts as witness in the counting of votes and has disclosed clearly the voting results in the report for shareholders either approved, disapproved, and abstained of every agenda.

After the Meeting

- 1) After the shareholder's meeting, the company has disclosed the meeting's resolutions clearly together with number of votes of each agenda to the Stock Exchange of Thailand in next day from the shareholder's meeting date. And then submit the Meeting's minutes to the SET, the Commerce Ministry, as well as publicizing on the company's website within 14 days.
- 2) The company will usually inform the progress of business operation to shareholders through the company website or via channel of the Stock Exchange of Thailand.

2. Equitable Treatment of Shareholders

The Company has policy to treat shareholders equally by assigning independent directors to be responsible for minority shareholders. The minority shareholders be able to suggest or express opinions to independent directors. The independent directors will consider the appropriate of each issue such as the complaint, the independent directors investigated and find appropriate resolution. Therefore, the shareholders able to propose any questions to be include in the agendas and nominating persons to be elected as directors via website of the Company www.globalhouse.co.th

In 2021, the shareholders not to propose agenda or nominating persons to be elected as directors in advanced before the Annual General Meeting of Shareholders.

3. Roles of Stakeholders

The company has considerate for the rights of all stakeholders involved the company including internal stakeholders who is shareholders, employee and board of director or external stakeholders who is competitor, Partners, customers, community and society etc. The company realized that the support and get the feedback as well as build a good relationship to the stakeholders will be good benefit for the operation and develop the company to grow and expand in the future. The company has provided the group to get the rights in Equitable including comply with provision of the laws and regulation related as below.

1) Shareholders

The company emphasizes on being good representative of shareholders in business operating for building shareholders' satisfaction by taking into account on long term growth including good controlling system and good internal audit, transparent disclosure of information.

2) Customers

The company has its intention to give good services and build customer's satisfaction by providing quality products and services, do business honestly and fairly with customers, both pre-sales and after-sales services. Moreover, the company has customer satisfaction survey including handling complaint or taking customer suggestions to adjust and develop services continuous and building good relationship in long term business with customers.

guidelines to customers

- The company shall treat all customers equally with honest and fair.
- The company shall provide good products and quality services for customers.
- Executives and staffs must have knowledge and good understanding in the company's products and services as well as giving product information correctly and completely to customers.
- Executives and Staffs must study and try to understand thoroughly customer's needs before presenting products or services to customers in order to respond customers needs correctly. Furthermore, they must always attend to seek knowledge and collect working experience for more efficiency in order to increase customers satisfaction.
- Executives and Staffs must treat customers politely, respect customers with gentle verbal.
- Executives and staffs must have good attitude to services job, have service-mind, give importance to service job and perform their duties fully, influence to service value and efficiency leads to be excellence on services.
- Executives and Staffs must respect decision and opinions of customers including not infringe personal right of customers.
- The company provides the department, system, or action process to listen suggestions, opinions, or complaints about products or other services by taking such matters into consideration to improve and resolve quickly within appropriate time.

3) Employees

The company will support potential development of human resource to maximize the benefit since the company realizes that employee is a part of main resource which is important in the organization's development to be growth. In order that, the company treats all employees equally, fairly, non-discrimination with giving appropriate compensation and welfares, conform with average compensation in the same business which include provident fund, activities encouragement for employees such as annual sports event, new year celebration activity, for employees to do activities together, maintain working environmental to be safety and sanitary as well as giving employees a chance to complain in case of any unfair actions as stipulated.

4) Suppliers

The company will treat suppliers with trading in good faith by holding fast to execution of a contract, commercial terms and commitment with suppliers in order to build good relationship in business beneficial to all parties. Furthermore, the company has established the policy and sustainable practical guidelines of suppliers, aim for its suppliers to comply accordingly. The company has stipulated the policy and practical guidelines to suppliers and disclosed information on the company website : <https://globalhouse.co.th/investors/th/governance>

5) Competitive

The company will practice towards competitors with ethics following to the good competition by avoiding the competition in dishonest manner to destroy the competitors.

6) Community, Society, Environment

The company gives an importance to maintain environment in community around the company by energy saving campaign including business operation not against the traditions or not cause of damages to society.

7) Government Sector

The company operate its business with moral, transparency and comply with the regulations of laws.

8) Creditors

The company practices fairly towards creditors, comply with the agreements of contracts, manage loan follow the objective, control the repayment for capital and interest on due date including making a contract with creditors correctly and transparently according to the laws.

Policy and Practical Guidelines

1) Non-infringement of intellectual property

The company has policy and guidelines about non-infringement of intellectual property by not doing to support any acts infringed the Intellectual Property or copyright as stated by intellectual property law. Anyway, in the event that the company has found any disputes related to intellectual property infringement, the company shall take action sharply and properly following to the measures to stop or refrain the accused infringing access.

2) Human Rights Policy

The company realizes that respecting human rights is the important responsibility and concern with all stakeholders such as customers, employees, suppliers, creditors, communities related to the business operations of the company. Thus, the company has stipulated the human rights policy in accordance with laws in the country and international standard for instance, UN Guiding Principles on Business and Human Rights: UNGPs in order to apply to be corporate practices regard as responsibilities of directors, executives, and employees need to be acknowledged and comply.

3) Risk Management Policy

The company has realized to the importance of risk management to be a part of good corporate governance and be the important base of helping the company to achieve the operation's objective, able to indicate the probably occurrence of incidents and impacts to the company and manage risk to be in acceptable level.

4) Environmental Policy

The company has intention to operate business sustainable together with social responsibility with awareness and giving the importance to reduction of environmental impacts causing from the company's operation. However, the company has established the environmental management by efficient use of resource with its value realization, along with taking 3R principles (Reduce, Reuse, Recycle) to be base in compliance and apply to maximize the benefit of the use of the company's resources.

5) Tax Policy

The Company gives the importance in Tax management, Tax law compliance and Tax payment correctly for social responsibility and conform with sustainable operating guidelines which emphasize on economic growth together with balanced social and environmental development

6) Anti-Corruption

The company operate its business with transparency and awareness to the importance of anti-corruption in all types by conduct business legally, beneficial to society and support employees to perform their duties with moral and be good citizen of society. Moreover, the company gives an importance with Collective Action Coalition: CAC, the company is preparing to propose the consideration to announce its intentions. In order that, the company has established Anti-Corruption Policy to be more clearly practical guidelines for protection and resistance the Corruption problem of the company, by creating organizational culture for everyone's realization to social harm of corruption, creating the right core value, and increasing of trust to all stakeholders. The company has announced its policy and communicated to all directors, executives, and employees to be acknowledged and adhere to comply by publicizing through Internal media channels and the company's website

4. Disclosure and Transparency

The Company realized the importance of disclosure with transparency including financial reports and general information complied with regulation of SEC and SET. As well as other information that affects to price of securities and decision making of investors and stakeholders. The Company will disclose information to shareholders or investors through SET and SEC including the Company's website, newspapers for the shareholders access to information equally. In 2021 company disclosed the following information :

- 1) Board of Directors requires the financial report to show the financial status and performance as required by law according to the generally accepted accounting standard by appointing the audit and risk management committee who is responsible for reviewing financial report to be accurate, complete, and reliable.
- 2) The company has the disclosure policy for financial report, general information affecting the security price, which has impact on the decision-making of the investors and stakeholders of the company, to be complete, accurate, and timely.
- 3) Prepare a report on the responsibility of the Board of directors for financial reports
- 4) The Company disclosure additional information in the 56 - 1 One Report as follows;
 - Roles, duties and attendance of the board of Directors meeting and Sub-Committee.
 - Remuneration of directors and executives.
 - Disclosure directors' profile and training by individual.
 - Disclosure audit fee and other service in Annual Report.
- 5) The Company has disclose the Invitation Letter of the Annual General Meeting 2021 via the Company's website on 3 March 2021 that the meeting held on 7 April 2021.
- 6) Disclosure the Code of Conduct on the Company's website for the Directors, executives and employees to adhere the guidelines.

Information Dissemination Channels

The Company realized to disclosure of financial and operating results information, that was accurated, completed, transparent. The company provide the information dissemination channels as follows;

- Organized the investor relation unit to be communication channel for domestic investors and foreign investors.
- Arrange activities to meet investors both domestic and abroad.
- Published information in various such as press releases, news, advertising media and social media.
- Prepare publications to disseminate various information of the Company such as 56-1 One Report.
- Disseminate information to the employees via various electronic media such as intranet, email and social media.
- Disclosure information via the Company's website www.globalhouse.co.th

5. Responsibility of Board of Directors

- 1) The Board of Directors determined a corporate good governance policy in order to be guideline. As well as defined the roles, duties and responsibilities of the Board of Directors.
- 2) The Board of Directors determined a Code of Conduct and published on website by being as an honest policy for directors, executives and employees that must comply with the requirements.
- 3) The Board of Directors has clearly defined the vision and mission of the Company. For all employees upheld as guidelines for accomplish their work as targeted. The Board of Directors will consider these vision and mission on an annual basis. In 2021, The Board of Directors reviewed vision and mission shall remain unchanged.
- 4) The Board of Directors has approved the strategic plans and reviewed on and annual basis to be in line with the current economic. The management is the operator and report the performance to the Board of Directors on a quarterly basis.

Roles and responsibilities distribution between directors and management

The company distributes the roles and responsibilities between the Board of Directors and management clearly. Board of Directors is responsible for policy making and supervising the operation of management. Meanwhile, the management administrates the operation followed the policies. Therefore, Chairman of Board of Director shall not be the same person.

Determination of number of registered company the director and CEO taking position of director

Board of Directors identifies the number of registered company the director can take the position of director to ensure the sufficient and efficient dedication to the company. Therefore, Board of Directors identifies that the director is able to hold the position of director in the other five registered companies at the maximum. As for the Chief Executive Officer who will be a director in other listed companies must be approved from the Board of Directors.

6.2 Business Ethics

The company have established Business Ethics and Code of Conduct Manual and have annual review and revise regularly. There are operational principles regarding ethics for directors, executives, and all employees of the company and subsidiaries to be guidelines in working, conducting, giving the importance for customers, having social responsibility, as well as community and environment, not engage in politics, respecting on all stakeholders including human rights as stipulated by laws, respect human rights, anti-corruption, non-infringement of intellectual property. The company has publicized the aforesaid manual to the directors, executives, and all employees of the company, has provided training courses for giving knowledge and understanding concerning the right practical guidelines in working, building awareness and indoctrination to employees to follow and participate in activities leads to the operations of the company proceeds with quality, morality, transparency, and accountability.

(Business Ethics and Code of Conduct details are appeared on the company www.globalhouse.co.th)

6.3 The important change and development of policy, practical guidelines, and corporate governance system during the past year

6.3.1 The important change and development regarding the policy review, practical guidelines and charters during the past year

- Improve and revise the corporate governance manual, business ethics, ad code of conduct of the company from the annual. Review to complete the matters to be more clearly.
- Revise the Anti-Corruption policy to complete the matters.
- Establish the project, activities regarding good corporate governance, business ethics and sustainable development.

6.3.2 Applying Good Corporate Governance Code for listed companies 2017 (CG Code)

The Board of Directors gives the importance to the good Corporate Governance Code for listed companies 2017 as stipulated by the Securities and Exchange Commission (SEC). The Boards has approved to review and revise the Corporate Governance and Business Ethics Manual of the company to be up-to-date and conform with new principal, as well as apply properly with the company's business. For 2021, the company have followed CG Code as mentioned, exclude the following issues :

Unpractised	Reason
The Chairman should be independent Director	Although the company's chairman is not independent director, but the Chairman performs his duties to govern the company with fairness and transparency, the company have adequate internal control system, checks and balances in operational machinery and transparent, adhere to good corporate governance code and perform his duties with always regard to benefits of stakeholders.

6.3.3 Practice information in other regards to the good corporate governance principles for support the various evaluations

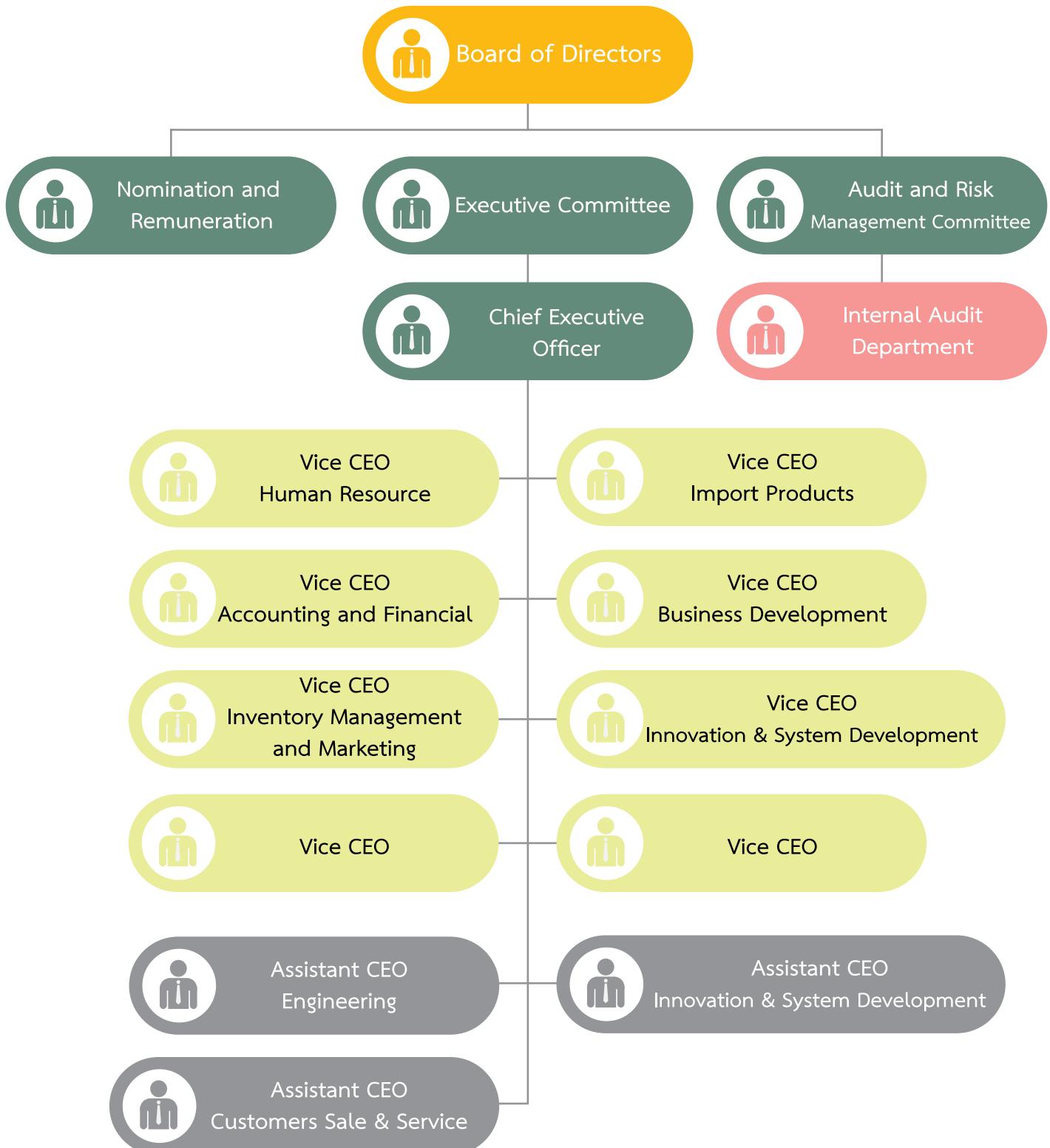
The company has reviewed and operated to regularly enhance and improve its policy and practical guidelines follows the good corporate governance principle annually. The objective for keeping standard according to the corporate governance principles in the country and international level namely good corporate governance principles for listed companies as stipulated by the Securities and Exchange Commission and the Stock Exchange of Thailand, Corporate Governance Report of Thai Listed Companies – CGR by Thai Institute of Directors Association (IOD)

The company has been evaluated and awarded regarding corporate governance as below;

- The company has been ranked as 'Excellent or 5 stars' from a survey of Corporate Governance Report of Thai Listed Companies (CGR) which were assessed by Thai Institute of Directors Association (IOD) joining with the Securities and Exchange Commission, Thailand and the Stock Exchange of Thailand
- The Company got 100 marks (full marks) as its 3^{re} consecutive year from the Annual General Meeting Checklist (AGM Checklist) for the year 2021, assessed by Thai Investors Association
- The company has been selected to be one of 146 listed companies in Thailand Sustainability Investment (THSI) 2021 in kind of services group. The mentioned awards were given for the listed companies conduct its business with realization to Environmental, Social, and Governance or ESG.
- The company has received Best Payments and Collections Solution awards from the success in developing Digital QR Solutions cooperated with Krungsri (Bank of Ayudhya PCL.) The solution enhances efficiency of the payment system standard aiming to provide more convenience for customers who buy products and services at Global House with easier, faster, and more safe payment channels by developing payment solutions to be in accordance with all form of demands and respond all Global House's customers' needs

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

7.1 Corporate Governance Structure as at 31 December 2021



7.2 Board of Directors information

As at 31 December 2021, the Board of Directors composite of 10 directors;

1. Executive Director 2 directors.
2. Non-Executive Director 8 directors (equal to 80% of all directors) and independent director 4 directors (equal to 40% of all directors)

7.2.1 Composition of the Board of Directors

The Board of Directors consists of at least 5 Directors, not exceeding 15 Directors are appointed in the Shareholders' Meeting, (More than half of the number must be residence of Thailand and must have all the criteria and requirement of the laws and regulations).

7.2.2 Information of the Board of Directors and the Controlling Person

Name of the Board of Directors

	Name	Position
1.	Mr. Apisit Rujikeatkamjorn	Chairman
2.	Mr. Pairoj Juarprathoom	Director / Independent Director / Chairman of Audit & Risk Management Committee
3.	Dr. Boonchai Pitugdamrongkija	Director / Independent Director / Audit & Risk Management Committee
4.	Dr. Vongsak Swasdipanich	Director / Independent Director / Audit & Risk Management Committee / Nomination & Remuneration Committee
5.	Pol.Gen. Kawee Supanun	Director/Independent Director / Chairman of Nomination & Remuneration Committee
6.	Mr. Witoon Suriyawanakul	Director / Chairman of the Executive Committee / Nomination & Remuneration Committee
7.	Mr.Kriangkai Suriyawanakul	Director / Executive Director
8.	Mr. Nithi Patarachoke	Director / Executive Director
9.	Mr. Paramate Nisagornsen	Director
10.	Mr. Bunn Kasemsup	Director

Authorized Signatory Directors of the Company

1. Mr. Witoon Suriyawanakul signing and affixed there to with the Company's official seal or
2. Mr. Apisit Rujikeathamjorn, Mr.Kriangkai Suriyawanakul, and Mr. Paramate Nisagornsen signing jointly two persons out of three and affixed there to with the Company's official seal.

Appointment and Removal of Board Directors

1. The appointment of Directors at the shareholders' meeting in compliance to regulations and corporate procedures as follows :
 - Each shareholder has the vote equivalent to one vote per one share held.
 - Each shareholder shall use all his/her voting rights under (1.1) to elect one person or more as the Director, but is not capable to share his/her varied voting rights to any person.

- The person who receives the highest votes in a descending order would be elected as directors accordingly to the number of Directors allowed in such meeting. In the event of any person who has been elected in the lower order received equal votes but there will be over the number of allowance, the Chairman of such meeting shall have a casting vote.
2. In the shareholder annual meeting, one third of directors must be retired. In case one third (1/3) of the number is impossible, use the nearest to one third of number of directors. The retired directors may be reelected. The longest directors in the Board will automatically be tired but may also be reelected.
 3. In the case where a director demands to resign, that person need to submit resignation letter to the company and will be considered effective once reached.
 4. In the event where a director is voted to dismiss prior to the completion term, the votes must be more than three in four (3/4) of the shareholders attending the meeting with the right to vote.

Directors and Executive Officers with the Control over the Company, Subsidiaries and Joint Ventures.

	Name	Subsidiary and Joint Venture			
		Siam Global House PCL.	Global House Cambodia Co., Ltd.	Guangxi Global House International Trade Co., Ltd.	Global House Internation Co., Ltd.
1	Mr. Apisit	Rujikeatkamjorn	Chairman	Chairman	
2.	Mr. Witoon	Suriyawanakul	Director / CEO	Director	Executive Director
3.	Mr.Kriangkai	Suriyawanakul	Director / Vice CEO	Director	
4.	Mr. Nithi	Patarachoke	Director		Director
5.	Mr. Paramate	Nisagornsen	Director		Director
6.	Mr. Bunn	Kasemsup	Director		Director
7.	Mr. Pairoj	Juarprathoom	Director		
8.	Dr. Vongsak	Swasdipanich	Director		
9.	Dr. Boonchai	Pitugdamrongkija	Director		
10.	Pol.Gen.Kawee	Supanun	Director		
11.	Mrs. Warunee	Suriyawanakul	Vice CEO		Director
12.	Mr. Anawat	Suriyawanakul	Vice CEO		Director
13.	Mr. Piphop	Vasanaarchasakal	Vice CEO		Director
14.	Ms. Chutikan	Srisenagchan	Vice CEO		
15.	Mr. Yuttana	Suriyawanakul	Vice CEO		
16.	Mr. Khemchat	Sungkakam	Vice CEO		
17.	Mr. Isara	Rujikeatkamjorn	Vice CEO		Director
18.	Mr. Pongkorn	Suriyawanakul	Assistant CEO		
19.	Mr. Thapanat	Asawachchulamanee	Assistant CEO		
20.	Ms. Wiphawee	Hongsamsipjed	Assistant Vice CEO		

7.2.3 Roles and responsibilities of Board of Directors

1. Board of Directors is responsible for setting vision, objectives, strategies, and goals of business operation, including considering and reviewing operational strategies and goals every year.
2. Board of Directors shall perform duties with responsibilities, care, and honesty (duty of care and duty of loyalty), and supervise the operation to comply with laws, regulations, and resolution of the shareholders' meeting for the highest benefits and fairness of the stakeholders.
3. Board of Directors shall consider and determine business plan and annual budget to correspond with the company objectives and goals by considering the resources allocation and appropriate operation, including environmental analysis, factors and risk that may affect the stakeholders.
4. Board of Directors shall ensure that the strategies are implemented and monitor the performance by having the report constantly, and developing and improving business operations with health and safety concern, social and environmental responsibility.
5. Board of Directors shall issue Board of Directors Charter, Corporate Governance and Ethics policy as the guidelines for the directors, executives, and employees in coupled with company rules and regulations for the fairness of the stakeholders.
6. Board of Directors shall supervise and promote the useful innovations for the company, customers, partners, society, and environment.
7. Board of Directors shall ensure that the company has the reliable accounting system, financial report, accounting audit, risk management and internal control, and internal audit, and monitor, evaluate, and review risk management and internal control system regularly for the efficiency and effectiveness.
8. Board of Directors shall supervise the implementation of information technology management and technologies to strengthen competitiveness under the social and environmental responsibility.
9. Board of Directors takes care of anti-corruption practice, promotes all employees to comply with relevant policies, laws, and regulations, and monitors the compliance with anti-corruption constantly.
10. Board of Directors considers development plan and carry on the top management positions, and supervises the evaluation of top management performance every year.
11. Board of Directors shall review and evaluate the performance of the board and individual director once a year.
12. Board of Directors arranges continuing knowledge and work potential development by participating in the courses related to director performance, or the seminar to enhance and pursue knowledge.
13. Board of Directors shall attend all meetings. In the force majeure circumstance and unable to attend, inform the Chairman or the Secretary prior to the meeting.

Regarding, the directors or any persons having conflict of interest with the Company do not exercise right to vote on that matter.

Roles and responsibilities of Chairman of Board of Directors

1. Supervise and monitor the performance of directors and subcommittee to be efficient in order to achieve the objectives of the company.
2. Supervise to ensure the participation of directors in promoting ethical organization culture and Good Corporate Governance.
3. Set the agenda of Board of Directors meeting and ensure that the directors receive accurate and complete information before the meeting for the appropriate decision-making.

4. Lead the Board of Directors, act as the Chairman of the Board of Directors meeting, and allocate time sufficiently by controlling and running the Board of Directors meeting, allow all directors to discuss and exchange opinions freely, use discretion in decision-making carefully and efficiently.
5. Be the leader of the shareholders' meeting to follow the agenda, company regulations, and laws, give a chance for expressing opinion equally, and control the questions and answers of the shareholders appropriately and transparently.
6. Strengthen the positive relationship between the executive directors and non-executive directors.

Approval Authority of the Board

1. To approve vision, mission objective and major policy such as the Corporate Government Policy, Code of Conduct, Risk Management Policy, Monitoring of Insider Trading Policy, Anti-corruption Policy, Internal Control Policy, Related Transaction Policy and Policy on Conflict of Interest
2. To approve procurement that exceeds the Executive committee's approval as authorized for each item.
3. To approve investment projects and major operations under the Company's objectives, articles of association, resolutions of the shareholders' meetings and relevant laws, and supervise the management to implement policies and plans as defined with efficiency and effectiveness.
4. To approve transaction under the Securities and Exchange Act, such as connected transactions, property acquisition, and disposal.
5. To approve the interim dividends payment to shareholders.

The transactions that be approved by shareholders' meeting

These transactions in following cases must be approved by the board of directors meeting and the shareholders' meeting with a vote not less than 3 of 4 of total votes of shareholders who attend the meeting and have the right to vote.

1. Selling or transferring all or significant amount of shares
2. Buying or receiving shares from other companies in the name of the Company
3. Signing, changing, or canceling of lease of company in significant amount.
4. Altering or changing of memorandum or regulations
5. Fundraising, Fund reducing, issuing corporate bond, merging or closing

Term of Office as a Board Director of the Company

1. In the Annual General Meeting of Shareholders, one-third of the directors at the time being shall resign from the position. If the number of the director cannot be divided into three portions, the number closest to the one-third is applied. Those who are vacated may resume the position.
2. Director shall vacate the position in case of death, resignation, lack of qualifications, or having incompatibility according to Securities and Exchange law, resolution from the shareholders' meeting, or the judicial order.
3. The company determines the year of the office term of the director to comply with Public Limited Companies Act, B.E.2535. Currently, there are 10 directors who will be holding the position for three years.
4. An Independent director has tenure of position not exceeding 9 years beginning from first tenure appointing to be an independent director.

7.3 Information of Sub-Executives

7.3.1 Structure and Composition of Sub - committee

The Structure and Composition of Sub-committee consist of 3 committees, that is executive committee, Audit and risk management committee, and Nomination and Remuneration Committee by details as follow;

1. Executive Directors

Executive Directors must be the Directors of the Company appointed by the Board of Directors. The Board of Directors considers the number of the Executive Directors and the Board of Director will appoint one Chairman of Executive Director.

	Name	Position
1.	Mr. Witoon Suriyawanakul	Chairman of the Executive Committee
2.	Mr. Anavat Suriyawanakul	Executive Director
3.	Mrs. Warunee Suriyawanakul	Executive Director
4.	Mr. Kriangkai Suriyawanakul	Executive Director
5.	Mr. Nithi Pattrachoke	Executive Director
6.	Mr. Yutthana suriyawanakul	Executive Director
7.	Ms. Chutikan Sriseangchan	Executive Director

Functions and Responsibilities of Executive Directors

1. Plan and manage company's operation according to the frameworks and policies assigned by the Board of Directors.
2. Lay out strategies and directions for the company under the framework and boundary of goals and objective of the business and/or policy of business.
3. Propose appropriate investment and/or fundraising plans to the Board of Directors and/r the Shareholder's meetings.
4. Consider and approve business consultants necessary to business operations.
5. Have authority in any resource allocation, procurement, leasing, renting, and utilization as approved by the Board of Directors.
6. Have the authority to approve asset purchases and procurement, expense on operation, expense of selling and administrative and capital expenditure according to the contracts. Detail of authorities is in accordance to the structure of Authorization.
7. Approval of expense on operation, expense of selling and administrative and capital expenditure according to the budget approved by the Board of Directors. Detail of authorities is in accordance to the structure of Authorization.
8. Approval of loans from banks, corporations, and/or other institutions according to the budget approved by the Board of Directors. Detail of authorities is in accordance to the structure of Authorization.

However, the above approval of executive committee shall not include the approval of transaction that the executive committee or person who may have conflict of interest in any other ways with the Company or its subsidiaries (if any, in the future). By the aforesaid transaction need to present to the Board of director's meeting and / or the shareholder's meeting (as the case maybe) to consider approval such transaction according to the article of association or stipulated by related laws.

Approval Authority table

Type of Transactions	Approval Authority		
	Executive	Chief Executive Officer	Vice CEO
Sale – Purchase Movables (Per time)	250 million Baht	75 million Baht	5 million Baht
Sale – Purchase Real Estate (per time)	500 million Baht	100 million Baht	5 million Baht
Purchasing equipment, machines and vehicles for operation (per month)	Follows regularly business operation	Follows regularly business operation	Follows regularly business operation

Remark : Due to the quantity of purchasing of equipment and materials for distribution during each period, depends on selling conditions, necessarily, or using requirement including the suitability of price range. Therefore, there are period of bulk purchasing, the company could not specify the exactly purchasing credit line. However, the company adheres the company's criteria in management and regular price.

2. Audit and Risk Management Committees

Audit and Risk Management Committee must be the Director of the Company appointed by the Board of Directors and must have the requisite qualifications in compliance with the rules of the Securities Exchange Commission and Stock Exchange of Thailand, the relevant laws, rules or other regulations. It must also consist of at least 3 persons with at least 1 person with knowledge, capability and experience in Accounting and Finance.

Name		Position
1. Mr. Pairoj	Juarprathoom	Chairman of Audit & Risk Management Committee (Independent Directors)
2. Dr. Boonchai	Pitugdamrongkija	Member of Audit & Management Committee (Independent Director)
3. Dr. Vongsak	Swasdipanich	Member of Audit & Management Committee (Independent Director)

Remark : Mr. Pairoj Juarprathoom, have well knowledge about accounting and financial management.

Authority and Duties Scope of the Risk Management Committee

Compliance monitoring, internal audit and risk management

- 1) Review accuracy and adequacy of the Company's financial reporting according to the accounting standard, related laws with sufficient disclosure.
- 2) Consider disclosing the company's information in case of the Related-Party Transactions or transactions that may have any conflict of interest.
- 3) Review and provide advice for the appropriateness and effectiveness of the Company's internal control and internal audit systems according to the international standard by reviewing with the external auditor (accounting firm) and internal auditor.
- 4) Review the Company's compliance with the law on securities and exchange, Stock Exchange of Thailand (SET) regulations, or laws related to the Company's business.
- 5) Review and monitor the company's compliance with the company's anti-corruption policy.
- 6) Monitor the company's complaints handling procedure & management and whistle blowing regarding corruption from employees and external personnel.

- 7) Monitor the Company's risk management plan and manage risk to reduce the impact to the company's business including follow-up and compliance risk assessment as well as propose protective measures and risk reduction measures at the acceptable level to ensure that the company has sufficient and appropriate risk management.
- 8) Report major risk management outcomes to the board of director in case of any factors or important circumstances that may have significant impacts to the Company.

Others

- 1) Consider, select and nominate the Company's auditor, including consider the appropriate remuneration by considering from an independence, performance and experience of an auditor for the board of director to propose the shareholder's annual general meeting.
- 2) Prepare a corporate governance report of the audit and risk management committee by disclosing in the Company's Annual Report, which must be signed by the Chairman of the Audit and Risk management Committee and consist of opinions in compliance with Stock Exchange of Thailand (SET) regulations.
- 3) Consider and independence of internal audit including give an advice to the board of directors.
- 4) Consider and review the Audit Committee Charter as deemed necessary and appropriate.
- 5) Perform any other duties as assigned by the Board of Directors.

Tenure and Termination of tenure

- 1) Audit and Risk Management Directors have directorship tenure in accord with board of director's tenure by termination of directorship according to the occasion on the Shareholder's Annual General Meeting.
- 2) Termination of directorship when the director lacks of qualifications, or resignation, or the board of director's Meeting resolved to dismiss.

3. Nomination and Remuneration Committees

Nomination and Remuneration Committee must be the Directors of the Company appointed by the Board of Directors and must have the requisite qualifications in compliance with the rules of the Securities Exchange Commission and Stock Exchange of Thailand, the relevant laws, rules or other regulations. It must also consist of at least 3 persons with at least 1 Independent Director.

Name	Position	
1. Pol.Gen. Kawee Supanun	Chairman of the Nomination and Remuneration Committees (Independent Directors)	
2. Dr. Vongsak Swasdipanich	Member of the Nomination and Remuneration Committees (Independent Directors)	
3. Mr. Witoon Suriyawanakul	Member of the Nomination and Remuneration Committees	

Functions and Responsibilities of the Nomination and Remuneration Committees

Nomination Practices

- 1) Consider to suggest the structure, size, and compositions of the Board of Directors and Subcommittee properly with the size, type and complication of business.

- 2) Consider to establish the procedure and criteria in recruitment and selection the appropriate qualified person to take a position of directors and subcommittee with considering to the diversity of committee both knowledge, skill, experience, special ability relates to the business and beneficial to the company, for presenting to the Board of Directors and/or the Shareholder's Annual General Meeting for approval.
- 3) Consider the qualifications of the person who will be appointed to be an independent director to be suitable with the company's nature and having independence as stipulated by the criteria of the Securities Exchanges and Commission (SEC) the Stock Exchange of Thailand.
- 4) Control and monitor to arrange the director's development plan to build and develop knowledge, skill to the company's directors lead to having understanding in roles and duties of directors, knowledge about the company's business including arranging Board Skill Matrix for considering the diversity of directors to be appropriate with the company's business operation.
- 5) Control and monitor to arrange the orientation and give documents beneficial to the performance of new appointed directors including encouraging the directors to obtain training course "Director Accreditation Program (DAP)" of Thai institute of Directors for understanding in director's roles and duties.
- 6) Arrange and review the succession plan of the Chief Executive Director and top executives for preparing the successor in case of retirement by the Chief Executive Director and top executives or being unable to perform their duties, for continuously proceed the management of the company.

Remuneration Practices

- 1) Consider the form and criteria for remuneration of directors and subcommittee such as regularly compensation, bonus, attendance fee, and any compensation in other forms both monetary or non-monetary in proper and sufficient level, to persuade and maintain the quality directors by comparing with other companies in the same nature to present to the Shareholder's Annual General Meeting for approval.
- 2) Consider the form and criteria for remuneration of Chief Executives Officer by considering to the appropriateness, sufficiency and fairness in order to create additional value with sustainability to the company and maintain the competent directors to be with the company, to present the Board of Director's meeting for approval.
- 3) Consider to determine the subject and criteria in annual performance appraisal of the Chief Executives Officer, including consider the performance appraisal for specifying the compensation in fair and appropriate rate before presenting to the Board of Directors for approval.

Other Practices

- 1) Perform any other duties related to the nomination and remuneration as assigned by the Board of Directors.
- 2) Consider to review the Nomination and Remuneration Committee Charter as necessary and appropriate.

Tenure and Retirement

- 1) Nomination and Remuneration Directors have tenure of office followed in the tenure of the Board of Directors by retirement from the tenure shall be along with the agenda in the Annual General Shareholders' meeting. However, the retired director may be re-appointed to continually take a position.
- 2) The retirement upon lacking qualifications of Audit & Risk Management Director according to this charter or resignation or the shareholders' meeting passed a resolution to leave.

7.4 High-level Executives

7.4.1 Name and executive position

The Company's executives 12 persons as at 31 December 2021

	Name	Position
1.	Mr. Witoon Suriyawanakul	Chief Executive Officer
2.	Mr. Anavat Suriyawanakul	Vice CEO - Inventory Management and Marketing
3.	Mrs. Warunee Suriyawanakul	Vice CEO - Human Resource
4.	Mr. Yuttana Suriyawanakul	Vice CEO - Import Products
5.	Ms. Chutikan Sriseangchan	Vice CEO - Accounting and Financial
6.	Mr. Piphop Vasanaarchasakal	Vice CEO - Business Development
7.	Mr. Khemchat Sungkakam	Vice CEO - Innovation & System Development
8.	Mr. Isara Rujikeatkamjorn	Vice CEO
9.	Mr. Kriangkai Suriyawanakul	Vice CEO
10.	Mr. Pongkor Suriyawanakul	Assistant CEO - Engineering
11.	Mr. Thapanat Asawachchulamanee	Assistant CEO - Innovation & System Development
12.	Ms. Wiphawee Hongsamsipjed	Assistant Vice CEO – Customer Sales & Service

Authority of Chief Executive Officer

The Managing Director has authority to manage the Company as assigned by the Board of Directors and shall strictly and carefully manages the Company according to the framework and corporate governing policy, and maintain the best interest of the Company and shareholders. Roles and responsibilities are detailed as follows:

- 1) Manage, monitor, and control normal operations of the company.
- 2) Manage the company as assigned by the Board of Directors.
- 3) Manage and oversee the overall operation of the company according to the policy stipulated by the Board of Directors.
- 4) Approval of expense on operation, expense of selling and administrative and capital expenditure according to the plans and budget stipulated by the Board of Directors. Detail of authorities is in accordance to the structure of Authorization.
- 5) Have the authority to approve asset purchases and procurement, expense on operation, expense of selling and administrative and capital expenditure according to the contracts. Detail of authorities is in accordance to the structure of Authorization.
- 6) Consider, plan, and prioritize business strategies and fundraising for the company to propose for approval to the Board of Directors.
- 7) Have the authority to employ, dismiss, and lay off any employee at any level.
- 8) Have the authority to open and close any of company's saving account at any institutions to facilitate the operation of the company.
- 9) Propose for approval any appropriate consultants necessary for the company to the Board of Directors.

However, the Managing Director is unable to approve transaction that himself or person who may have conflict of interest in any other ways with the Company or its subsidiary. Any other roles other than stated above are out of Authorization, except for being entrusted at the Board of Directors' meeting in a case-by-case manner.

7.4.2 Policy of remuneration for CEO and Top executives

The Board of Directors has established the remuneration policy for CEO and top executives in appropriate level and fair in accordance with duties and responsibilities, objectives and goals of the company's operation both in short term and long term as well as annual performance appraisal by considering from different factors as below;

- 1) Operating result of the company by considering from financial outcomes indicators such as EBITDA, net profit, return on investment for the operation of the company, etc.
- 2) Turnovers comparison with other companies in same business.
- 3) Business Development Capacity and efficiency improvement in operation to be better.
- 4) Operating result in environmental, social, and corporate governance.

The company has procedure to consider appropriate remuneration with transparency by the short-term remuneration is composed of salary, bonus, and other privileges. For the long-term remuneration is composed of provident fund, and retirement pension.

7.4.3 Numbers of total remuneration of CEO and top executives

In the year 2019 - 2021, Details of remuneration payment for the company executives 11 persons are as follow;

- Cash Remuneration

	2019	2020	2021
Salary	43,792,800.00	47,164,800.00	46,075,800.00
Bonus	15,641,190.00	37,838,850.00	38,952,900.00
Social Security	108,000.00	72,900.00	46,800.00
Total	59,541,990.00	85,076,550.00	85,075,500.00

- Other Remuneration

	2019	2020	2021
Provident Fund	2,270,422.00	3,311,399.00	1,232,159.00
Retirement Compensation	11,542,568.97	2,981,539.11	15,455,661.60
Total	11,812,990.97	6,292,938.11	16,687,820.60

7.5 Employee's information

7.5.1 Total Employee Details

The Amount of Staffs during year 2019 - 2021

Employees	2019	2020	2021
Company Employees			
• Head Office	395	398	431
• Branch	9,003	8,888	9,524
Subsidiary Employees			
	189	181	158
Total	9,587	9,467	10,113

Remark : The amount of staffs had included staff of new stores that will operate next year.

Details of main employees

Employee Details	2019	2020	2021
Product Management and Marketing	69	81	102
Supply Chain	162	151	162
Engineering	12	6	5
Innovation & System development	87	84	83
Accounting & Financial department	335	219	316
Human Resource department	168	109	182
Management department	11	11	11
Operation department	8,554	8,625	9,094
Total Employee	9,398	9,286	9,955
Total Stores	66	71	75

7.5.2 Change in Number of Employee with Significance

The company's number of employees has continuously increased since 2019 onwards, due to the company has expanded more stores by details as follow;

	2019	2020	2021
Number of stores	66	71	75
Number of employees	9,398	9,286	9,955

7.5.3 Employee Remuneration

The consideration of remuneration for the employees, the company has paid remuneration in accordance with the Company's performance each year and also considering from the competency assessment of individual employees and the performance of each segment to be in accord with performance both in short term and long term. In addition, the Company has provided the provident fund for employees care in long term.

1. Short-term employee benefits

The Company has determined the employee compensation in salary, bonus, social security fund contribution, special compensation relevant to professional skills and performance, etc. which the Company has a performance assessment system every quarter (total 4 times per year). And take the assessment results to consideration of bonus payments and annual adjustment, including adjustment of promotion and remuneration according to the qualifications and abilities. In addition, the Company has special adjustments during year for employees with excellent performance and qualifications as specified.

Staffs Remuneration

(Unit : Thousand Baht)

Staff Remuneration	2019	2020	2021
Salary	1,259,686.82	1,276,965.94	1,376,521.64
Bonus	108,696.02	149,479.95	195,774.88
Social Security	59,142.26	88,370.76	80,122.54
Total	1,427,525.10	1,514,816.65	1,652,419.06

Remark : The number of employees in 2019-2021 which include employees who resigned

2. Provident Fund

The Company has provided the provident fund as the benefit for employees with the objective to promote long-term savings of the Company's employees, which will allow them to have reserve money for retirement or resignation for paying contributions to the provident fund that the employees can choose the accumulated rate at 3 to 15 percent of wages, including choose an investment program as appropriate. The Company pays the contributions to the fund according to the years' experience of employees at 3 to 7 percent of wages as follow.

Employment Period (Year)	The Company's Contribution Rates (Percentage of wages)
Less than 5 years	3
From 5 years but less than 10 years	4
From 10 years but less than 15 years	5
More than 15 years	7

In the year 2021, the company has details about provident fund as below;

Number of employees who join PVD	The proportion of employees who join PVD / Total employees	Total Amount of the company
8,912 persons	89.52 %	42,549,848 Baht

In addition, the Company has policy to support the provident fund committee of the company to select the fund manager who participated in compliance to the investment governance code with responsible investment management, considering to environmental, Social, and Governance (ESG), well compliance to the investment governance code, which is investment guidelines leading to investment management by considering to the highest benefit of provident fund members, that is; the company's employees in long term.

7.5.4 Remuneration for Non-Monetary Term

In 2011, IAS 19: Employee Benefits announce that has to keep Additional Expense in reserve for the employees who will be retired and/or quit (These payments are the policy by Department of Labor Protection and Welfare). The Additional Expense in the year 2021 the company reserve amount 283,393.97 Baht.

Human Resource Management Policy

Siam Global House Public Company Limited give priority to “The value of human resources” according to the company policy and practices in the business for long time. In addition to the developing the ability of work and increase their ability to operate business. The company has also focused and pay attention to create environment of workplace for the employees’ healthy, that lead to the creation of good performance by 5 parts as follow;

1. The structure of employees

The company give priority to the public and people who disadvantaged around the store location. Then the company promote the employment in the area , through the process of recruitment by board. Including of the student’s supporting in order to training for workforce.

2. The rights and equality of employees

The company adheres to the principle of respect equality and the ability of employees to the company’ s code of conduct by instilling employees since starting of work. Comprehensive of human rights. The company focus on quality of employees’ life by providing the training and opportunity in the company’s activities. It also supports the employees to develop their skill continuously.

3. The compensation and benefits management

The company manage compensation and benefits under the merit system and focus on the ability of each employee. Including career path with the self- improvement. The welfare, the company base on appropriate and benefit of most employees which accordance with situation and capabilities of company.

4. The management of occupational health and safety

The company adhering to the policy of health and safety at work of employees and targeted “Accidents to zero”. The regulatory measures cover safety established business partner, third party and surrounding community.

5. The employee’s development

The company continue to improve and develop curriculum and employee’s development in accordance with the environment and business practices. In order to provide employees with knowledge and ability to effective performance. The company has set guidelines for employee development to enhance performance such as follows;

- E-learning system for self – learning continuously.
- Skill Base system for employees in each function of work.
- The development by on the job training and mentor.
- The trainee management project by learning the function and actual work.
- The executive program development by selecting the potential employees to training in the learning center at head office

In addition, the Company has policy to apply the information technology and software for developing and improving the working process of human resource management and employee care. Examples, HR Management System, Time Management System, Business Intelligence System for high efficiency and flexible to business operation.

Major labor disputes during the past 3 years

During 2019 - 2021, the company have no labor disputes.

7.6 Other important details

7.6.1 Name list of assigned persons to be directly responsible for controlling accounting, Company Secretary and Manager of Internal Audit

1. Assigned Person to be directly responsible for controlling accounting

Mrs. Supat Sutthi, the position of director of accounting department, who is qualified follow the criteria as stated

on the announcement by the department of business development, has been appointed to be controlling person of the company's accounting, has duties to clarify details related to the accounting correctly, completely according to the accounting standard and financial report standard. The profile with details of assigned person to be directly responsible for controlling the accounting, has disclosed on attachment 1

2. Company Secretary

On 15 February 2012, the Board of Directors has resolution to appoint Ms. Siriwan Na-Nan manager of Audit Department as the secretary of the Board of Directors.

Authority of Secretary of the Board of Directors:

1) Arrange and maintain documents as follow;

- Director registration
- Notice calling for the Board of Directors Meeting, Minutes of the Board of Directors Meeting and the Annual Report of the Company
- Notice calling for the Shareholders Meeting and Minutes of the Shareholders Meeting.

2) Maintain the report on interests which have been reported by the directors or executives.

3) Manage other matters as stipulated by the Capital Market Supervisory Board.

4) Facilitate for activities of the Board of Directors.

5) Coordinate with relevant person in order to be in compliance with the resolution of the Board of Directors.

Anyway, details and qualifications of Company Secretary has disclosed on attachment 1

3. Manager of Internal Audit

The Board of Director has appointed Miss. Siriwan Na-nan to take a position of Manager of Internal Audit of the company because the educational background, work experience in internal audit, trainings, and have understanding in business operation of the company, which is deemed to be appropriated to perform such duties proper and adequate. Anyway, the consideration to approve the appointment, dismissal, removal the person in the position of Internal Audit manager of the company need to get approval from the Audit Committee.

Anyhow, the details and qualifications of internal audit manager has disclosed in attachment 3

7.6.2 Investor Relations department

The chairman has assigned the investor relations department to take charge of providing information and communication with the institute investors, minor investors, shareholders and security analyst. Any further information needed, please contact the investor relations department

Mr. Yutthana Suriyawananakul

Address: 232 Moo 19 Rob Muang, Muang, Roi Et 45000

Tel : 043-519-777

Fax : 043-511-492, 043-519-649

E-mail : IR@globalhouse.co.th

Website : www.globalhouse.co.th

In 2021, the company realizes to risk of Covid-19 pandemic, the investor relations department performed to communicate strategic information and important information for investors and analysts through Conference Call and Electronic media. Anyway, such activities are well supported from top executives of the company, the executives budget time to attend the investor relations activities for giving information about direction of the company as well as always communicating with investors both Thai and foreigners. So that, the company has organized activities relevant to announce the operating results and meeting with investors which is summarized as follows;

1) Conference Call

- Virtual Conference call event organized by the Stock Exchange of Thailand in Thailand and foreign countries total 27 times.
- One on One Virtual Conference total 15 times

2) Organizing Opportunity Day total 3 times organized by the Stock Exchange of Thailand, there are shareholders and mass medias attended, organized on May 12, August 6, and November 10, 2021.

7.6.3 Audit Fee**1. Audit Fee**

In 2021, the company has remuneration for Audit Fee to Mr.Methee Rattanasrimetha, Certified public accountant no. 3425 or Miss.Waraporn Wareesawetsuwan, Certified public accountant no.5087 or Mr.Akkaradech Pleansakul, Certified public accountant no. 5389 or Miss.Korntip Wanichwisetkul, Certified public accountant no.6947. of MR & Associates Co., Ltd, to be the auditor for the company, by determining the remuneration for Audit Fee for the year 2021, in amount of 3,400,000 Baht, exclude other expenses

2. Non-Audit Fee

The Company and subsidiaries have no other services charges beside of audit fee to the auditor.

8. Report on Key Performance Results of Corporate Governance

8.1 Summary of the compliance results of the board of directors in the previous year

8.1.1 Nomination, development and performance assessment of the committee

1. Selection and Nomination of Directors

(1) Independent Directors

Selection and Nomination of Independent Directors

Regarding independent directors' nomination, the company determines selection criteria of an appropriate individual in accordance with the Company nomination procedure to be nominated as the Director, consists of qualifications of independent directors referring to the company's definition of independent directors as same as the SEC and SET regulations. The company has independent directors 4 persons, in the proportion of 1 Director from totaling of 3 directors with details as follow;

	Name	Position
1.	Mr. Pairoj Juarprathoom	Independents Director
2.	Pol.Gen. Kawee Supanun	Independents Director
3.	Dr. Boonchai Pitugdamrongkija	Independents Director
4.	Dr. Vongsak Swasdipanich	Independents Director

Definition of Independent Directors

In according to the corporate governance of the Company's policy and comply with the rules of the Stock Exchange of Thailand. The Company has defined of independent director as follow:

Independent Director means the director who is independent in expressing his opinion to the operation of the Company, must be a person who has no involvement or interest to the result of operation either directly or indirectly.

Independent Director's qualification

- holds no more than 1% of all shares with voting rights of the Company, its affiliates, its associated companies, or its juristic persons. This is inclusive of shares held by anyone who is affiliated with them.
- Does not have management participation in the Company, employees, staff, consultant with monthly salary, or Entities with Controlling Authority over the Company within 2 years prior to be appointed as an Independent Director, unless in case of termination of government official or an advisor to a government agency which is a Major Shareholder or an Entity with Controlling Authority less than 2 years.
- Not a person having blood relationship or legal registration of directors or executive directors.
- Has no business relationship with the Company or being significant shareholders, controlling persons of juristic persons who has a trading transaction with the company with the amount over or equal to 20 million Baht or 3% of net tangible assets (NTA) of the Company, whichever is lower during previous 2 years.
- Not a person who is an auditor of the Company, the Parent Company, a Subsidiary, a Joint/Associated Company, a Major Shareholder or an Entity with Controlling Authority, and, not a Significant Shareholder within 2 years prior to be appointed as an Independent Director.
- not a person rendering any professional service or a Significant Shareholder, an Entity with Controlling Authority over the Company or a partner to such professional service provider who is paid more than Two Million Baht in service fee within two years prior to his/her appointment as an Independent Director. *However, a person being unqualified from No.4 and No. 6, can be an independent director if only the board of directors shows that the board has considered the issue in accordance with the Section 89/7 under Securities & Exchange Act B.E. 2535 regulation and found that there is no interference in the independent opinion, and the following information

shall be disclosed in the notice of shareholders meeting under the agenda considering the appointment of independent director.

- Not a person who is nominated to be the representative of directors, major shareholders, or any other related person to major shareholders.
- Do not operate the same and competitive business with the business of the company, or its subsidiaries, or holds shares for more than 1% of the total shares, or is not an executive director, employee, staff, advisor who receives salary, an Entity with Controlling Authority over the mentioned business.
- Is not any otherwise which is unable to have the independent opinion regarding the business operation of the company.
- An independent director can be an independent director for affiliates of the company but the audit director has been prohibited to be a director for the parent company, a Subsidiary, or a subsidiary listed company.
- After being appointed as the independent director, such independent director may be assigned by the Board of Directors to make decision in respect of collective decisions involving the business of the Company, the Parent Company, a Subsidiary, a Joint venture / Associated Company, a Subsidiary of Equal Level, a Major Shareholder or an Entity with Controlling Authority, where it will not be deemed that such Independent Directors are Directors involved with the administration.

(2) Nomination and Appointment of the Directors

1. Selection and Nomination of Director

Criteria in selection and nomination of directors

The company has appointed the Nomination and Remuneration Committee to consider and nominates candidates for directorship by considering the criteria from business and strategy of the company for determining the qualifications in accordance with business operation strategy. Considering the requisite qualifications and establishing Board Diversity policy considering by skills, competency, expertise, knowledge and ability in particular fields related to the business of the Company without restrictions on age, gender, region, or any restrictions. The company also considers by knowledge, competency and experiences related to the business to be in accordance with the business operation strategy by selecting those from the director pool database from Thai Institute of Director (IOD).

Anyway, the appointed directors or executives of the company shall be qualified according to the Public Limited Companies Act B.E.2535 and relevant laws and regulations.

Nomination and Appointment of the board of directors

The nomination and appointment of the director must be considered by the selection criteria of the Nomination and Remuneration Committee and must be approved by the shareholder's annual general meeting. The company allows all shareholders to nominate qualified persons to be elected as directors of the Company through the company's website channel in advance since 21 October 2020 until 31 January 2021 and the voting procedure on election of directors will use ballot individually by criteria and method as follows;

- 1) Each shareholder has the vote equivalent to one vote per one share held
- 2) Each shareholder shall use all his/her voting rights under No. 1 to elect one person or more as the Director, but is not capable to share his/her varied voting rights to any person.
- 3) The person who receives the highest votes in a descending order would be elected as directors accordingly to the number of Directors allowed in such meeting. In the event of any person who has been elected in the lower order received equal votes but there will be over the number of allowances, the Chairman of such meeting shall have a casting vote.

2. Nomination and Appointment of the Chief Executive Officer

The company has nomination policy to be appointed as the Chief Executive Officer of the company and subsidiary with appropriateness and transparency to ensure that the appointed Chief Executive Officer will be professional by the nomination and remuneration committee will responsible for nomination of Chief Executive Officer with procedure and criteria as follow;

Procedure of nomination of Chief Executive Officer

- 1) The nomination committee nominates the suitable person from the appropriate qualified person who is selected from internal (the person in the company) and external (the person outside the company).
- 2) The nomination committee will select the person who has knowledge, abilities, and experience beneficial to the business operation or the nominee proposed by the board of directors or the highest executives of the company.
- 3) After selected the appropriated person, the nomination committee will nominate such person to the board of directors to consider the appointment.

Criteria for nomination of Chief Executive Director

- 1) The qualifications of Chief Executive Director need to be the person who has knowledge, competency, experience in management and experience in business operation related to the company's business, expertise beneficial to the company's business according to the business operation strategy without restrictions on gender, age, nationality, etc.
- 2) Has leadership, good vision, morality and ethics including has positive attitude to the company, able to dedicate sufficient beneficial to the business operation of the company.
- 3) Has work experience with transparency including not possessing prohibited characteristics under the notification of the Securities and Exchange Commission and nominate to the board of directors to consider the appointment.

High Executive Succession Planning

For preparing for the future, the company has succession planning policy by the requisite skills improvement plan for the successor to fill a key role in the company and subsidiaries. Anyway, the succession plan will be monitored by executive director committee by supporting from the human resource department. The nomination and remuneration committee of the company shall determine the succession plan of the highest executives of the company and subsidiaries to ensure continuity and smooth functioning of the business operation by regularly review mentioned plan every year.

The Board Diversity Policy

The Board of directors has set the diversity in structure of the Board of directors' policy for persons who will be directors, considering by their professional skills, expertise, knowledge and ability in particular fields related to the business of the Company. Also, they shall be able to devote their time to perform their works and responsibilities without restrictions on age, gender, religion, or any restrictions in order to be the factors that support the balance in thinking and quality of work which are beneficial for the business' operation.

In addition, the Board of Directors has required the qualifications and skills necessary for the selection of directors (Board Skill Matrix), comprising of engineering, marketing strategy and competition, accounting and financial, economics, legal, risk management, government administration, and other aspects which are in line with the Company's business goal

2. Development for the directors committee and executives

The Committee determines guidelines for development of Directors and Executives as follow;

- 1) The Board of Directors promote and support directors to attend training course or seminars in order to accumulate knowledge that will benefit the company annually at least 1 person. The Board of Directors assigned the secretary of the Board of Directors to collaborate and notify directors of upcoming training courses and seminars.
- 2) The company has policy to organize orientation to every newly direct or in order to acknowledge the roles, duty and responsibility and nature of business. By presenting information, manual of the code of conduct and company's Articles of Association. Including training programs for newly directors held by Thai Institute of Directors (IOD).
- 3) The Board of Directors assigns the Chairman of the Executive Directors to acknowledge about the development plans and prepare a succession plan in case incapable of performing duties.
- 4) The Board of Directors Form Directors' development project and the Chairman of Executive Director report back the progress every year and assess in conjunction with the succession plan.

In 2021, the company has recruited new director replace for 1 resigned director that is Mr.Kriangkrai Suriyanakul, the Board of Directors has assigned Company secretary to coordinate the training course "Director Accreditation Program (DAP) No. 188/2021 for new director for strengthening understanding in role, duty and responsibility as well as continuous raising performance skills in director position. Anyhow, the company has promoted directors to attend the training by Dr. Boonchai Pitakdamrongkit attended the Audit Committee for listed companies Meeting on November 29, 2021 organized by the Securities and Exchange Commission (SEC) (to communicate regarding roles and duties of Audit committee in good corporate governance)

The directors completed the training courses by Thai Institute of Directors Association (IOD).

Directors	Position	Course
Mr. Apisit Rujikeatkamjorn	Chairman	<ul style="list-style-type: none"> • Director Accreditation Program 21 / 2004 • Director Accreditation Program 27 / 2004 • Finance for Non-Finance Director (FND) 24 / 2005 • Understanding the Fundamental of Financial Statements Program (UFS) 5 / 2006 • Audit Committee Program 22/2008 • The Role of Chairman Program 26 / 2011 • Director Certification Program 166 / 2012
Mr. Pairoj Juarprathoom	Director / Chairman of Audit & Risk Management Committee / Independent Director	<ul style="list-style-type: none"> • Director Accreditation Program 161 / 2019
Dr. Boonchai Pitugdamrongkija	Director / Member of Audit & Risk Management Committee / Independent Director	<ul style="list-style-type: none"> • Director Certification Program 155 / 2012
Pol.Gen.Kawee Supanun	Director / Chairman of Nomination & Remuneration Committee/ Independent Director	<ul style="list-style-type: none"> • Director Accreditation Program 129 / 2016
Dr. Vongsak Swasdipanich	Director / Independent Director / Member of Audit & Risk Management Committee / Member of Nomination & Remuneration Committee	<ul style="list-style-type: none"> • Director Accreditation Program 134 / 2017
Mr. Witoon Suriyawanakul	Director / Chainman of the Executive Committee / Member of Nomination & Remuneration Committee	<ul style="list-style-type: none"> • Director Accreditation Program 68 / 2008
Mr.Kriangkai Suriyawanakul	Director / Executive Director	<ul style="list-style-type: none"> • Director Accreditation Program 188 / 2021
Mr. Nithi Patarachoke	Director / Executive Director	<ul style="list-style-type: none"> • Director Accreditation Program 140 / 2017
Mr. Paramate Nisagornsen	Director	<ul style="list-style-type: none"> • Director Certification Program 258 / 2018
Mr. Bunn Kasemsup	Director	<ul style="list-style-type: none"> • Director Accreditation Program 2006 • Director Certification Program 116 / 2009

3. The performance assessment of the Board of Directors, Sub-Committee and Executives

The Company assess annually of the Board of Directors, Sub-Committee and Executives by assessment in 3 forms such as Board of Directors Assessment form, Sub-Committee Assessment form and Individual Assessment form. The Company's secretary sent assessment form to all directors to assess the performance of the Board of Director and Sub-Committee. Then the secretary collected and summarize the performance assessment before submit to the chairman, which has criteria of performance assessment be in line with the Stock Exchange of Thailand as follows;

- 1) Performance assessment form of Board of Directors by group cover 6 main categories;
 - Structure and qualifications of the Board of directors
 - Roles, duties and responsibilities of the Board
 - Board of Directors' meetings
 - Performances of the duties of directors
 - Relationship with management
 - Self-development of directors and development of executives
- 2) Performance assessment form of Sub-Committee by group cover 3 main categories;
 - Structure and qualifications of Sub-Committee
 - Sub-Committee's meeting
 - Roles, duties and responsibilities of Sub-Committee
- 3) Performance assessment form of Board of Directors and Sub Committee by individual (self-assessment) cover 3 main categories;
 - Structure and qualifications of directors
 - Directors' meeting
 - Roles, duties and responsibilities of directors

The method of scoring as a percentage from the full score of each item is as follows;

Over 90 %	= Excellent
81 - 89 %	= Very Good
66 - 80 %	= Good
50 - 65 %	= Satisfactory
Under 50 %	= Poor

The performance assessment results of the Board of Directors and Sub - Committee In 2021

	Board-Committee Assessment		Individual Assessment	
	Scored	Rating	Scored	Rating
Board of Directors	97.88%	Excellent	97.73%	Excellent
Audit and Risk Management Committees	98.00%	Excellent	98.49%	Excellent
Nomination and Remuneration Committees	97.34%	Excellent	96.21%	Excellent

The overall result of the 2021 Board Assessment indicates an average rating of "Excellent" both Board of Directors & Sub-Committee Assessment and Individual Assessment. The Board of Director will consider assessment result for improving the performance in the future.

4. The Performance Assessment of Executives In 2021

The Nomination and Remuneration Committee will assess performance of executives by considered from business operation result, business operation according to the Board of Directors' policy, abilities to business development and improving the business's operation efficiency yearly with the overall of economic and social situation. Which have criteria according to the Stock Exchange of Thailand by separate 3 parts as follows;

- Progressive of Business Plans
- Performance Measurement
- CEO Development

Regarding the assessment performance result for Chief Executive Officer of the year 2021 indicates an average rating of "Excellent". Anyway, the assessment result will be considered and determined to increase the remuneration of Chief Executive Officer and approved by the board of directors.

8.1.2 Meeting Attendance and remuneration of Individual directors

1. Board of directors' meeting

The Board of directors shall regularly attend the Board of directors' meeting to acknowledge and jointly make decision regarding the business operations of the Company. At each meeting, the Company has prescribed a minimum quorum policy, describing that at least two-thirds of the Board of directors shall attend the meeting in order to constitute a quorum. Each director must present at the meeting at least 75 percentages of total number of meetings held during the year. The voting in the meeting requires votes at least 2/3 directors of the Board of directors which the meeting will be set in advance for each year. As for the year 2022, the meeting date is informed to the Board of directors in November 2021. Also, for the Board of director to have adequate time to perceive the contents of the meeting's agendas. The corporate secretary will send the invitation letter with agendas and information within 7 days in advance before the meeting unless there is an event of insufficient information or urgent meeting.

Statistics of the meetings for year 2021

	Name	Position	Meeting (Numbers of attendance times/Numbers of total meetings)		
			Board of Director's meeting	Annual General Meeting	Non- executive directors' Meeting**
1.	Mr. Apisit Rujikeatkamjorn	Chairman	6 / 6	1 / 1	1 / 1
2.	Mr. Pairoj Juarprathoom	Director / Independent Director / Chairman of Audit & Risk Management Committee	6 / 6	1 / 1	1 / 1
3.	Dr. Boonchai Pitugdamrongkija	Director / Independent Director / Member of Audit & Risk Management Committee	6 / 6	1 / 1	1 / 1
4.	Dr. Vongsak Swasdipanich	Director / Independent Director / Member of Audit & Risk Management Committee / Member of the Nomination and Remuneration Committee	6 / 6	1 / 1	1 / 1
5.	Pol.Gen. Kawee Supanun	Director / Independent Director / Chairman of the Nomination and Remuneration Committee	6 / 6	1 / 1	1 / 1
6.	Mr. Witoon Suriyawanakul	Director / Chairman of the Executive Committee / Member of the Nomination and Remuneration Committee	6 / 6	1 / 1	
7.	Mrs. Warunee Suriyawanakul*	Director/Executive Director	5 / 5	1 / 1	
8.	Mr. Nithi Patarachoke	Director/Executive Director	6 / 6	1 / 1	
9.	Mr. Paramate Nisagornsen	Director	6 / 6	1 / 1	
10.	Mr. Bunn Rattanachaisit	Director	6 / 6	1 / 1	
11.	Mr. Kriangkai Suriyawanakul*	Director/Executive Director	1 / 1		

Remark : * Mrs. Warunee Suriyawanakul resigned from the director with Kriangkai Suriyawanakul held on the position on 30 October 2021

2. Remuneration of Individual Director

Policy for Remuneration of the Board of Directors and sub-committee.

The Nomination and Remuneration Committee shall consider to determine fairly and properly the format and criteria of remuneration for the board of directors and sub-committee by comparing with other companies in same business, scope of authority, responsibilities, expected benefits from each director, and performance appraisal of directors both group committee and individuals, operating results of the company in each year, and presenting opinions to the Board of Directors in order to consider presenting to the shareholder's meeting for consideration to approve onwards.

1) Cash Remuneration

Director's remuneration is the remuneration for giving advice to employees of the company and attendance fee for each meeting. The company use the remuneration criteria as same as other companies in the same industry. The resolution of the Annual General Meeting of Shareholders 2021 on 7 April, 2021 approved the remuneration for the directors with amount of not exceeding Baht 15,000,000.

The directors' remuneration consists of the monthly remuneration only directors who is not employees of the Company, attendance fee of all director committees and bonus at the rate of 0.70% of dividend paid to shareholders. Details of remuneration payment for the Board of Directors and sub-committee for the year 2021 are as follows;

Monthly Remuneration	
• The Chairman	70,000 Baht / person / month
• Director	35,000 Baht / person / month
Attendance fee for the Board of director	
• The Chairman	40,000 Baht / person / time
• Director	35,000 Baht / person / time
Attendance fee for the Sub Committee*	
• The Chairman	30,000 Baht / person / time
• Director	25,000 Baht / person / time

Remark :* The Sub-committee consists of audit and risk management committee, and nomination and remuneration committee.

Detail of Remuneration Directors 2021

Unit : Baht

	Name	Position	Monthly Remuneration	Meeting Allowances	Bonus	Total
Mr. Apisit	Rujikeatkamjorn	Chairman	840,000.00	280,000.00	4,225,349.00	5,345,349.00
Mr. Pairoj	Juarprathoom	Director / Independent Director / Chairman of Audit & Risk Management Committee	420,000.00	395,000.00	2,281,985.67	3,096,985.67
Dr. Boonchai	Pitugdamrongkija	Director/Independent Director/ Member of Audit & Risk Management Committee	420,000.00	370,000.00	1,329,602.00	2,119,602.00
Dr. Vongsak	Swasdipanich	Director / Independent Director / Member of Audit & Risk Management Committee / Member of the Nomination and Remuneration Committee	420,000.00	420,000.00	1,329,602.00	2,169,602.00
Pol.Gen.Kawee	Supanun	Director / Independent Director / Chairman of the Nomination and Remuneration Committee	420,000.00	305,000.00		2,054,602.00
Mr. Witoon	Suriyawanakul	Director / Chairman of the Executive Committee / Member of the Nomination and Remuneration Committee	-	260,000.00	-	260,000.00
Mrs. Warunee	Suriyawanakul*	Director / Executive Director	-	175,000.00	-	175,000.00
Mr. Nithi	Patarachoke	Director / Executive Director	420,000.00	210,000.00	1,329,602.00	1,959,602.00
Mr. Paramate	Nisagornsen	Director	420,000.00	210,000.00	1,329,602.00	1,959,602.00
Mr. Bunn	Kasemsup	Director	420,000.00	210,000.00	1,282,935.73	1,912,935.73
Mr. Kriangkai	Suriyawanakul*	Director / Executive Director	-	35,00.00	-	35,000.00

Remark : * Mrs. Warunee Suriyawanakul resigned from the director with Kriangkai Suriyawanakul held on the position on 30 October 2021

2) Other Remuneration

- None -

8.1.3 The corporate governance of subsidiary and joint venture

In Corporate Governance of subsidiaries and associates, the company shall appoint directors or executives of the company to be company's representative for setting the policy and operating business to be in line with the policy of the parent company. And the objective for highest benefits of such subsidiaries or associates, the representative appointing in management is authority of the company's executives to perform duties following to their authorities, for protecting highest benefit of the company and direct report to the executives. In case of important transaction, must report directly for asking approval from the Board of Directors.

The company has policy for Disclosure of acquisition and disposal of assets, connected transactions between listed companies, subsidiaries cover all associates in parent company, according to the notice of Stock Exchange of Thailand including accounting control and supervision of subsidiaries to accumulate and finalize the financial statement in time.

8.1.4 Monitoring to Ensure Compliance with Corporate Governance Policy and Guidelines on Good Corporate Governance

In addition, the Company monitors to ensure compliance with corporate governance in other 4 issues as follows:

Preventing Conflicts of Interests

Board of Directors sets the policy for conflict of interest bases on the principle that any decision-making on business operation shall be taken for the highest benefits of the company and avoid the action leading to conflict of interest.

- Person related to or connected to the considering issue shall inform the company about the relationship or the connection to the issue, and shall not take part in the consideration, or has any authority to approve the transaction.
- Audit Committee shall propose the connected transactions and the transaction with the conflict of interest which is considered carefully to the Board of Director.
- The company shall follow the criteria of SET strictly about pricing and conditions to the person that potentially have conflict of interest as same as to the outsider, and send the report at the time required by SET.
- Executives, employees, families, and the residents in the same residency shall not run the business or any activity that mislead the public to understand that it is the business or activity that has conflict of interest with the company directly and indirectly.
- Executives and employees shall not cooperate with the family member or the intimate person to operate business or activity that may lead to the conflict of interest directly or indirectly. To avoid the potential inappropriateness, the relationship of family member or other people that may lead to conflict of interest should be disclosed to the supervisor in written.

The Misuse of Inside Confidential Information for Personal Gain

The Board of Director has determined measures to prevent misuse of inside information by related person including directors, executives, staff and employee of the Company (include spouse and minor child) used inside information before disclosure in order to buy , sell, transfer or receive stocks of the Company for 30 days before disclosure financial statements to SEC or public. The Company imposed penalty on information disclosure or using information for personal benefit in according with the policy to prevent of misuse inside information. And providing knowledge to the Board of Director and executives responsible to report securities holding to SEC under Section 59, Securities and Exchange Act B.E.2535 (1992), information from SEC and SET. In 2021, Directors and executives unused of Inside information to buy/sell securities and no violation of the securities trading rules.

Penalty Measure

The Company has implemented measure of penalty to misuse of inside information, according to the Public Limited Companies Act B.E.1992 (Including additional amendments) and relevant other regulations for transparency and treating all stakeholders fairly.

Anti - Corruption

The company operate its business with transparency and awareness to the importance of anti-corruption in all types by conduct business legally, beneficial to society and support employees to perform their duties with moral and be good citizen of society. Moreover, the company gives an importance with Collective Action Coalition: CAC, the company is preparing to propose the consideration to announce its intentions. In order that, the company has established Anti-Corruption Policy to be more clearly practical guidelines for protection and resistance the Corruption problem of the company, by creating organizational culture for everyone's realization to social harm of corruption, creating the right core value, and increasing of trust to all stakeholders. The company has announced its policy and communicated to all directors, executives, and employees to be acknowledged and adhere to comply by publicizing through internal media channels and the company's website <https://globalhouse.co.th/investors/th/governance>

Guidelines and Risk Assessment

The Company emphasizes all employees and product consultants (PC) must comply with anti-corruption and business ethics policy by not being involved in all forms of corruptions whether by direct or indirect way. The Company has set up the internal control and audit process in all aspects regarding to the corruption risk management, including the assessment of potential risks. Also, to encourage all employees and PC to attend the trainings, and promote to related persons for the comprehension of such policy. Employees and PC must not ignore any corruptions, including to impose the penalties for employee or PC who are involved in corruption.

Communication and Publicity

The company shall communicate and publicize Anti-corruption policy to the company's employees and all stakeholders of the company to build the understanding and support regarding anti-corruption through channels as follow;

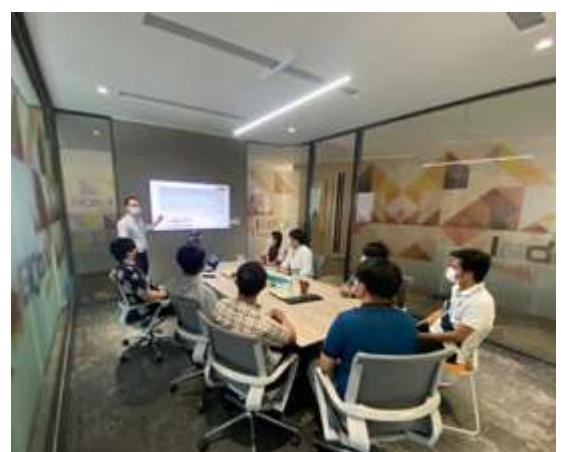
- Internal Communication by orientation for new directors and employees, training, sessions or seminars, as well as internal public relations within the company's workplaces and intranet channel.
- External Communication through the company's website and the annual report (56-1 One Report)

Monitoring of the Practice, Notification and Reporting of Anti-Corruption

Directors' executives and employees are responsible for acknowledge and understanding that good corporate governance policy. And guidance in practice for promote effective implementation, administration and good governance. The company has set communication channels to complaint from stakeholders that directly to the Board or Director (Whistle Blowing)

Operation Results regarding Anti-Corruption 2021

- 1) Organizes the trainings for giving knowledge of Anti-Corruption policy and practical guidelines to staffs in office, with total 112 staffs attended the trainings.
- 2) Prescribes the operation guidelines in accordance with Anti-Corruption to promote Anti-Corruption in organization by employees or PC staffs are prohibited to contract for the installation job without the company's channels. Including communicates the operation guidelines to all stores' employees to be acknowledged and followed, with the objective for customers to get good quality of service and preventing other illegal charges from customers



Whistleblowing

The company has determined the practical guidelines regarding whistleblowing or complaints handling to be in accordance with Anti-Corruption policy. Besides, the company gives all stakeholders a chance to inform complaints or whistleblowing to the company in various channels as prescribed by the company.

Whistleblowing Measures and Channels

E-mail	secretary@globalhouse.co.th
Company's website	www.globalhouse.co.th >> Investor Relations >> Whistleblowing
Complaint submission box	Complaint, suggestions submission box in store
Post Mail	Audit Department Siam Global House Public Company Limited 232 Moo 19, Rob Muang, Muang, Roi Et, Thailand 45000



External Person
or Internal Person



Complaints Handling
or Whistleblowing
Department

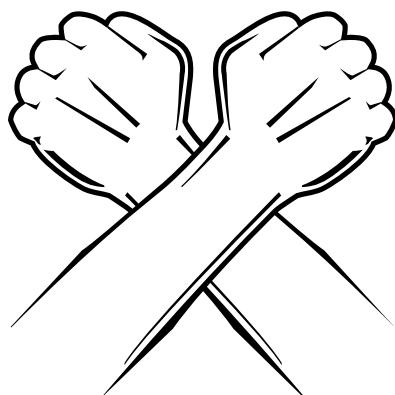


The Audit Committee
and Internal Audit
Department



>> The Board of Directors

นโยบาย ต่อต้าน คอร์รัปชัน



Procedures after receiving of complaints or whistleblowing

- 1) The Audit and Risk Management Committee shall consider and verify information or facts received from complainants or whistleblowers and report to the Board of Directors to consider the penalty or resolve such problem.
- 2) Period time for investigation within 7 days after the date receiving whistleblowing or complaints.

Whistleblowers or Complainants Protection

The Company shall not disclose the identity of whistleblowers or complainants and keep information confidential

There are Whistleblowing Report in 2021 as below

Subject of breaches	Whistle blowing information	Disciplinary penalty			
		Oral warning	Written warning	Suspension	Termination of employment
1. Breaches of compliance to good corporate governance code, business ethics and Code of Conduct	None	-	-	-	-
2. Breaches of the company's rules and regulations	None	-	-	-	-
3. Corruption Acts	None	-	-	-	-
4. Illegal Acts, violate the laws	None	-	-	-	-
5. Infringement of human rights and unfair treatment in working	None	-	-	-	-

8.2 Report of Audit Committee during the past year

8.2.1 Number of Audit Committee Meetings

In 2021, the Audit Committee held a total of 5 meetings, with the Members attending every meeting as follows :

Name	Position	Number of Attendance
1. Mr. Pairoj Juarprathoom*	Chairman of Audit & Risk Management Committee	5 / 5
2. Dr. Boonchai Pitugdamrongkija*	Member of Audit & Risk Management	5 / 5
3. Dr. Vongsak Swasdipanich*	Member of Audit & Risk Management	5 / 5

Remark : * Independent Director

8.2.2 Report of Audit Committee

(appear in Enclosure No.6 Audit & Risk Management Committee)

8.3 Report of Other Sub-Committees

8.3.1 Number of Sub-committee Meetings

1. Nomination and Remuneration Committee

In 2021, the Nomination and Remuneration Committee held a total of 2 meetings, with the Members attending every meeting as follows :

Name	Position	Number of Attendance
1. Pol.Gen.Kawee Supanun*	Chairman of the Nomination and Remuneration Committee	2 / 2
2. Dr. Vongsak Sawasdipanich*	Member of the Nomination and Remuneration Committee	2 / 2
3. Mr. Witoon Suriyawanakul	Member of the Nomination and Remuneration	2 / 2

Remark : * Independent Director

2. Executive Committee

In 2021, Executive Committee held a total of 7 meetings, with the Members attending every meeting as follows :

	Name	Position	Number of Attendance
1.	Mr. Witoon Suriyawanakul	Chairman of the Executive Committee	7 / 7
2.	Mr. Anavat Suriyawanakul	Executive Director	7 / 7
3.	Mrs. Warunee Suriyawanakul	Executive Director	7 / 7
4.	Mr. Nithi Patarachoke	Executive Director	0 / 7
5.	Mr. Yutthana Suriyawanakul	Executive Director	7 / 7
6.	Ms. Chutikan Sriseangchan	Executive Director	7 / 7
7.	Mr. Kriangkai Suriyawanakul	Executive Director	1 / 1

Remark *Mr. Kriangkrai Suriyawanakul has been appointed as of 30 October, 2021

8.3.2 Performance of other sub-committees

(Disclosed on report of Nomination and Remuneration Committee)

9. Internal Control and Related Transactions

9.1 Internal Control

The Board of Directors assigned to the Audit & Risk Management Committee that consist of 3 independent directors who not employees of the Company and their responsibilities for reviewed the accuracy of financial report and effectiveness of internal control system.

The Board of Director meeting 1/2022 on 11 February 2022, the directors and the Audit Committee evaluated the adequacy of internal control system. The Board of Directors' opinion that the internal control system was adequate and appropriated to nature of business and accordance with COSO (The Committee of Sponsoring Organization of the Treadway Commission) as follow;

1. Organization and Environment

The committee agreed that the company has clear organization chart and specified scope of authority and responsibility of each department. There is clearly state of business goal. The Management and administrator considered and defined business target and strategies, which can be adapted accordingly to environment.

The Board of Directors approved the code of conduct manual and published to website and intranet of the Company in order to be guideline for directors' executives and staffs to adhere. For the policy of employees, the company was training all employees to develop skill and reviewed operation to be in the same line. Furthermore, also educated employees to love organization and provide best environment and welfares, as well as defined standard of performance assessment and fairly compensation.

2. Risk Management

The committee agree that the company has regularly considered and risk assessment that impact on operations. The Management committee have meeting with all relevant departments every months to acknowledge and follow up the result of operation and closely tracking for setting risk management to control the risk to be at acceptable level.

3. Operational Control

The committee agree that the company has specified the scope of authority and detail of approval in each level clearly. There is completely separated duty and responsibility for approval, account booking and information technology for examine each other.

4. Information Technology and Communication System

The committee agree that the company emphasis on Information Technology. There is development and improvement about operation system for more efficient and support internal control system.

For the communication between executive officers and employees, the company has developed internal communication channels for more effectively, for employees are aware of policies and procedures in order to operate in the same line.

5. Monitoring System

The committee agree that the company has specified to meeting with all relevant departments every months to acknowledge and follow up regularly. Furthermore, specifying to Internal Audit Department directly reported audit's result and evaluated of internal control system of units to Management Committee and Audit and Risk Management Committee so that internal auditors can perform independently

The committee's opinion of the internal control system all 5 components is sufficient, appropriate and provided staffs to perform on internal control to be effective. The management has focused on the understanding of internal control with training on supervisors to optimize the performance.

With respect to handling and safeguarding of the company's assets, the executives committee assigned the policy to the Accounting and Financial department to be in charge of regularly checking and counting the company's assets for verifying the accuracy and completeness of the company's assets.

Furthermore, from the auditing of the financial statements for the year 2021, the Auditors don't have given any notices of internal control system for accounting, as deemed to be materiality to the opinions to the financial statements for the year 2021. Plus, the Company have risk management which are ready to deal with all situations.

The opinion of Audit and Risk Management Committee

The Audit and Risk Management Committee agree with the Board of Directors that the internal control system has adequate and appropriate with the Company' business, satisfactory level, acceptable of risk management, accounting system and accuracy of financial reports and complied with the regulations related to the Company's business.

Internal Audit Manager

The Audit and Management Committee had appointed Ms. Siriwan Na-Nan to be the Internal Audit Manager. She has educated and experienced in internal audit and trained related courses of internal audit. Including also understanding of the Company's operations. As a result, it is appropriate to appoint her to perform such duties.

The Audit and Risk Management Committee is responsible for approving the appointment, dismissal and transfer of the Internal Audit manager. By qualifications of person who takes the position of Internal Audit Manager as attachment no.3

9.2 Related Transactions

In 2021, the company have related transactions with related parties by such transactions have value and benefits as deemed regular trade as general market price or following to agreed contract (as details in Clause 4 of Notes to financial statements for the year end 31 December 2021). And the Audit Committee have considered the occurred related transactions and have opined that the transactions are reasonable with correctly disclosure of information and conform with the declaration of the Stock Exchange of Thailand (SET) and the Securities and Exchange Commissions (SEC).

For 2019 - 2021, the company have related transactions with personal who may have conflict of interest which the Audit committee have considered the occurred related transactions, and have an opinion that it's deemed reasonable with the following details;

Company / Relationships	Transactions	Unit : Million Baht		
		2021	2020	2019
1. Inter Concrete Industry Co., Ltd. (Inter Concrete)				
Have mutual 3 directors and such directors are major shareholders of Inter Concrete by holding share of 80.82% that is; 1. Mr. Witoon Suriyawanakul 2. Mr. Anawat Suriyawanakul 3. Ms. Warunee Suriyawanakul	Revenue from sales of goods (As of 31 Dec)	6.85	12.70	10.10
An opinion of the Audit Committee : This transaction is reasonable and being in line with general business and being the same price with market price (wholesale price)				
2. Siam global engineering Co., Ltd. (Global Engineering)				
Have a mutual director; Mr. Anawat Suriyawanakul and 3 company's directors are shareholders of Global Engineering by combined shareholding 29.65%, that is; 1. Mr. Witoon Suriyawanakul 2. Mr. Anawat Suriyawanakul 3. Ms. Warunee Suriyawanakul	Revenue from sales of goods Purchase of fixed assets Other expenses Management fee expense (As of 31 Dec)	4.30 191.73 0.24 0.35	53.99 560.77 0.67 -	79.29 385.69 0.72 -
An opinion of the Audit Committee: This transaction is reasonable and being in line with general business and being the same price with market price (wholesale price)				
3. SCG Distribution Co., Ltd				
Major Shareholder	Revenue from sales of goods Other income Distribution management income Purchase of merchandises Management fee expense Volume incentives (As of 31 Dec)	- 4.56 1.26 1,193.44 9.27 56.65	0.03 - - 484.19 4.42 20.99	- - - - - -
An opinion of the Audit Committee: This transaction is reasonable and being in line with general business and being the same price with market price (wholesale price)				

Company / Relationships	Transactions	Unit : Million Baht		
		2021	2020	2019
4. SCG Logistics Management Co., Ltd				
Subsidiary of SCG Distribution Co., Ltd	Revenue from sales of goods	0.01	0.42	0.13
	Other income	0.41	0.32	0.40
	Purchase of merchandises	19.45	19.41	33.63
	(As of 31 Dec)			
An opinion of the Audit Committee: This transaction is reasonable and being in line with general business and being the same price with market price (wholesale price)				
5. Subsidiaries and related parties with				
Siam Cement Public Company Limited	Revenue from sales of goods	9.34	3.71	8.46
	Other income			
	Distribution management	4.08	4.40	3.97
	income	5.95	11.62	7.54
	Purchase of merchandises			
	Volume incentives	870.93	1,659.42	2,173.01
	Management fee expense	21.15	58.07	99.86
	Purchase of fixed assets	0.22	4.42	8.84
	(As of 31 Dec)	-	7.73	-
An opinion of the Audit Committee: This transaction is reasonable and being in line with general business and being the same price with market price (wholesale price)				
6. Global House International Co., Ltd				
(GBI)	Other income	0.24	0.24	0.24
Joint Venture	Interest income	0.07	0.12	0.12
	(As of 31 Dec)			
An opinion of the Audit Committee: This transaction is reasonable and being followed in agreed price and being followed in agreed rate.				
7. Souvanny Homecenter Public				
Company	Revenue from sales of goods	0.24	-	-
Associate of Global House International	Other income	0.23	-	-
Co., Ltd	(As of 31 Dec)			
An opinion of the Audit Committee: This transaction is reasonable and being in line with general business and being the same price with market price (wholesale price)				
8. Pro 1 Global Co., Ltd.				
Associate of Global House International	Other income	0.58	-	0.25
Co., Ltd	(As of 31 Dec)			
An opinion of the Audit Committee: This transaction is reasonable and being followed in agreed price				
9. Luk Chum Teav Kim Heang				
Shareholder in subsidiary	Rental expense	28.65	26.82	21.80
	(As of 31 Dec)			
An opinion of the Audit Committee: This transaction is reasonable and being contractual.				

Audit Committee Commendations

From the meeting of the Audit Committee No.1/2022 on 11 February 2022, audit committee commented on the related transaction between the company and person which may cause conflict of interest or will cause conflict of interest in the future follow Notification of Capital Market Supervisory Board. The meeting resolved unanimously that these related transactions was reasonable and fair price and benefit the company's business. Transaction prices are charged at fair market price like the transactions with other outside parties and no objective to siphon profits between the company and that person

Procedure to Approve the Related Transaction

From the meeting of the Board No.4/2008 on 11 August 2008, the board approved on the case of entering into any deal or contract between the company and director, manager or any related person which may cause conflict. Transaction prices are charged at fair market price like the transactions with other outside parties and no objective to siphon profits between the company and that person. In the case of normal deal, administrative section can process normally under the Meeting's resolution. Moreover, the company will prepare the summary report for the higher than 10 million Bath deal for every quarter and also report to the meeting for not-over 10 million Bath deal every quarter.

In the case of related transaction which may cause conflict, the audit committee will give opinion on the necessity of related transaction. If the audit committee does not have the expertise to consider the transaction, the Company will provide an independent expert or the Company's auditor to give opinion on that transaction to use as guidance for the Board, the audit committee or the shareholders. Moreover, the Company must comply with the laws concerning securities and exchange, rules, notification, order and regulation of the SET, the person who has conflict of interest in the connected transaction will not have the right to vote.

Guidelines for Treating Future Related Transactions

If the company have to make the transaction with person who may cause conflict of interest or will cause conflict of interest in the future, the company will give policies on the necessity of related transaction and the appropriate pricing of that transaction and consider the conditions to be in line with the general business in this industry and compare the price with the transaction done with a third party or the market price. In addition, the company will provide an independent expert or the Company's auditor to give opinion on that transaction to use as guidance for the Board.

The future related transaction must comply with the laws concerning securities and exchange, rules, notification, order and regulation of the SET and not approve any transaction which may cause conflict of interest.

In the case of related transaction between Siam Global House Public Company Limited and person who may cause conflict in the future, the audit committee will give opinion on the necessity of related transaction. If the audit committee does not have the expertise to consider the transaction, the Company will provide an independent expert or the Company's auditor to give opinion on that transaction to use as guidance for the Board, the audit committee or the shareholders. Moreover, the Company must comply with the laws concerning securities and exchange, rules, notification, order and regulation of the SET. The information was shown on 56 - 1 One Report.

Investor Protection

In the order to protect the investor, the transaction which may cause conflict of interest in the future has to review by the audit committee in the meeting. Moreover, the company must comply with the laws concerning securities and exchange, rules, notification, order and regulation of the SET and follow the rule of transaction disclosure.

03

Financial Statements



Board of Directors' Responsibility for Financial Reporting

The Board of Directors is responsible for overall financial statements of Siam Global House Public Company Limited and its subsidiaries and any financial information shown in the Annual Report. The financial statement was prepared in accordance with the accounting standard as generally accepted. The Company chooses appropriate accounting policy and always acts accordingly together with careful discretion and the best estimation for such arrangements. This includes adequate disclosures of necessary information in remarks and appendix of the financial statements.

The Board of Directors maintains the efficiency of the internal audit control system in order to be reasonably confident that records of any accounting information are accurate, through, complete and enough to maintain the Company's assets. It is also aimed at substantially identify and acknowledge weaknesses to prevent malfeasance or inappropriate performances.

In this regard, the Board of Directors of the Company has appointed and Audit & Risk Management Committee, comprising the Independent Directors who are not Executives. The Audit Committees shall have the responsibilities relating to the quality of the report on financial statement and internal control system. The opinion of the Audit Committee with regards to these subjects appeared in the report of the Audit Committee as shown in the Annual Report.

The financial statement of the Company have been examined by external auditor, M.R. & Associates Co., Ltd. The auditor's opinion is presented in the auditor's report as part of this annual report.

The Board of Directors considered that, the internal control system of the Company is generally sufficient and proper. It can also reasonably ensure the reliability of the Company's accounting system as of December 31, 2021.



(Mr. Apisit Rujikeatkamjorn)

Chairman of the Board

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Financial Statements

For the Year Ended December 31, 2021
and Report of Certified Public Accountant

M.R. & ASSOCIATES CO., LTD.

Certified Public Accountants

REPORT OF CERTIFIED PUBLIC ACCOUNTANT

To the Shareholders and Board of Directors of Siam Global House Public Company Limited

Opinion

I have audited the consolidated financial statements of Siam Global House Public Company Limited and its subsidiary (the Group), which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statement of comprehensive income, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. I have also audited the separate financial statements of Siam Global House Public Company Limited, which comprise the separate statement of financial position as at December 31, 2021, and the separate statement of comprehensive income, separate statement of changes in shareholders' equity and separate statement of cash flows for the year then ended, and notes to the separate financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Siam Global House Public Company Limited and its subsidiary as at December 31, 2021, and their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with Thai Financial Reporting Standards. Also, the accompanying separate financial statements present fairly, in all material respects, the financial position of Siam Global House Public Company Limited as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matter

Key audit matter is the matter that, in my professional judgment, was of most significance in my audit of the financial statements of the current period. This matter was addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.

Valuation of merchandises

The Group has various categories of products with large numbers of inventory items. The merchandise balance is material to the financial statements. As disclosed in Notes 3 and 6, merchandises are valued at the lower of cost and net realizable value. During the year, the Group reviews their merchandises values by comparing their cost against their net realizable value. Any loss on decline in value of merchandises was charged to expense for the year. The Group has established a policy to provide an allowance for obsolete and slow-moving inventories based on the physical condition and life cycle of inventory in each category. This involves significant management judgment and estimation.

My audit procedures included inquiring the management who is responsible for this to obtain the method and assumptions used in establishing the policy to provide an allowance for decline in value of merchandises. I obtain understanding of and evaluate the appropriateness of the Company's accounting policy and review the consistency of the application of the policy. I randomly test the accuracy of the inventory aging analysis report prepared by management. I also randomly test of loss on decline in value of merchandises and test the calculation of the allowance for obsolete and slow-moving inventories according to the defined policy.

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 financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the 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 financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to audit committee for correction of the misstatement.

Responsibilities of Management and Audit Committee for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group'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 or to cease operations, or has no realistic alternative but to do so.

Audit committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the 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 Thai Standards on Auditing 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 financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the 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 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 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 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 audit committee 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 audit committee 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 our independence, and where applicable, related safeguards.

From the matters communicated with audit committee, I determine that matters that were of most significance in the audit of the financial statements of the current period and is therefore the key audit matter. I describe the matter 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.

(Mr. Methee Ratanasrimetha)

Certified Public Accountant
Registration No. 3425

M.R. & ASSOCIATES CO., LTD.

Bangkok

February 11, 2022

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021 AND 2020

ASSETS

	Note	In Baht			
		Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
CURRENT ASSETS					
Cash and cash equivalents		1,694,115,144	1,224,289,195	1,610,768,310	1,153,003,916
Trade and other accounts receivable					
- Related parties	4	29,526,503	25,147,083	29,526,503	25,145,768
- Others	5	644,479,288	640,618,166	626,504,203	612,244,340
Short-term loans to joint venture and accrued interest income	4	-	6,500,331	-	6,500,331
Merchandises	6	16,185,623,759	14,287,199,388	15,875,220,423	13,998,500,582
Current investment - deposit at bank	7	77,717,264	-	-	-
Other current assets		-	4,312	-	4,312
Total current assets		18,631,461,958	16,183,758,475	18,142,019,439	15,795,399,249
NON-CURRENT ASSETS					
Investments in debt securities	8	100,000,000	-	100,000,000	-
Investments in subsidiaries	9	-	-	304,844,950	287,764,950
Investment in joint venture	10	1,507,296,832	838,249,696	1,342,800,000	759,500,000
Land not use in operation	11	500,357,431	500,357,431	500,357,431	500,357,431
Property, plant and equipment	12	17,099,008,598	17,147,932,121	16,847,362,856	16,897,066,109
Right-of-use assets	13	1,282,666,608	1,270,357,139	710,385,227	739,647,519
Intangible assets	14	7,467,516	11,527,515	7,094,272	11,016,896
Deferred tax assets	15	138,371,303	59,869,407	127,664,275	59,588,922
Other non-current assets		7,972,798	8,253,087	7,972,798	8,176,492
Total non-current assets		20,643,141,086	19,836,546,396	19,948,481,809	19,263,118,319
TOTAL ASSETS		39,274,603,044	36,020,304,871	38,090,501,248	35,058,517,568

The accompanying notes are an integral part of these financial statements.

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021 AND 2020

LIABILITIES AND SHAREHOLDERS' EQUITY

	Note	In Baht			
		Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
CURRENT LIABILITIES					
Short-term loans from financial institutions	16	12,066,054,861	11,192,934,371	12,066,054,861	11,192,934,371
Trade and other accounts payable					
- Related parties	4	90,988,915	284,745,591	87,636,341	284,685,971
- Others	17	2,451,805,674	2,703,398,889	2,395,592,774	2,632,298,999
Current portion of long-term loans	16	1,044,646,667	883,553,333	1,044,646,667	883,553,333
Debentures - due within one year	18, 34	-	500,000,000	-	500,000,000
Current portion of lease liabilities	19	17,556,283	14,742,190	8,172,951	7,471,284
Income tax payable		328,258,354	176,705,492	325,572,405	169,658,243
Other current liabilities		11,790,234	5,351,914	11,790,234	5,351,914
Total Current Liabilities		16,011,100,988	15,761,431,780	15,939,466,233	15,675,954,115
NON-CURRENT LIABILITIES					
Long-term loans	16	2,138,790,000	1,802,770,000	2,138,790,000	1,802,770,000
Lease liabilities	19	1,128,752,590	1,080,994,632	511,383,887	519,540,205
Deferred tax liabilities	15	10,570,640	8,272,167	6,887,905	3,734,370
Provisions for employee benefits	20	143,885,151	147,443,243	143,885,151	147,443,243
Other non-current liabilities		5,450,260	5,550,000	5,350,000	5,550,000
Total non-current liabilities		3,427,448,641	3,045,030,042	2,806,296,943	2,479,037,818
Total liabilities		19,438,549,629	18,806,461,822	18,745,763,176	18,154,991,933

The accompanying notes are an integral part of these financial statements.

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021 AND 2020

LIABILITIES AND SHAREHOLDERS' EQUITY (Continued)

	Note	In Baht			
		Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
SHAREHOLDERS' EQUITY					
Share capital	21				
Authorized share capital		4,601,683,147	4,401,613,960	4,601,683,147	4,401,613,960
Issued and paid-up share capital		4,601,671,149	4,401,609,967	4,601,671,149	4,401,609,967
Share premium	22	4,739,295,827	4,739,295,827	4,739,295,827	4,739,295,827
Retained earnings					
Appropriated for legal reserve	23	484,182,751	484,182,751	484,182,751	484,182,751
Unappropriated		9,690,030,767	7,361,011,782	9,491,241,238	7,260,689,565
Other components of shareholders' equity		45,667,371	(4,918,030)	28,347,107	17,747,525
Equity attributable to equity holders of the parent					
Non-controlling interest		19,560,847,865	16,981,182,297	19,344,738,072	16,903,525,635
Total shareholders' equity		19,836,053,415	17,213,843,049	19,344,738,072	16,903,525,635
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY					
		39,274,603,044	36,020,304,871	38,090,501,248	35,058,517,568

The accompanying notes are an integral part of these financial statements.

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

		In Baht			
		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
REVENUES					
Net sales	29	33,497,804,246	26,802,962,599	33,010,210,386	26,207,949,418
Transportation income		117,470,862	102,080,664	117,221,767	101,780,271
Other income	24	500,836,926	448,842,738	493,387,368	442,915,266
Total revenues		34,116,112,034	27,353,886,001	33,620,819,521	26,752,644,955
EXPENSES	25				
Cost of goods sold	4	25,066,996,228	20,401,000,576	24,724,695,189	19,979,353,902
Distribution costs		2,600,870,050	2,321,020,232	2,565,327,121	2,279,717,789
Administrative expenses	4	2,205,156,696	1,912,100,850	2,139,450,303	1,843,916,685
Other expense		947,228	67,862,035	947,228	67,862,035
Total expenses		29,873,970,202	24,701,983,693	29,430,419,841	24,170,850,411
Profit from operating activities		4,242,141,832	2,651,902,308	4,190,399,680	2,581,794,544
Finance costs		(180,419,782)	(245,877,897)	(160,740,139)	(230,846,321)
Reversal of Loss on Impairment of Financial Assets		(191,155)	929,694	(191,155)	929,694
Share of Profit of Joint Venture		80,753,968	23,352,911	-	-
Profit before Income Tax		4,142,284,863	2,430,307,016	4,029,468,386	2,351,877,917
Income Tax Expense	15	(783,312,468)	(454,784,860)	(784,360,312)	(443,172,372)
PROFIT FOR THE YEAR		3,358,972,395	1,975,522,156	3,245,108,074	1,908,705,545
OTHER COMPREHENSIVE					
INCOME	26				
Items that will not be reclassified subsequently to profit or loss					
- Actuarial profit (loss) on defined benefit plan		13,249,478	(5,969,750)	13,249,478	(5,969,750)
- Share of other comprehensive income of joint venture		4,993,167	-	-	-

The accompanying notes are an integral part of these financial statements.

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF COMPREHENSIVE INCOME (Continued)
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

Note	In Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
- Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss	(2,649,896)	1,193,949	(2,649,896)	1,193,949
	<u>15,592,749</u>	<u>(4,775,801)</u>	<u>10,599,582</u>	<u>(4,775,801)</u>
Items that will be reclassified subsequently to profit or loss				
- Currency translation differences of subsidiary	61,739,543	(3,741,482)	-	-
- Share of other comprehensive income of joint venture	400,898	-	-	-
	<u>62,140,441</u>	<u>(3,741,482)</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the year	77,733,190	(8,517,283)	10,599,582	(4,775,801)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>3,436,705,585</u>	<u>1,967,004,873</u>	<u>3,255,707,656</u>	<u>1,903,929,744</u>
Profit (loss) attributable to:				
Equity holders of the parent	3,343,575,386	1,955,963,491	3,245,108,074	1,908,705,545
Non-controlling interests	15,397,009	19,558,665	-	-
	<u>3,358,972,395</u>	<u>1,975,522,156</u>	<u>3,245,108,074</u>	<u>1,908,705,545</u>
Total comprehensive income attributable to:				
Equity holders of the parent	3,394,160,787	1,949,129,875	3,255,707,656	1,903,929,744
Non-controlling interests	42,544,798	17,874,998	-	-
	<u>3,436,705,585</u>	<u>1,967,004,873</u>	<u>3,255,707,656</u>	<u>1,903,929,744</u>
Earnings per share				
attributable to equity holders of the parent (Baht)	27	0.7266	0.4251	0.7052
	<u>0.7266</u>	<u>0.4251</u>	<u>0.7052</u>	<u>0.4148</u>

The accompanying notes are an integral part of these financial statements.

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

Consolidated financial statements									
Note	share capital	premium	reserve	Unappropriated	Retained earnings				
					Other components of shareholders' equity				
					Currency	Actuarial gain	comprehensive translation (loss) on defined benefit plan	Total other components of shareholders' equity	Equity
	Issued and paid-up	Appropriated for legal					profit (loss) of joint venture	attributable to equity holder of the parent	Non controlling interest equity
Balance as at January 1, 2021	4,401,609,967	4,739,295,827	484,182,751	7,361,011,782	(22,264,657)	17,747,525	(400,898)	(4,918,030)	16,981,182,297
Profit for the year	-	-	-	-	3,343,575,386	-	-	-	3,343,575,386
Other comprehensive income for the year	26	-	-	-	34,591,754	10,599,582	5,394,065	50,585,401	50,585,401
Total comprehensive income for the year	-	-	-	-	3,343,575,386	34,591,754	10,599,582	5,394,065	3,394,160,787
Stock dividends	21	200,061,182	-	-	(200,061,182)	-	-	-	-
Dividends	21	-	-	-	(814,495,219)	-	-	(814,495,219)	-
Balance as at December 31, 2021	4,601,671,149	4,739,295,827	484,182,751	9,690,030,767	12,327,097	28,347,107	4,993,167	45,667,371	19,560,847,865
									275,205,550
									19,836,053,415

The accompanying notes are an integral part of these financial statements.

**SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

The accompanying notes are an integral part of these financial statements.

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

In Baht						
Separate financial statements						
Note	share capital	Retained earnings			Other components of shareholders' equity	
		Appropriated	Actuarial gain (loss) on defined benefit plan	Total	shareholders' equity	shareholders' equity
		paid-up Share premium	for legal reserve	Unappropriated		
		4,401,609,967	4,739,295,827	484,182,751	7,260,689,565	17,747,525
		-	-	-	3,245,108,074	16,903,525,635
		-	-	-	-	3,245,108,074
Profit for the year		26	-	-	-	-
Other comprehensive income for the year		-	-	-	10,599,582	10,599,582
Total comprehensive income for the year		-	-	-	3,245,108,074	10,599,582
		-	-	-	-	3,255,707,656
Stock dividends	21	200,061,182	-	-	(200,061,182)	-
Dividends	21	-	-	-	(814,495,219)	(814,495,219)
Balance as at December 31, 2021		4,601,671,149	4,739,295,827	484,182,751	9,491,241,238	28,347,107
						19,344,738,072

The accompanying notes are an integral part of these financial statements.

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

In Baht						
Separate financial statements						
Note	share capital	premium	reserve	Unappropriated	Other components of shareholders' equity	
					Appropriated for legal reserve	Retained earnings
					Actuarial gain (loss) on defined benefit plan	Total shareholders' equity
Balance as at January 1, 2020	4,201,540,599	4,739,295,827	484,182,751	6,414,595,826	22,523,326	15,862,138,329
Profit for the year	-	-	-	1,908,705,545	-	1,908,705,545
Other comprehensive income for the year	26	-	-	-	(4,775,801)	(4,775,801)
Total comprehensive income for the year				1,908,705,545	(4,775,801)	1,903,929,744
Stock dividends	21	200,069,368	-	-	(200,069,368)	-
Dividends	21	-	-	-	(862,542,438)	(862,542,438)
Balance as at December 31, 2020	4,401,609,967	4,739,295,827	484,182,751	7,260,689,565	17,747,525	16,903,525,635

The accompanying notes are an integral part of these financial statements.

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from operating activities				
Profit for the year	3,358,972,395	1,975,522,156	3,245,108,074	1,908,705,545
Adjustments for				
Depreciation and amortization	1,264,175,474	1,163,653,839	1,213,160,825	1,123,816,075
Decrease of merchandises				
to net realizable value	2,588,948	24,760,761	2,588,948	24,760,761
Increase in allowance for obsolete and slow-moving inventories	65,134,728	3,165,549	64,617,945	3,165,549
Provisions for employee benefits	27,052,121	28,853,667	27,052,121	28,853,667
Interest income	(5,184,235)	(2,467,671)	(4,893,391)	(2,098,205)
Interest expense	180,692,324	244,565,040	160,126,843	230,086,683
Increase (decrease) in allowance for impairment of expected credit losses	191,155	(929,694)	191,155	(929,694)
Unrealized loss (gain) on exchange rate	3,467,394	(22,168,391)	3,467,394	(22,168,391)
Loss (gain) on sale of fixed assets	(1,279,057)	29,434,514	(1,279,057)	29,434,514
Loss on write-off fixed assets	2,235,737	38,427,522	2,235,737	38,427,522
Loss on sale of current investments	-	1,227,748	-	1,227,748
Loss on remeasurements of investments	-	123,899	-	123,899
Gain from insurance claim	(23,076,726)	(26,700,255)	(23,076,726)	(26,700,255)
Share of profit of joint venture	(80,753,968)	(23,352,911)	-	-
Income tax expense	783,312,468	454,784,860	784,360,312	443,172,372
	5,577,528,758	3,888,900,633	5,473,660,180	3,779,877,790
Changes in operating assets and liabilities				
Trade and other accounts receivable	20,507,708	610,909,544	6,062,895	600,812,942
Merchandises	(1,930,808,933)	1,287,408,793	(1,943,926,734)	1,340,993,724
Other non-current assets	(2,536,739)	5,299,941	203,694	5,180,535
Trade and other accounts payable	268,403,626	(451,756,478)	288,525,756	(424,929,947)
Payment of post-employment benefits	(17,360,735)	(2,981,539)	(17,360,735)	(2,981,539)
Other non-current liabilities	(99,740)	200,000	(200,000)	200,000
Income tax paid	(711,319,232)	(508,049,790)	(696,017,864)	(502,221,625)
Net cash provided by operating activities	3,204,314,713	4,829,931,104	3,110,947,192	4,796,931,880
Cash flows from investing activities				
Interest received	3,911,087	2,474,601	4,469,353	2,105,135
Decrease in short-term loans to joint venture	6,500,331	-	6,500,331	-
Increase in current investments	(77,717,264)	(300,024,699)	-	(300,024,699)
Proceeds from sale of current investments	-	291,335,184	-	291,335,184
Proceeds from sale of fixed assets	5,258,195	5,637,056	5,258,195	5,637,056
Proceeds from insurance claim	1,120,960	29,378,588	1,120,960	29,378,588

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF CASH FLOWS (Continued)

FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Increase in property, plant and equipment	(1,857,199,446)	(2,192,809,686)	(1,855,844,303)	(2,186,917,951)
Increase in computer software	(1,298,540)	(1,765,905)	(1,298,540)	(1,765,905)
Decrease in right-of-use assets	-	4,901,048	-	5,127,542
Increase in investment in subsidiary	-	-	(17,080,000)	-
Increase in investment in joint venture	(583,300,000)	-	(583,300,000)	-
Increase in investments in debt instruments	(100,000,000)	-	(100,000,000)	-
Net cash used in investing activities	(2,602,724,677)	(2,160,873,813)	(2,540,174,004)	(2,155,125,050)
Cash flows from financing activities				
Interest paid	(145,003,673)	(243,801,263)	(145,003,673)	(229,322,906)
Increase (decrease) in short-term loans from financial institutions	873,120,490	(3,026,657,040)	873,120,490	(3,026,657,040)
Decrease in debentures	(500,000,000)	-	(500,000,000)	-
Increase in long-term loans	1,464,000,000	2,751,100,000	1,464,000,000	2,751,100,000
Repayment of long-term loans	(966,886,666)	(1,341,443,333)	(966,886,666)	(1,341,443,333)
Repayment of lease liabilities	(53,613,236)	(17,376,090)	(23,743,726)	(6,108,765)
Dividends paid	(814,495,219)	(862,542,438)	(814,495,219)	(862,542,438)
Net cash used in financing activities	(142,878,304)	(2,740,720,164)	(113,008,794)	(2,714,974,482)
Currency translation difference	11,114,217	(3,319,102)	-	-
Net increase (decrease) in cash and cash equivalents	469,825,949	(74,981,975)	457,764,394	(73,167,652)
Cash and cash equivalents at beginning of year	1,224,289,195	1,299,271,170	1,153,003,916	1,226,171,568
Cash and cash equivalents at end of year	1,694,115,144	1,224,289,195	1,610,768,310	1,153,003,916
Supplementary disclosures of cash flow information:				
a. Cash and cash equivalent at end of year				
Cash in hand	108,294,418	105,807,652	106,602,348	103,101,400
Current accounts at banks	175,073,652	79,978,070	123,812,244	51,439,113
Saving deposits at banks	1,410,747,074	1,038,503,473	1,380,353,718	998,463,403
	1,694,115,144	1,224,289,195	1,610,768,310	1,153,003,916
b. Non-cash transaction				
Purchases of property, plant and equipment for which no cash has been paid	720,154,131	39,910,911	720,668,155	39,911,053
Stock dividends	200,061,182	200,069,368	200,061,182	200,069,368
Initial recognition of right-of-use assets	-	1,006,180,717	-	571,739,236
Initial recognition of lease liabilities	-	1,109,245,071	-	632,638,946
Increase in right-of-use asset and lease liability from the new lease	3,293,328	-	-	-

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements

December 31, 2021 and 2020

1. GENERAL

Siam Global House Public Company Limited, “the Company”, is incorporated in Thailand. The Company was listed on the Stock Exchange of Thailand on August 19, 2009.

The Company is engaged in merchandising of construction and decoration materials and equipment.

The registered office is 232 Moo 19, Tambol Robmuang, Amphur Muang Roi-Et, Roi-Et.

As at December 31, 2021, the Company has a total of 75 branches operating in other provinces and its head-office is located at Amphur Roi-et, Roi-Et. The Company has a Distribution Center (DC Wang-noi) located in Amphur Wang-noi, Phra Nakhon Si Ayutthaya. The total of value added tax registration operating branch is 76 branches. (December 31, 2020 : 72 branches)

2. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

The accompanying financial statements are prepared in Thai Baht, which is the core functional currency, and in the Thai language in accordance with the financial reporting standards in Thailand including interpretations and guidelines promulgated by the Federation of Accounting Professions (“TFAC”), applicable rules and regulations of the Securities and Exchange Commission. Accordingly, the accompanying financial statements are intended solely to present the financial position, financial performance, and cash flows in accordance with the financial reporting standards in Thailand.

Except as otherwise disclosed in the significant accounting policies, the accompanying financial statements have been prepared under the historical cost convention.

Starting from January 1, 2021, the Group have adopted Thai Accounting Standards (TAS) and Thai Financial Reporting Standards (TFRS) as well as Thai Accounting Interpretation (TSIC), Thai Financial Reporting Interpretation (TFRIC) and accounting guidance, issued and revised by TFAC, which became effective from the accounting period starting on or after January 1, 2021. The aforesaid adoption of newly issued and revised TAS and TFRS as well as TSIC, TFRIC and accounting guidance did not have any material effect on the Group.

TFAC issued several Notifications which were announced in the Royal Gazette during 2021 regarding the revision of TFRS with effective from the accounting period starting on or after January 1, 2022 whereby the Group had not yet adopted in the preparation of the accompanying financial statements and has no policy to early adopt before effective period. Such revised TAS and TFRS as well as TSIC and TFRIC are as follows:

- TFRS that is revised attributable to the revision of covid-19-related rent concessions i.e. TFRS 16.
- TFRS that is revised attributable to the revision of extension of the temporary exemption from applying TFRS 9 i.e. TFRS 4.
- TFRSs that are revised attributable to the revision of interest rate benchmark reform-phase 2 i.e. TFRS 4, TFRS 7, TFRS 9 and TFRS 16.

The Group’s management has preliminarily assessed and believed that there will be no material effect to the Group’s financial statements upon adoption of the aforesaid revised TAS and TFRS as well as TSIC and TFRIC.

The Group disclosed information for the year ended December 31, 2020 for being the comparative information in the financial statements for the year ended December 31, 2021 in the form of corresponding figures.

For convenience of the readers, an English translation of the financial statements has been prepared from the Thai language statutory financial statements that are issued for domestic financial reporting purposes.

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiary (together referred to as the "Group") and interests in joint venture. Significant intra-group transactions between the Company and its subsidiary and joint venture are eliminated on consolidation.

Subsidiary is the entity controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies as well as variable returns from a company so as to obtain benefits from its activities. The financial statements of subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases. Accounting policies of subsidiary are transformed as deemed necessary to uniform for the similar policies.

Changes in a parent's ownership interest in subsidiary that do not result in the loss of control are accounted for within equity. When an entity loses control of subsidiary, any gain or loss is recognized in the profit or loss. Any investment retained in the former subsidiary is measured at its fair value at the date when control is lost.

Use of Estimates

In order to prepare financial statements in conformity with the Thai financial reporting standards, management needs to make estimates and set assumptions that affect income, expenditure, assets and liabilities in order to disclose information on the valuation of assets, liabilities and contingent liabilities. Actual outcomes may, therefore, differ from the estimates used.

The estimates and underlying assumptions used in the preparation of these financial statements are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The significant estimates and underlying assumptions used in preparation of these financial statements which may be affected by significant uncertainty are as follows :

- Net realizable value and estimate of allowance for obsolete and slow-moving inventories.
- Useful lives and residual values of plant and equipment, right-of-use assets and intangible assets.
- Consideration of the right to renew the lease and the discount rates of the lease liabilities.
- Expected periods that deferred tax assets will be realized.
- Assumptions used in calculation of liability for post-employment benefits.
- Fair values and fair value measurements of financial assets, financial liabilities and other financial instruments.

Cash and Cash Equivalents

Cash and cash equivalents are carried in the statement of financial position at cost that include cash on hand and cash at financial institutions. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturity of three months or less and without restriction of use or being collateral and that are subject to a low or an insignificant risk of change in value.

Restricted deposits at banks were presented as a separate item under non-current assets in the statements of financial position.

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

Trade and Other Accounts Receivables and Allowance for Impairment of Expected Credit Loss

Trade and other accounts receivables are carried at the original invoice amount or at the amount due net of allowance for expected credit loss (if any).

The Group recognizes allowance for impairment of expected credit loss in accordance with the policy described in the financial instruments section.

Merchandises

Merchandises are valued at the lower of cost and net realizable value. Net realizable value is the selling price in the ordinary course of business, less marketing, distribution and other expenses which are necessary for sale of goods.

Cost of inventories is determined by the weighted average method. Cost of inventories comprise all purchase cost and costs directly attributable to the acquisition of the inventory less all attributable discounts.

Volume incentives received from the supplier are accounted for as a reduction of the value of inventories and recognized in profit or loss when the related inventories are sold.

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

Investments in Debt Securities

Investments in debt securities that the Group has the positive intent and ability to hold to maturity being classified as investments in debt securities is stated at amortized cost, less allowance for impairment losses (if any). The difference between the acquisition cost and redemption value of such debt securities (if any) is amortized using the effective interest rate method over the period to maturity.

Investments in Joint Venture and Subsidiaries

Investments in joint venture and subsidiaries in the separate financial statements are accounted for using the cost method net of impairment losses (if any). Dividend income is recognized when it was declared.

Property, Plant and Equipment

Land and land not used in operation are stated at cost less allowance for impairment (if any). Plant and equipment are stated at cost less accumulated depreciation and allowance for impairment (if any). When assets are retired or disposed of, their carrying amounts are eliminated from the accounts and any gain or loss resulting from their retirement or disposal is included in the statement of comprehensive income. Costs of testing run the production or utilization of assets at normal level and costs of asset dismantlement, removal, and restoration (if any) are included as part of asset cost and subject to depreciation.

Depreciation is charged to the statement of comprehensive income on a straight-line method over the useful lives of each part of an item of assets. Depreciation is taken into account separately when each component is significant. Depreciation methods, residual values, and useful lives are reviewed at least at each financial year-end and adjusted as appropriate. The residual value of an asset is currently estimated at the present expected value of the asset if the asset is already of the age and in the condition expected at the end of its useful life. The useful lives of the assets are as follows :

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

Land improvements	10	years
Buildings	30	years
Building improvements	5, 10 and 17	years
Furniture, fixtures and office equipment	5, 6, 10, 20 and 30	years
Computer equipment	3	years
Transportation	5	years

No depreciation is provided on land and assets under construction.

Right-of-use Assets

The Group measures right-of-use asset at cost less accumulated depreciation and allowance for impairment (if any) with adjustment pertaining to re-measurement of lease liabilities (if any).

At the commencement date of the lease, cost of the right-of-use asset comprised (1) the amount of initial measurement of lease liability, (2) any lease payments made at or before the commencement of the lease, less any lease incentives received, (3) any initial direct costs incurred by the lessee (if any) and (4) an estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease (if any and being material).

Depreciation is charged as expense in profit or loss and calculated by the straight-line method attributable to the related lease terms as follows :

	Period
Land	6 - 30 years
Building space	3 years

Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment losses (if any).

Amortization

Amortization is charged as part of administrative expenses in the statement of comprehensive income on the straight-line method over the estimated useful life of each type of intangible asset of 3-5 years. Intangible assets with an indefinite useful life (if any) are not amortized but are tested for indication of impairment at each reporting date. Amortization methods, residual values, and useful lives are reviewed at least at each financial year-end and adjusted if appropriate.

Impairment of Non - financial Assets

The carrying amounts of the assets of the Group are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts (the higher of asset's fair value less costs to sell or value in use) shall be estimated. The review is made for individual assets or for the cash-generating unit.

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

In case that the carrying amount of an asset exceeds its recoverable amount, the Group recognizes the impairment losses by reducing the carrying amount of the asset to its recoverable amount and by recording the devaluation in the statement of comprehensive income. The reversal of the recognized impairment losses is recorded as part of other income when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased. The reversal of the impairment losses shall not exceed the carrying amount of the asset, net of depreciation or amortization, that would have been determined had no impairment losses been recognized for the asset in prior years.

Trade and Other Accounts Payables

Trade and other accounts payables are stated at cost.

Lease Liabilities

At the commencement date of the leases, the Group measures lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group's incremental borrowing rates (average interest rates on borrowings with similar term and characteristics to the underlying asset) shall be used. The lease payments that are not paid comprised (1) fixed payments (less any lease incentives receivable), (2) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date (if any), (3) amounts expected to be payable under residual value guarantees (if any), (4) exercise price of a purchase option if it is reasonably certain to exercise that option (if any) and (5) payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease (if any).

After the commencement date, the Group shall measure the lease liability by (1) increasing the carrying amount to reflect interest on the lease liability (if any), (2) reducing the carrying amount to reflect the lease payments made (if any) and (3) re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments (if any). Interest on lease liability and variable lease payments not included in the measurement of the lease liability is charged as expense in profit or loss.

Lease fees attributable to short-term lease (not exceeding 12 months from commencement date) and lease of low-value asset are charged as expense in profit or loss on a straight-line basis over the related lease terms.

Deferred interest expenses which are presented net with finance lease liabilities will be amortized to finance costs over the term of the lease using the effective interest rate method. Each payment of finance lease liabilities is divided into principal and interest.

Employee Benefits

Short-term benefits

Salaries, wages, bonuses and contributions to social securities fund are recognized as expense upon their occurrences and on accrual basis.

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 recognized in the statements of comprehensive income.

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

Post-employment benefits

Obligations on defined contribution plan which is the provident fund are recognized as an expense in the statement of comprehensive income when contribution to the fund on an accrual basis.

Obligations on post-employment benefits which are defined benefit plan that will be settled to the employees upon retirement or termination are calculated by estimating the amount of future benefits that employees have earned in return for their service in the prior and current periods. The benefits are discounted using the project unit credit method to determine present value of obligations. The calculation is annually performed, or at least every three years, by the qualified actuary. Expenses from the estimated liability for post-employment benefits comprise current service cost and interest cost, which are recognized as profit or loss whereas actuarial gain/loss on measurement is recognized as other comprehensive income or loss in the statement of comprehensive income.

Provisions

A provision is recognized in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability.

Warranties

A provision for warranties is recognized when the underlying products or services are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

Foreign Currencies

Foreign Currency Transactions

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognized in the statement of comprehensive income.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to Thai Baht using the foreign exchange rates ruling at the dates of the transactions.

Foreign entity

Assets and liabilities of foreign entity are translated to Thai Baht at the exchange rates ruling at the end of reporting period (the closing rate).

Revenues and expenses of foreign entity are translated to Thai Baht at the exchange rates ruling at the dates of the transactions.

Differences arising on foreign currency translation or conversion are recognized as other comprehensive income or loss and separately presented as other component of equity until the subject foreign currency investment is disposed.

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

Fair Value Measurements

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. Principal market is the market with the greatest volume and level of activity for the asset or liability. Market participants comprise buyers and sellers in the principal or most advantageous market for the asset or liability whereby market participants are independent of each other, knowledgeable and having a reasonable understanding, able to enter into a transaction for the asset or liability, and willing to enter into a transaction for the asset or liability.

To increase the consistency and comparability in fair value measurements and related disclosures in the financial statements, the fair value hierarchy is categorized into 3 levels with respect of the inputs to valuation techniques used to measure the fair value. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (“Level 1 inputs”), secondary priority to other observable inputs (“Level 2 inputs”), and the lowest priority to unobservable inputs (“Level 3 inputs”).

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

Financial Instruments

Recognition and measurement

The Group initially measures financial assets at fair value, plus transaction costs in case of financial assets that are not measured at fair value through profit or loss. Financial assets shall be classified and measured with respect to the business model on asset management and characteristics of the asset’s contractual cash flows which is divided into three categories i.e. amortized cost, fair value through other comprehensive income, and fair value through profit or loss. Upon changes in business model on financial asset management are known, the affected financial assets shall be considered for proper reclassification.

Except for derivative liabilities, the Group initially measures financial liabilities at fair value net of transaction costs. Financial liabilities shall be classified and measured at amortized cost except for financial liabilities measured at fair value through profit or loss (such liabilities include derivative liabilities). Reclassification of financial liabilities is prohibited.

Classification and measurement

Assets classified and measured at amortized cost

- Cash and cash equivalents
- Trade receivables and other receivable (including advances and refundable deposits or guarantees excluding prepaid expense)
- Current investment - deposit at bank
- Investments in debt securities

Assets classified and measured at fair value through other comprehensive income - none

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

Assets classified and measured at fair value through profit or loss

- Derivative assets (other current assets)

Liabilities classified and measured at amortized cost

- Short-term borrowings from financial institutions
- Trade payables and other payables (including accruals and repayable guarantees excluding deposits received and advances received from sales)
- Long-term borrowings from financial institutions.
- Lease liabilities

Liabilities classified and measured at fair value through profit or loss

- Derivative liabilities (other current liabilities)

Impairment

Impairment loss from the expected credit loss of financial assets shall be recognized under General approach in the following stages :

- Stage 1 (performing) : the 12 - month expected credit loss shall be recognized in profit or loss. Interest income (if any) shall be calculated base on gross carrying amount without netting the expected credit loss.
- Stage 2 (under - performing) : upon significant rise in credit risk and not being at low level, the entity shall recognize the full lifetime expected credit loss in profit or loss. Interest income (if any) shall be calculated based on the same principle to Stage 1.
- Stage 3 (credit - impaired) : upon significant rise in credit risk of financial asset that is considered as credit impaired, the entity shall recognize the full lifetime expected credit loss in profit or loss. Interest income (if any) shall be calculated from amortization cost base on gross carrying amount net of the allowance for impairment.

For trade receivables and contract assets, the entity is able to adopt simplified approach by recognizing the full lifetime expected credit loss for financial assets considered as aforesaid. In consideration and measurement of expected credit loss for both General approach and Simplified approach, the historical credit loss shall be combined with the forward looking information pertaining to the assets and significant factors relating to economic environment.

In respect of receivables, the Group categorized the population by focusing on aging balance information whereby the past records were captured for historical credit loss approximately 1 year. However, the Group had exercised certain mitigating measure indicated in the accounting guidance for Temporary Mitigating Policies for Alternative Accounting on the Effects from Pandemic Situation of the Coronavirus 2019 (COVID-19), issued by TFAC in April 2020 (effective only in 2020). Such mitigating measure related to exemption from combining forward looking information for the assets adopted the Simplified approach on consideration and measurement of the expected credit loss.

Hedge accounting

Hedge accounting is aimed for reflecting the impacts in the financial statements that are caused in risk management activities using the financial instruments on management of exposures to the risks and such risks shall affect profit or loss and/or other comprehensive income. Relationships and related accounting treatment of hedge accounting are divided into three categories i.e. fair value hedge, cash flows hedge, and hedge of net investment in foreign entity.

Derivative financial instruments are used to manage fair value risk exposed by change in foreign exchange rates arising from operating activities. Derivatives are not intended to use for trading purpose.

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments. Derivatives are recognized initially at fair value and then are re-measured at fair value. Gain or loss on re-measurement to fair value is recognized as profit or loss.

The fair value of derivatives is the quoted market price at the statement of financial position date, which is the Level 2 inputs of the fair value hierarchy whereby such price is the present value of the quoted derivative price where market approach was used as valuation technique and core information used in evaluation was the adjusted exchange rates in market to fit for the issued instrument which was computed by bank who was the counterparty.

Revenue Recognition

Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the Group, the amount of the revenue as well as related cost can be measured reliably whereby there is consideration about characteristics, amount, timing as well as uncertainty of revenue and contractual cash flows from contract with customer.

Sales are recognized, at a point in time, net of discounts such as deduction of trade discounts, sales return, rebate on award redemptions when delivery has taken place and transfer of significant risks and rewards as well as control of goods to the buyer has been completed. No revenue is recognized if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods.

Transportation income is recognized over time.

Service income is recognized at a point in time when the Group has completely rendered service to the customer and on an accrual basis.

Interest income is recognized over time on a time proportion basis that reflects the effective yield on the asset if significant.

Rental income on the assets which is operating lease is recognized over time on a straight-line basis over the lease term.

Other income is recognized on an accrual basis.

Expense Recognition

Expenses are recognized on an accrual basis.

Income Tax

Income tax on profit and loss for the year recognized by the Group in the statements of comprehensive income consisted of current tax and deferred tax.

Current Tax

Current tax is the amount of tax payable or recoverable which is calculated from taxable profit or loss for the year, using tax rates enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years (if any).

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

Deferred tax

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not recognized for the initial recognition of assets and liabilities that affect neither accounting nor taxable profit to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, at the tax rates that are expected to apply to the period when the deferred tax asset is realized or the tax liability is settled based on tax rates that have been enacted as at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profit will be available against which the asset can be utilized. Deferred tax asset are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

4. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties are those parties controlled by the Company or have power control over the Company, directly or indirectly, or have significant influence over the financial or operating policies of the company.

The related parties consisted of :

Company and party	Relationships	Percentage of Holding	
		2021	2020
The Siam Cement Public Company Limited	Parent company of SCG Distribution Co., Ltd.	-	-

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

Company and party	Relationships	Percentage of Holding	
		2021	2020
SCG Distribution Co., Ltd.	Major shareholder	32	32
SCG Logistics Management Co., Ltd., SCG International Corporation Co., Ltd.,	Subsidiaries of SCG Distribution Co., Ltd.	-	-
SCG Cement - Building Materials Co., Ltd., The Siam Cement (Lampang) Co., Ltd., The Siam Cement (Kaeng Khoi) Co., Ltd., SCG Ceramics Public Co., Ltd. And related parties to The Siam Cement Public Company Limited	Subsidiaries of The Siam Cement Public Company Limited	-	-
Global House (Cambodia) Co., Ltd.	Subsidiary	55	55
Guangxi Global House International Trade Co., Ltd.	Subsidiary	100	-
Global Concrete Co., Ltd.	Director is relative of directors	-	-
Siam Global Engineering Co., Ltd.	Director is relative of directors	-	-
Siam Global Asset Co., Ltd.	Co-shareholders and director	-	-
Wiboon Panich Roi-Et Partnership Ltd.	Co-shareholders and director	-	-
Inter Concrete Industry Co., Ltd.	Co-shareholders and director	-	-
Atmos Asset Co., Ltd.	Co-shareholders and director	-	-
Global House International Co., Ltd. (GBI)	Joint venture	-	-
Souvanny Home Center Public Company Limited (Incorporated in Lao People's Democratic Republic)	Associate of Global House International Co., Ltd.	-	-
Pro 1 Global Co., Ltd. (Incorporated in Republic of the Union of Myanmar)	Associate of Global House International Co., Ltd.	-	-
Lok Chum Teav Kim Heang, Cambodian	A shareholder of subsidiary	-	-

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

Company and party	Relationships	Percentage of Holding	
		2021	2020
Key management personnel	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive otherwise) of the Company.	-	-

The pricing policies for particular types of transactions are explained further below :

Type of Transactions	Pricing Policies
Revenue from sales of goods	Market price (wholesale price)
Other income	Agreed price
Distribution management income	Agreed rate
Interest income	Agreed interest rate
Purchase of merchandises	Market prices
Volume incentives	Vary on purchase volume
Management fee expense	Agreed price
Rental expense	Negotiated agreement
Purchase of fixed assets	Market price
Other expenses	Referenced to market price

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

Significant transactions for the years ended December 31, 2021 and 2020 with related parties were as follows :

	In Thousand Baht			
	Consolidated		Separate financial statements	
	financial statements		Separate financial statements	
	2021	2020	2021	2020
Joint Venture				
Other income	240	240	240	240
Interest income	74	121	74	121

	In Thousand Baht			
	Consolidated		Separate financial statements	
	financial statements		Separate financial statements	
	2021	2020	2021	2020
Related parties				
Revenue from sales of goods	22,242	71,132	22,207	71,132
Other income	10,329	9,825	10,197	9,672
Distribution management income	7,208	11,617	7,208	11,617
Purchase of merchandises	2,083,823	2,166,068	2,076,786	2,157,583
Volume incentives	77,804	79,054	77,731	79,007
Management fee expense	9,844	8,844	9,844	8,844
Gross amount (lease fee) paid for lease liabilities	28,465	26,823	-	-
Purchase of fixed assets	191,730	568,500	191,730	568,500
Other expense	1,095	667	1,095	667

	In Thousand Baht			
	Consolidated		Separate financial statements	
	financial statements		Separate financial statements	
	2021	2020	2021	2020
Remuneration of key management				
Short-term benefit				
Salary, bonus and others				
• employment management	68,623	57,919	68,623	57,919
• non-employment management	10,780	9,726	10,780	9,726
Meeting remuneration	2,840	1,945	2,840	1,945
Total short-term benefits	82,243	69,590	82,243	69,590
Post-employment benefits	1,128	4,045	1,128	4,045
Total	83,371	73,635	83,371	73,635

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

Balances as at December 31, 2021 and 2020 with related parties were as follows :

	In Thousand Baht			
	Consolidated		Separate financial statements	
	financial statements		2021	2020
	2021	2020	2021	2020
Trade and other accounts receivable				
Trade accounts receivable				
Related parties	1,145	3,925	1,145	3,924
Other accounts receivable				
Joint venture	240	240	240	240
Related parties	28,142	20,982	28,142	20,982
	28,382	21,222	28,382	21,222
Total	29,527	25,147	29,527	25,146

The trade accounts receivable are aged as follows :

	In Thousand Baht			
	Consolidated		Separate financial statements	
	financial statements		2021	2020
	2021	2020	2021	2020
Current	1,145	3,393	1,145	3,392
Overdue :				
• Not over 3 months	-	532	-	532
Total	1,145	3,925	1,145	3,924
Short-term loans to Joint Venture	-	6,500	-	6,500

Movements of short-term loans to joint venture for the years ended December 31, 2021 and 2020 were as follows:

	In Thousand Baht			
	Consolidated		Separate financial statements	
	financial statements		2021	2020
	2021	2020	2021	2020
Balance as at January 1,	6,500	6,500	6,500	6,500
Increase	-	-	-	-
Decrease	(6,500)	-	(6,500)	-
Balance as at December 31,	-	6,500	-	6,500

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

	In Thousand Baht			
	Consolidated		Separate financial statements	
	financial statements		2021	2020
Trade and other accounts payable				
Trade accounts payable				
Related parties	89,057	60,990	85,704	60,930
Other accounts payable				
Related parties	1,932	223,756	1,932	223,756
Total	90,989	284,746	87,636	284,686

Agreement with related party

The subsidiary had entered into two land rental agreement with a related party (Lok Chum Teav Kim Heang, Cambodian) for a period of 30 years expiring in March 2047 and August 2050. The subsidiary is committed to pay a monthly rental as stipulated in agreement (totaling U.S. Dollar 31.3 million). The subsidiary must comply with conditions indicated in the agreements.

5. TRADE AND OTHER ACCOUNTS RECEIVABLE - OTHERS

	In Thousand Baht			
	Consolidated		Separate financial statements	
	financial statements		2021	2020
Trade accounts receivable	128,343	95,849	127,902	95,193
Less expected credit losses	(3,121)	(2,929)	(3,121)	(2,929)
Net	125,222	92,920	124,781	92,264
Other accounts receivable				
• Accrued sale promotion income	184,434	128,780	184,434	128,780
• Deposits for purchase of Merchandises	139,747	38,864	134,969	37,855
• Accrued income from supplier	83,455	57,561	83,455	57,561
• Provision for sales returns	31,329	15,560	30,833	14,712
• Accrued income for insurance claims	21,731	-	21,731	-
• Accrued service income	19,693	34,632	19,693	34,632
• Input value added tax	4,794	82,354	4,794	82,354
• Value added tax receivables	10,575	110,385	-	85,888
• Others	23,499	79,562	21,814	78,198
	519,257	547,698	501,723	519,980
Total	644,479	640,618	626,504	612,244

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

As at December 31, 2021 and 2020, the Group had outstanding balance of trade accounts receivable - others, aged as follows :

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Current	119,976	85,060	119,535	84,404
Overdue:				
• Not over 3 months	3,877	3,937	3,877	3,937
• Over 3 months to 6 months	558	3,864	558	3,864
• Over 6 months to 12 months	958	224	958	224
• Over 12 months	2,974	2,764	2,974	2,764
Total	128,343	95,849	127,902	95,193
Less expected credit losses	(3,121)	(2,929)	(3,121)	(2,929)
Net	125,222	92,920	124,781	92,264

6. MERCHANDISES

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Merchandises	15,716,235	14,223,851	15,405,314	13,935,153
Less cost reduction to net realizable value	(2,589)	(24,761)	(2,589)	(24,761)
Less allowance for obsolete and slow - moving inventories	(78,325)	(13,190)	(77,808)	(13,190)
Net	15,635,321	14,185,900	15,324,917	13,897,202
Goods in-transit	550,303	101,299	550,303	101,299
Total	16,185,624	14,287,199	15,875,220	13,998,501

During the years ended December 31, 2021 and 2020, the Group recorded the cost reduction of merchandises to net realizable value amounted to Baht 2.6 million and Baht 24.8 million, respectively, presented as a part of cost of goods sold.

7. CURRENT INVESTMENT - DEPOSIT AT BANK

As of December 31, 2021, the Group has deposit at bank with maturity over 3 months amounted to Baht 77.7 million and bear interest ranging from 3.5% to 5.6% per annum.

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

8. INVESTMENTS IN DEBT SECURITIES

As at December 31, 2021, the Group had outstanding balance of investments in debt securities, as follows :

	In Thousand Baht
• Debentures of Muangthai Capital Public Company Limited Maturity date is March 13, 2024, with interest at 3.23% per annum.	50,000
• Debentures of Sahakol Equipment Public Company Limited Maturity date is November 12, 2024, with interest at 4.9% per annum.	50,000
Total	<u>100,000</u>

9. INVESTMENTS IN SUBSIDIARIES

The detail of investments in subsidiaries in the separate financial statements were as follows :

Company	In Thousand Baht					
	Ownership interest (%)		Paid-up capital		Cost method	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Global House (Cambodia) Co., Ltd.	55	55	521,320 (1)	521,320 (1)	287,765	287,765
Guangxi Global House International Trade Co., Ltd.	100	-	17,080 (2)	-	17,080	-
Total					304,845	287,765

(1) Paid - up capital amounted to U.S. Dollars 16.0 million.

(2) Paid - up capital amounted to CNY 3.5 million.

10. INVESTMENT IN JOINT VENTURE

The detail of investment in joint venture was as follows :

Company	In Thousand Baht							
	Ownership interest (%)		Paid-up capital		Equity method		Cost method	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Global House International Co., Ltd.	50	50	2,685,600	1,519,000	1,507,297	838,250	1,342,800	759,500

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Notes to the financial statements (continued)

December 31, 2021 and 2020

Significant consolidated financial information of GBI and associate companies (Souvanny Home Center Plc. and Pro 1 Global Co., Ltd.) were as follows :

	In Thousand Baht	
	2021	2020
<u>The consolidated statements of financial position as at December 31,</u>		
Current assets	188,518	5,761
Other non-current financial assets	991,463	-
Investment in associate	<u>1,835,961</u>	<u>1,678,544</u>
Current liabilities	383	6,841

The consolidated statements of comprehensive income for the year endedDecember 31,

Share of profit of associate	161,241	48,447
Other income	1,322	3
Profit for the year	<u>161,508</u>	<u>46,706</u>

11. LAND NOT USE IN OPERATION

The Company has a plot of land on the road under the Udon Ratthaya Expressway, Bang Phut Subdistrict, Pak Kret District Nonthaburi with area of approximately 143 rai acquired in 2009 at a price of Baht 500.4 million to support the branch expansion plan at that time. Currently, the land is not used for the purposes as mentioned earlier, therefore, the Company has decided to transferred such land at aforesaid carrying amount, from property, plant and equipment to "Land not use in operation" which is separately presented in the statements of financial position as of December 31, 2021 and 2020. The latest value of such land, appraised in 2021 based on appraisal price of relevant government agency, amounting to approximately Baht 1,451.2 million.

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

12. PROPERTY, PLANT AND EQUIPMENT

In Thousand Baht

	Consolidated financial statements					
	Land and land improvements	Buildings and building improvements	Furniture, fixtures and equipment	Vehicles	of land	Total
Cost						
Balance as at January 1, 2020	6,843,862	9,110,356	3,129,288	431,323	1,223,067	18,689
Additions	357,543	100,726	199,549	21,271	1,561,132	-
Transfers - net	107,741	1,844,318	298,631	-	(2,258,213)	-
Disposals/write - off	(65,274)	(200,853)	(22,136)	(3,894)	-	(292,157)
Currency translation differences	(62)	(886)	(195)	(23)	-	(1,166)
Balance as at December 31, 2020	7,243,810	10,853,661	3,605,137	448,677	525,986	18,689
Additions	229,095	46,914	186,382	41,199	634,566	-
Transfers - net	87,316	634,751	160,758	-	(885,302)	-
Disposals/write - off	(321)	(14,891)	(41,916)	(1,481)	-	(58,609)
Currency translation differences	1,798	25,625	5,885	653	436	-
Balance as at December 31, 2021	7,561,698	11,546,060	3,916,246	489,048	275,686	18,689
						23,807,427

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

In Thousand Baht

	Consolidated financial statements					
	Land and land improvements	Buildings and building improvements	Furniture, fixtures and equipment	Vehicles	Assets for development	Total
Accumulated depreciation						
Balance as at January 1, 2020	497,863	2,183,738	1,673,177	285,941	-	4,651,551
Depreciation charge for the year	111,149	569,298	384,409	49,945	-	1,115,268
Transfers - net	106	(5)	(123)	-	-	(22)
Disposals/write - off	(43,399)	(151,041)	(20,352)	(3,866)	-	(218,658)
Currency translation differences	(7)	(66)	(33)	(5)	-	(111)
Balance as at December 31, 2020	565,712	2,601,924	2,037,078	332,015	-	5,548,028
Depreciation charge for the year	119,742	632,123	405,929	48,311	-	1,206,572
Transfers - net	-	-	(6)	-	-	(6)
Disposals/write - off	(155)	(12,060)	(38,625)	(1,481)	-	(52,321)
Currency translation differences	381	3,608	1,886	270	-	6,145
Balance as at December 31, 2021	685,680	3,225,595	2,406,262	379,115	-	6,708,418
Net book value						
At December 31, 2020	6,678,098	8,251,737	1,568,059	116,662	525,986	7,390
At December 31, 2021	6,876,018	8,320,465	1,509,984	109,933	275,686	6,923
						17,099,009
						17,147,932

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

In Thousand Baht

	Separate financial statements					
	Land and land improvements	Buildings and building improvements	Furniture, fixtures and equipment	Vehicles	Construction in progress and advance for purchase of land	Total
Cost						
Balance as at January 1, 2020	6,827,832	8,881,935	3,078,849	425,498	1,223,067	20,455,870
Additions	357,543	100,726	197,532	21,271	1,557,257	2,234,329
Transfers - net	107,741	1,844,317	298,631	-	(2,258,213)	(7,524)
Disposals/write - off	(65,273)	(200,853)	(22,135)	(3,894)	-	(292,155)
Balance as at December 31, 2020	7,227,843	10,626,125	3,552,877	442,875	522,111	22,390,520
Additions	229,095	46,914	185,865	41,199	633,213	1,136,286
Transfers - net	87,316	634,751	160,673	-	(885,217)	(2,477)
Disposals/write - off	(321)	(14,891)	(41,916)	(1,481)	-	(58,609)
Balance as at December 31, 2021	7,543,933	11,292,899	3,857,499	482,593	270,107	23,465,720
					18,689	

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

In Thousand Baht

	Separate financial statements					Construction in progress and advance for purchase of land	Assets for development	Total			
	Land and land improvements	Buildings and building improvements	Furniture, fixtures and equipment	Vehicles							
Accumulated depreciation											
Balance as at January 1, 2020	496,060	2,166,796	1,664,639	284,703	-	10,832	4,623,030				
Depreciation charge for the year	109,549	554,134	376,171	48,782	-	467	1,089,103				
Transfers - net	106	(5)	(123)	-	-	-	(22)				
Disposals/write - off	(43,399)	(151,041)	(20,352)	(3,865)	-	-	(218,657)				
Balance as at December 31, 2020	562,316	2,569,884	2,020,335	329,620	-	11,299	5,493,454				
Depreciation charge for the year	117,967	615,298	396,477	47,021	-	467	1,177,230				
Transfers - net	-	-	(6)	-	-	-	(6)				
Disposals/write - off	(155)	(12,060)	(38,625)	(1,481)	-	-	(52,321)				
Balance as at December 31, 2021	680,128	3,173,122	2,378,181	375,160	-	11,766	6,618,357				
Net book value											
At December 31, 2020	6,665,527	8,056,241	1,532,542	113,255	522,111	7,390	16,897,066				
At December 31, 2021	6,863,805	8,119,777	1,479,318	107,433	270,107	6,923	16,847,363				

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

As at December 31, 2021 and 2020, property, plant and equipment of the group included costs of land improvements, buildings and building improvements of the leased land being presented as right-of-use assets in Note 13 of Baht 1,529.7 million and Baht 1,487.4 million, respectively. At the same dates, accumulated depreciation amounted to Baht 347.5 million and Baht 246.7 million, respectively.

The gross carrying amounts of fully depreciated fixed assets that are still in use as at December 31, 2021 and 2020 amounted to Baht 2,343.9 million and Baht 1,842.7 million, respectively.

13. RIGHT - OF - USE ASSETS

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Right-of-use assets				
Balance as at January 1,	1,461,296	345,214	881,156	338,884
Cumulative effect of accounting change	-	1,143,688	-	663,880
Additions	3,293	184,282	13	1,452
Transfers/Adjustment	-	(210,749)	-	(123,060)
Currency translation differences	65,336	(1,139)	-	-
Balance as at December 31,	<u>1,529,925</u>	<u>1,461,296</u>	<u>881,169</u>	<u>881,156</u>
Accumulated amortization				
Balance as at January 1,	190,939	37,317	141,508	37,065
Cumulative effect of accounting change	-	137,508	-	92,141
Amortization charge for the year	50,752	42,762	29,276	29,264
Transfers/Adjustment	-	(26,542)	-	(16,962)
Currency translation differences	5,567	(106)	-	-
Balance as at December 31,	<u>247,258</u>	<u>190,939</u>	<u>170,784</u>	<u>141,508</u>
Net book value	1,282,667	1,270,357	710,385	739,648

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

14. INTANGIBLE ASSETS

	In Thousand Baht				
	Consolidated financial statement				
	Computer				
	Software	Under Installation	Other intangible Assets		
	Computer software	Under Installation	Other intangible Assets	Total	
Cost					
Balance as at January 1, 2020	36,942	-	6,729	43,671	
Additions	377	63	-	440	
Transfers - net	1,389	(63)	-	1,326	
Currency translation differences	(3)	-	-	(3)	
Balance as at December 31, 2020	38,705	-	6,729	45,434	
Additions	1,298	-	-	1,298	
Currency translation differences	99	-	-	99	
Balance as at December 31, 2021	40,102	-	6,729	46,831	
Accumulated amortization					
Balance as at January 1, 2020	26,562	-	1,721	28,283	
Amortization charge for the year	3,377	-	2,247	5,624	
Currency translation differences	(1)	-	-	(1)	
Balance as at December 31, 2020	29,938	-	3,968	33,906	
Amortization charge for the year	3,175	-	2,241	5,416	
Currency translation differences	41	-	-	41	
Balance as at December 31, 2021	33,154	-	6,209	39,363	
Net book value					
At December 31, 2020	8,767	-	2,761	11,528	
At December 31, 2021	6,948	-	520	7,468	

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

	In Thousand Baht				
	Separate financial statements				
	Computer				
	Software	Under Installation	Other	intangible Assets	Total
Cost					
Balance as at January 1, 2020	36,062	-	6,729		42,791
Additions	377	63	-		440
Transfers - net	1,389	(63)	-		1,326
Balance as at December 31, 2020	37,828	-	6,729		44,557
Additions	1,298	-	-		1,298
Balance as at December 31, 2021	39,126	-	6,729		45,855
Accumulated amortization					
Balance as at January 1, 2020	26,371	-	1,721		28,092
Amortization charge for the year	3,201	-	2,247		5,448
Balance as at December 31, 2020	29,572	-	3,968		33,540
Amortization charge for the year	2,980	-	2,241		5,221
Balance as at December 31, 2021	32,552	-	6,209		38,761
Net book value					
At December 31, 2020	8,256	-	2,761		11,017
At December 31, 2021	6,574	-	520		7,094

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

15. INCOME TAX

Details of deferred tax assets and deferred tax liabilities as at December 31, 2021 and 2020 were as follows:

	In Thousand Baht			
	Consolidated		Separate financial statements	
	2021	2020	2021	2020
Deferred tax assets				
Employee benefits	28,777	29,489	28,777	29,489
Volume incentives	42,277	-	42,277	-
Lease agreement	30,365	17,668	19,871	17,668
Provisions	13,570	8,138	13,409	8,138
Allowance for obsolete and slow-moving inventories	15,562	2,638	15,562	2,638
Other	7,820	1,936	7,768	1,656
Total	138,371	59,869	127,664	59,589

	In Thousand Baht			
	Consolidated		Separate financial statements	
	2021	2020	2021	2020
Deferred tax liabilities				
Provision for sales returns	6,166	2,942	6,167	2,942
Taxable depreciation over book depreciation	4,405	5,329	721	791
Other	-	1	-	1
Total	10,571	8,272	6,888	3,734

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

Income tax expense

	In Thousand Baht			
	Consolidated		Separate financial statements	
	financial statements		2021	2020
	2021	2020		
Income tax expense	853,286	459,945	851,932	447,942
Movement in temporary difference	(69,974)	(5,160)	(67,572)	(4,770)
Net	783,312	454,785	784,360	443,172

Reconciliation of income tax

expense

Profit before income tax	4,142,285	2,430,307	4,029,468	2,351,878
Income tax using the corporate tax rate	828,457	486,061	805,894	470,376
Additional deductible expenses for tax purposes	(32,107)	(32,564)	(32,107)	(32,564)
Share of profit of joint venture	(16,151)	(4,671)	-	-
Others	73,087	11,119	78,145	10,130
Income tax on taxable profit	853,286	459,945	851,932	447,942
Cumulative effect of accounting Change	-	4,599	-	4,599
Increase in deferred tax assets	(78,502)	(10,007)	(68,076)	(9,768)
Increase (decrease) in deferred tax Liabilities	2,299	(2,131)	3,154	(795)
Income tax attributable to other comprehensive income	(2,650)	1,194	(2,650)	1,194
Currency translation differences	8,879	1,185	-	-
Income tax presented in statement of comprehensive income	783,312	454,785	784,360	443,172

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Notes to the financial statements (continued)

December 31, 2021 and 2020

16. CREDIT FACILITIES

As at December 31, 2021, the Group has agreements with various local financial institutions for the credit facilities which are unsecured as follows:

	In Thousand	
	U.S. Dollars	Baht
Multi-type working capital (Short-term loan, letter of credit		
Trust receipts and letter of guarantee)	-	13,410,000
Short-term loan	-	7,230,000
Long-term loan	-	5,616,670
Bank overdraft	-	120,000
Letter of credit and trust receipts	-	4,820,000
Forward contract	72,770	4,020,000
Letter of guarantee	-	21,900
Total	<u>72,770</u>	<u>35,238,570</u>

Short - term loans from financial institutions

	In Thousand Baht			
	Consolidated		Separate financial statements	
	financial statements	2021	2021	2020
Trust receipts	1,816,055	892,934	1,816,055	892,934
Short-term loans from financial				
Institutions	10,250,000	10,300,000	10,250,000	10,300,000
Total	<u>12,066,055</u>	<u>11,192,934</u>	<u>12,066,055</u>	<u>11,192,934</u>

Short - term loans from financial institutions comprise of promissory notes from various local banks and bear interest ranging from 0.82% to 1.15% per annum in 2021 and 1.00% to 1.50% per annum in 2020.

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Notes to the financial statements (continued)

December 31, 2021 and 2020

Long-term loans

As at December 31, 2021 and 2020, the periods to maturity of the long-term loans from various financial institutions were as follows :

	In Thousand Baht			
	Consolidated		Separate financial statements	
	financial statements		2021	2020
	2021	2020		
Within one year	1,044,647	883,553	1,044,647	883,553
After one year but within five years	2,138,790	1,802,770	2,138,790	1,802,770
Total	3,183,437	2,686,323	3,183,437	2,686,323

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

Details of long-term loans are as follows :

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Loan from the first bank				
• Credit line of Baht 1,000 million repayable in semi-annual installment of Baht 166.7 million (interest at the rate of 2.59% per annum), ending October 2021	-	333,333	-	333,333
• Credit line of Baht 500 million repayable in semi-annual installment of Baht 83.3 million (interest at the rate of 1.5% per annum), ending May 2024	416,667	-	416,667	-
Loan from the second bank				
• Credit line of Baht 2,000 million First withdrawal of Baht 530 million repayable in semi-annual installment of Baht 53 million (interest THBFIX reviewed every 6 months plus rate of 0.85% per annum), ending December 2024	318,000	424,000	318,000	424,000
• Credit line of Baht 2,000 million Second withdrawal of Baht 1,021 million repayable in semi-annual installment of Baht 102 million and last installment of Baht 204 million (interest THBFIX reviewed every 6 months plus rate of 0.85% per annum), ending December 2024	714,770	918,990	714,770	918,990
• Credit line of Baht 1,200 million First withdrawal of Baht 400 million repayable in semi-annual installment of Baht 40 million (interest THBFIX reviewed every				

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Notes to the financial statements (continued)

December 31, 2021 and 2020

6 months plus rate of 0.85%				
per annum), ending December 2024	240,000	320,000	240,000	320,000
• Credit line of Baht 1,200 million				
Second withdrawal of Baht 300				
million repayable in semi-annual				
installment of Baht 30 million				
(interest THBFIIX reviewed every				
6 months plus rate of 0.85%				
per annum), ending December 2024	180,000	240,000	180,000	240,000

In Thousand Baht

	Consolidated		Separate financial statements	
	financial statements		2021	2020
• Credit line of Baht 1,200 million				
Third withdrawal of Baht 500				
million repayable in semi-annual				
installment of Baht 50 million and				
last installment of Baht 100 million				
(interest THBFIIX reviewed every 6				
months plus rate of 0.85% per				
annum), ending December 2024	350,000	450,000	350,000	450,000
• Credit line of Baht 2,000 million				
First withdrawal of Baht 964				
million repayable in semi-annual				
installment of Baht 163.9 million				
and last installment of Baht 144.6				
Million (interest THOR plus rate of				
1% per annum), ending September				
2024	964,000	-	964,000	-
Total long-term loans	3,183,437	2,686,323	3,183,437	2,686,323
Less current portion	(1,044,647)	(883,553)	(1,044,647)	(883,553)
Net	2,138,790	1,802,770	2,138,790	1,802,770

Loan from certain banks contain certain restrictions on maintenance of financial ratio.

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

17. TRADE AND OTHER ACCOUNTS PAYABLE - OTHERS

	In Thousand Baht			
	Consolidated		Separate financial statements	
	financial statements		2021	2020
	2021	2020		
Trade accounts payable	2,073,354	1,803,539	2,021,006	1,737,686
Other accounts payable				
Retention	88,706	117,839	88,706	116,585
Construction payable	65,238	575,947	65,238	575,947
Accrued expenses	51,712	82,562	49,926	81,778
Provision for sales returns	42,612	20,318	41,883	19,140
Provision for customer loyalty				
programmes	25,234	21,593	25,160	21,550
Advance subsidy income	23,938	5,912	23,938	5,911
Others	81,012	75,689	79,736	73,702
	378,452	899,860	374,587	894,613
Total	2,451,806	2,703,399	2,395,593	2,632,299

18. DEBENTURES - DUE WITHIN ONE YEAR

On June 20, 2018, the Company issued a series of debentures to specific investors amounting to Baht 500 million (divided into 500,000 units at Baht 1,000 per unit) and bears interest at 2.44% p.a. with maturity on July 12, 2021. Interest is payable quarterly.

Under the condition of the issuances of debentures, the Company has to comply with the specified condition by maintain Net Debt to Equity Ratio at the rate not exceeding 2:1.

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

19. LEASE LIABILITIES

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Lease liabilities				
• Due for payments within one year	53,907	49,498	24,208	23,752
• Due for payments after one year but within five years	225,483	207,650	102,141	100,315
• After 5 years	1,443,557	1,416,031	634,765	660,786
Total	1,722,947	1,673,179	761,114	784,853
<u>Less</u> deferred interest	(576,638)	(577,442)	(241,557)	(257,842)
Lease liabilities - net of deferred interest	1,146,309	1,095,737	519,557	527,011
<u>Less</u> current portion	(17,556)	(14,742)	(8,173)	(7,471)
Net	1,128,753	1,080,995	511,384	519,540

The Group had expenses relating to leases recognized as profit or loss for the years end December 31, 2021 and 2020 as follows:

	In Thousand	
	2021	2020
Interest expense relating to lease liabilities	35,956	30,957
Expense relating to leases with lease term less than 1 year	3,392	-

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

20. PROVISIONS FOR EMPLOYEE BENEFITS

	In Thousand Baht		
	Consolidated financial statements/ Separate financial statements		
	Post- employment benefits	Other long-term benefits	Total
At January 1, 2021	120,039	27,404	147,443
Current service cost	17,386	5,069	22,455
Interest cost	1,816	403	2,219
Remeasurements of other long term benefits	-	2,378	2,378
Expense recognized in profit or loss	19,202	7,850	27,052
Transaction recognized in other comprehensive income			
• Actuarial gain on defined benefit plan	(13,249)	-	(13,249)
Employee benefits paid during the year	(15,456)	(1,905)	(17,361)
At December 31, 2021	110,536	33,349	143,885
At January 1, 2020	98,233	17,368	115,601
Current service cost	15,895	3,611	19,506
Interest cost	1,596	284	1,880
Remeasurements of other long term benefits	-	7,468	7,468
Expense recognized in profit or loss	17,491	11,363	28,854
Transaction recognized in other comprehensive income			
• Actuarial loss on defined benefit plan	5,970	-	5,970
Employee benefits paid during the year	(1,655)	(1,327)	(2,982)
At December 31, 2020	120,039	27,404	147,443

Actuarial (gain) loss recognized in other comprehensive income arising from:

	In Thousand Baht	
	2021	2020
Change in financial assumptions	(15,901)	1,830
Change in demographic assumptions	-	16
Experience adjustments	2,652	4,124
Total	(13,249)	5,970

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

Significant assumptions used in calculation of liability for post-employment benefits are as follows:

- Discount rate 2.14 - 2.83% per annum in 2021 and 1.51 - 1.77%
per annum in 2020
 - Salary increase rate 6.0% per annum in 2021 and 2020
 - Employee turnover rate 5.73 - 34.38% per annum in 2021 and 2020
 - Mortality rates Based on Thai Mortality Table

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	In Thousand Baht	
	Increase	Decrease
Defined benefit obligation at December 31, 2021		
Discount rate (0.5% change)	(7,919)	8,604
Salary increase rate (1% change)	13,867	(11,937)
Employee turnover rate (20% change)	(25,801)	35,653

21. SHARE CAPITAL AND DIVIDENDS

Share capital

	In Baht	In Thousand Shares / In Thousand Baht				
		2021		2020		
	Par	Value	Number	Amount	Number	Amount
Authorized						
At January 1,						
• ordinary shares	1	4,401,614	4,401,614	4,201,543	4,201,543	4,201,543
Capital decrease	1	(4)	(4)	(2)	(2)	(2)
Capital increase	1	200,073	200,073	200,073	200,073	200,073
At December 31,						
• ordinary shares	1	4,601,683	4,601,683	4,401,614	4,401,614	4,401,614

Issued and fully paid-up

At January 1

• ordinary shares	1	4,401,610	4,401,610	4,201,541	4,201,541
Stock dividend	1	<u>200,061</u>	<u>200,061</u>	<u>200,069</u>	<u>200,069</u>
At December 31,					
• ordinary shares	1	4,601,671	4,601,671	4,401,610	4,401,610

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

At the annual general meeting of the shareholders of the Company held on April 7, 2021, the shareholders passed the following resolutions :

- a) decrease authorized share capital from Baht 4,401,613,960 (4,401,613,960 ordinary shares at Baht 1 par value) to Baht 4,401,609,967 (4,401,609,967 ordinary shares at Baht 1 par value). The Company registered the capital decrease with the Ministry of Commerce on April 19, 2021;
- b) increase authorized share capital from Baht 4,401,609,967 (4,401,609,967 ordinary shares at Baht 1 par value) to Baht 4,601,683,147 (4,601,683,147 ordinary shares at Baht 1 par value). The 200,073,180 new ordinary shares were reserved for stock dividend. The Company registered the capital increase with the Ministry of Commerce on April 20, 2021.

At the annual general meeting of the shareholders of the Company held on April 24, 2020, the shareholders passed the following resolutions :

- a) decrease authorized share capital from Baht 4,201,543,026 (4,201,543,026 ordinary shares at Baht 1 par value) to Baht 4,201,540,599 (4,201,540,599 ordinary shares at Baht 1 par value). The Company registered the capital decrease with the Ministry of Commerce on May 8, 2020;
- b) increase authorized share capital from Baht 4,201,540,599 (4,201,540,599 ordinary shares at Baht 1 par value) to Baht 4,401,613,960 (4,401,613,960 ordinary shares at Baht 1 par value). The 200,073,361 new ordinary shares were reserved for stock dividend. The Company registered the capital increase with the Ministry of Commerce on May 15, 2020.

Dividends

At the annual general meeting of the shareholders of the Company held on April 7, 2021, the shareholders approved the appropriation of dividends of Baht 0.23 per share, amounting to Baht 1,014.6 million, from the profit of 2020. The dividend distributed to the shareholders comprise of stock dividend on the basis of 22 ordinary shares for 1 stock dividend amounting to Baht 200.1 million (200.1 million ordinary shares at Baht 1 par value) and cash dividend of Baht 814.5 million on May 7, 2021. The Company registered the increase in paid-up share capital with the Ministry of Commerce on May 7, 2021.

At the annual general meeting of the shareholders of the Company held on April 24, 2020, the shareholders approved the appropriation of dividends of Baht 0.25 per share, amounting to Baht 1,062.6 million, from the profit of 2019. The dividend distributed to the shareholders comprise of stock dividend on the basis of 20 ordinary shares for 1 stock dividend amounting to Baht 200.1 million (200.1 million ordinary shares at Baht 1 par value) and cash dividend of Baht 862.5 million on May 22, 2020. The Company registered the increase in paid-up share capital with the Ministry of Commerce on May 22, 2020.

22. SHARE PREMIUM

The share premium is set up under the provision of Section 51 of the Public Companies Act B.E. 2535, which 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”). The share premium is not available for dividend distribution.

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

23. LEGAL RESERVE

The legal reserve is set up under the provisions of Section 116 of the Public Companies Act B.E. 2535. Section 116 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorized capital. The legal reserve is not available for dividend distribution.

24. OTHER INCOME

	In Thousand Baht				
	Consolidated		Separate financial statements		
	financial statements	2021	2020	2021	2020
Distribution management income	161,283	125,521	159,546	125,521	
Gain on exchange rate	109,167	80,363	109,167	79,201	
Subsidy income	103,442	98,032	103,442	98,032	
Other service income	86,504	76,971	86,464	76,905	
Rental income	12,196	19,487	8,433	15,443	
Other	28,245	48,469	26,335	47,813	
Total	500,837	448,843	493,387	442,915	

25. EXPENSES BY NATURE

Significant expenses by nature are as follows :

	In Thousand Baht				
	Consolidated		Separate financial statements		
	financial statements	2021	2020	2021	2020
Changes in merchandises	(1,467,938)	980,086	(1,476,659)	926,501	
Purchase of merchandises	26,621,159	19,536,340	26,287,621	19,114,693	
Employee costs	2,110,325	1,906,394	2,083,684	1,879,051	
Depreciation and amortization	1,264,175	1,163,654	1,213,161	1,123,816	
Finance costs	180,420	245,878	160,740	230,846	
Utility expenses	318,280	291,479	308,072	280,302	
Marketing, advertising and sale promotion expenses	189,095	162,805	186,769	158,293	
Management remuneration	83,371	73,635	83,371	73,635	

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

26. OTHER COMPREHENSIVE INCOME

	In Thousand Baht		
	Consolidated financial statement		
	2021		
	Amount	Tax expense	Net
<u>Items that will not be reclassified subsequently to profit or loss</u>			
Actuarial gain on defined benefit plan	13,249	(2,650)	10,599
Share of other comprehensive income of joint venture	4,993	-	4,993
<u>Items that will be reclassified subsequently to profit or loss</u>			
Currency translation differences	61,740	-	61,740
Share of other comprehensive income of joint venture	401	-	401
Other comprehensive gain for the year	80,383	(2,650)	77,733
	2020		
	Amount	Tax expense	Net
<u>Items that will not be reclassified subsequently to profit or loss</u>			
Actuarial loss on defined benefit plan	(5,970)	1,194	(4,776)
Currency translation differences	(3,741)	-	(3,741)
Other comprehensive loss for the year	(9,711)	1,194	(8,517)
<u>Item that will not be reclassified subsequently to profit or loss</u>			
Actuarial gain on defined benefit plan	13,249	(2,650)	10,599
Other comprehensive gain for the year	13,249	(2,650)	10,599

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

	2020		
	Amount	Tax expense	Net
<u>Item that will not be reclassified subsequently to profit or loss</u>			
Actuarial loss on defined benefit plan	(5,970)	1,194	(4,776)
Other comprehensive loss for the year	(5,970)	1,194	(4,776)

27. EARNINGS PER SHARE

Earnings per share for the years ended December 31, 2021 and 2020 are determined by dividing the profit by the weighted average number of ordinary shares outstanding during the periods, after adjusting the number of ordinary shares in proportion to the change in the number of shares as a result of the increase in share capital arising from the issue of a stock dividend of 200.1 million shares on May 7, 2021. The number of ordinary shares of the prior period has been adjusted as if the stock dividend had been issued at the beginning of the earliest period reported as follows :

	In Thousand Baht / In Thousand Shares			
	Consolidated		Separate financial statements	
	financial statements		2021	2020
			2021	2020
Profit attributable to equity holder of the parent	3,343,575	1,955,963	3,245,108	1,908,706
Weighted average number of ordinary shares outstanding	4,601,671	4,601,671	4,601,671	4,601,671
Earnings per share (Baht)	0.7266	0.4251	0.7052	0.4148

28. PROVIDENT FUNDS

The Company has established contributory provident funds for their employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at the rate of 3 - 15% of their basic salaries and by the Company pays contributions according to the employee's age at the rate of 3 - 7% of their basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities under the Provident Fund Act B.E. 2530 and are managed by licensed Fund Managers.

The Company's contributions to the fund for the years 2021 and 2020 amounting to approximately Baht 46.3 million and Baht 44.8 million, respectively, were recorded as part of distribution costs amounting to approximately Baht 38.7 million and Baht 35.4 million in 2021 and 2020, respectively, and administrative expenses amounting to approximately Baht 7.6 million and Baht 9.4 million in 2021 and 2020, respectively, in the statements of comprehensive income.

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

29. SEGMENT INFORMATION

The Group is engaged in merchandising of construction and decoration materials and equipment, therefore, management considers that the Group had only one business segment.

The Group's segment revenues based on the geographic location of customers for the years ended December 31, 2021 and 2020 were as follows :

	In Thousand Baht			
	Consolidated		Separate financial statements	
	financial statements		2021	2020
	2021	2020	2021	2020
Thailand	32,842,463	25,971,352	32,842,463	25,971,352
Kingdom of Cambodia	655,113	831,611	167,519	236,597
Republic of the Union of Myanmar	228	-	228	-
Total	33,497,804	26,802,963	33,010,210	26,207,949

Information on key customers (customers whose transactions exceeding 10% of total balance of transactions) for the years ended December 31, 2021 and 2020.

The Group had no transaction with any key customer. Accordingly, the accompanying financial statements do not include information relating to key customers.

30. DISCLOSURES OF FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENT

The Group is exposed to normal business risks relating to liquidity risk, credit risk, foreign currency risk and interest rate risk. The Group has used derivative financial instruments for hedging against the foreign currency risk without intention for trading or speculation purposes. The Group had no significant change in risk management policy relating to financial instruments during 2021 and 2020.

Liquidity Risk

The Group manages its liquidity risk by maintaining a level of cash and cash equivalents as well as management of current assets and current liabilities and short-term and long-term sources of fund as deemed adequate to finance the operations of the Group and to mitigate the effects of fluctuations in cash flows and the lack of financial liquidity.

Credit Risk

Credit risk is the risk that a customer or counterparty is unable or unwilling to meet its financial and contractual commitments. To mitigate this risk, the Company periodically monitor and assess the financial viability of customers and counterparties.

Carrying amount of receivables presented in the statements of financial position is the maximum exposure to credit risk.

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

Foreign Currency Risk

The Group has significant business transactions internationally, majority is importation of merchandises for local sales, giving rise to exposure to fluctuations in foreign currencies. In practical, the Company mitigates this risk by using the forward exchange contracts (buy) in the appropriate timing and situations.

As at December 31, 2021 and 2020, the Company had the outstanding forward exchange contracts as follows :

	In Thousand			
	Foreign Currency		Fixed Baht	
	2021	2020	2021	2020
Forward exchange contracts - buy				
• U.S. Dollar	-	8,877	-	272,012
• CNY	200,000	27	1,056,985	120

In addition, the fair values of forward exchange contracts (buy) outstanding as at December 31, 2021 and 2020 were as follows :

	In Thousand Baht	
	2021	2020
Forward exchange contract – buy		
• U.S. Dollar	-	266,660
• CNY	1,045,195	124

As at December 31, 2021 and 2020, the Group had significant outstanding non-hedged foreign currency assets amounting to U.S Dollars 1.6 million and U.S Dollars 2.2 million, respectively, and had significant outstanding non-hedged foreign currency liabilities amounting to U.S. Dollars 0.6 million and CNY 5.6 million, respectively.

Interest Rate Risk

Interest rate risk arises from the fluctuation of market interest rates in the future, which may have a negative effect to current and future operations and cash flows of the Group. The Group's management believes that the interest rate risk is minimal because the Group's deposits at banks, short-term and long-term loans, current investment - deposit at bank, investments in debt instruments and financial lease bear interest at the floating market interest rates or fixed rates that approximate the market interest rates.

Fair Value Measurements

The following method and assumptions were used by the Group in estimating fair values of financial assets and financial liabilities :

Cash and cash equivalents, trade and other receivables, current investment - deposit at bank, investments in debt securities, trade and other payables, short-term and long-term loans and lease liability had carrying amounts approximate their fair values due to these financial assets and financial liabilities will mature in short-term period or bear interest at the rates approximate or at the floating rates aligned with market interest rates (Level 2 inputs of fair value hierarchy).

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

31. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that they have an appropriate financial structure and preserves the ability to continue their business as a going concern.

As at December 31, 2021 and 2020, the Group's debt-to-equity ratio were 0.98 : 1 and 1.09 : 1, respectively, and the Company's debt-to-equity ratio were 0.97 : 1 and 1.08 : 1, respectively.

32. COMMITMENTS

As at December 31, 2021, the Group had :

- a) commitment to construction agreements for building and machinery with a related party and local companies amounting to Baht 156.9 million, and
- b) unused letters of credit totaling approximately U.S. Dollars 0.1 million (equivalent to Baht 3.4 million) and CNY 35.4 million (equivalent to Baht 178.9 million).

33. EVENT AFTER THE REPORTING PERIOD

On January 4, 2022, Global House International Co., Ltd. (Joint Venture) has called for remaining share payment of Baht 298.6 million. The Company paid for such share calling on January 17, 2022.

At the Board of Directors' meeting held on February 11, 2022, the Board of Directors passed the resolution to pay the dividend for the 2021 operations totaling Baht 1,372.72 million to the shareholders. The dividend comprise stock dividends on the basis of 23 ordinary shares for 1 stock dividend amounting to Baht 200.07 million (200.07 million ordinary shares at Baht 1 par value) and cash dividend of Baht 1,172.65 million. The dividend payment will be further proposed to the Annual General Meeting of the Company's shareholders for approval in April 2022.

34. RECLASSIFICATION OF ACCOUNTS

Certain accounts in the statement of financial position as at December 31, 2020 (debentures - Due within one year) were reclassified to conform to and be comparable with the presentation of the statement of financial position as at December 31, 2021, without effect to previously reported profit or shareholders' equity. Such reclassifications were as follows :

In Thousand Baht		
Consolidated / Separate financial statements		
Before reclassify	After Reclassify	After reclassify

1. Statement of financial position

Debentures - Due within one year	-	500,000	500,000
Debentures	500,000	(500,000)	-

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to the financial statements (continued)

December 31, 2021 and 2020

35. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved for issue by the Company's Board of Directors on February 11, 2022.

Attachments

Attachments

Attachment 1

Information of Directors, Management, Controlling Person, Financial Controller,
Accounting Controller, and Company Secretary

Information of Directors and Executives

**1. Mr. Apisit Rujikeatkamjorn**

Age 76 Years Nationality Thai

Position Chairman

Appointed as the Director on 26 February 2008

Term of Office				Education / Training
1 st Term	26 February 2008	-	28 April 2011	• Master of Engineering, Lamar University, Texas, USA
2 nd Term	28 April 2011	-	4 April 2013	• Bachelor of Engineering Program in Civil Engineering, Khon Kaen University
3 rd Term	4 April 2013	-	22 April 2015	
4 th Term	22 April 2015	-	30 April 2018	
5 th Term	30 April 2018	-	7 April 2021	
6 th Term	7 April 2021	-	Present	

Training by the Thai Institute of Directors Association (IOD)	The Brief Working Experience in 5 years		
• Director Accreditation Program 21 / 2004 and 27 / 2004	2008 - Present	Chairman, Siam Global House PCL.	
• Finance for Non-Finance Director 24 / 2005	2012 - Present	Chairman, Sea Oil, PCL	
• Understanding the Fundamental of Financial Statements Program (UFS) 5 / 2006	2014 - Present	Chairman, Asia Green Energy PCL.	
• Audit Committee Program 22 / 2008	2015 - Present	Chairman, Asia Bio Mass, Co., LTD	
• The Role of Chairman Program 26 / 2011	2017 - Present	Chairman, D.T.C Enterprise Co., LTD	
• Director Certification Program 166 / 2012		Chairman, LAO Agro Tech Public Company	
		Chairman, Global House (Cambodia) Co., Ltd	

Training in 2021

- None -

Director position other listed company :

4 Companies

Director position other non-listed company :

3 Companies

Shareholding (%)

Held personally : - None -

Held by spouse or minor children : - None -

Family Relationship among Directors and Executives

Mr. Isara Rujikeatkamjorn's father.



2. Mr. Witoon Suriyawanakul

Age 63 Years Nationality Thai

Position Director / Executive Director / Nomination & Remuneration Committee / CEO

Appointed as the Director on 10 May 2017

Term of Office				Education / Training
1 st Term	4 April 2008	-	30 April 2009	• Honorary Doctoral Degree of Economics, Rajabhat Maha Sarakham University
2 nd Term	30 April 2009	-	18 April 2012	• Honorary Doctoral Degree of Business Administration, Rajabhat Roi Et University
3 rd Term	18 April 2012	-	9 April 2014	• Master of business Administration, Khon Kaen University
4 th Term	9 April 2014	-	28 April 2016	• Bachelor of Engineering Program in Civil Engineering, Khon Kaen University
5 th Term	10 May 2017	-	24 April 2020	
6 th Term	24 April 2020	-	Present	

Training by the Thai Institute of Directors Association (IOD)	The Brief Working Experience in 5 years	
• Director Accreditation Program 68/2008	1997 - Present	Director, Inter Concrete Industry Co., Ltd
		Director, Siam Global Asset Co., Ltd
	2008 - Mar2016	Director / Executive Director / Nomination & Remuneration Committee / CEO, Siam Global House PCL
	2015 - Present	Chairman, Global House International Co., Ltd
	2017 - Present	Director / Executive Director / Nomination & Remuneration Committee / CEO, Siam Global House Co.,Ltd
	2017 – Present	Director, Global House Cambodia Co., Ltd
	2020 - Present	Executive Director, Guangxi Global House International Trade Co., Ltd.

Training in 2021

- None -

Director position other listed company:

1 Company

Director position other non-listed company:

5 Companies

Shareholding (%): 0.57%

Held personally : 0.57%

Held by spouse or minor children : - None -

Family Relationship among Directors and Executives

Mrs. Warunee Suriyawanakul's husband

Mr. Anavat Suriyawankul's brother

Mr. Kriangkai Suriyawanakul's father



3. Mr. Kriangkai Suriyawanakul

Age 33 Years **Nationality** Thai

Position Director / Executive Director / Vice CEO

Appointed as the Director 30 October 2021

Term of Office	Education / Training
1 st Term 30 October 2021 - Present	<ul style="list-style-type: none"> Master of Logistics and Supply chain Management, The University of Nottingham (First Class Honor) Bachelor of Engineering, Thammasat University Bachelor of Engineering The University of Nottingham (First Class Honor)
Training by the Thai Institute of Directors Association (IOD)	The Brief Working Experience in 5 years
• Director Accreditation Program 188 / 2021	Dec2017- Jan2021 Assistant CEO Supply Chain Siam Global House PCL.
	2017 - Present Director, Global House Cambodia PCL.
	Feb2021 - Present Vice CEO of Siam Global House PCL.
	Nov2021 - Present Director / Executive Director of Siam Global House PCL.
Training in 2021	Shareholding (%) : 11.14%
• Director Accreditation Program 188 / 2021	Held personally : 11.14%
	Held by spouse or minor children : 0.00%
Director position other listed company:	Family Relationship among Directors and Executives
1 Company	Mr. Witoon-Mrs. Warunee Suriyawanakul's son
Director position other non-listed company:	
1 Company	



4. Mr. Nithi Patarachoke

Age 58 Years **Nationality** Thai

Position Director / Executive Director

Appointed as the Director 23 November 2012

Term of Office			Education / Training	
1 st Term	23 September 2012	- 22 April 2015	• Master of finance and Operations Management University of Chicago,	
2 nd Term	22 April 2015	- 30 April 2018	USA	
3 rd Term	30 April 2018	- 7 April 2021	• Bachelor of Engineering Chulalongkorn University	
4 th Term	7 April 2021	- Present	• Advanced Management Program (AMP) Harvard University, USA	

Training by the Thai Institute of Directors Association (IOD)	The Brief Working Experience in 5 years
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• Director Accreditation Program 140 / 2017	2012 - Present	Director / Executive Director, Siam Global House PCL
	2013 - Present	Director, SCG Cement - Building Materials Co., Ltd and Vice Chairman, Thailand
	2015 - Present	Director, Global House International Co., Ltd
	2018 - 2020	Director, Federation of Thai Industries
	2018 - 2021	President - Cement and Building Materials Business / Vice President - Living Solution and Housing Products Business, The Siam Cement PCL
	2018 - Present	Chairman of the Board of Director / Chairman of the Executive Committee / Member of the Nomination, Remuneration and Corporate Governance Committee, SCG Ceramics PCL
	2019 - Present	Chairman of the Board of Director / Chairman of the Executive Committee, Quality Construction Products PCL
	2019 - 2020	Director, SCG Foundation
	2019 - 2020	President Commissioner, PT Keramika Indonesia Assosiasi Tbk*
		President Commissioner, PT Kokoh Inti Arebama Tbk Indonesia*
	2020 - Present	Director, Thai - Lao Association for Friendship
	2021 - Present	Director, Thailand - Vietnam Friendship Association
	Present	President - Cement and Building Materials Business, The Siam Cement PCL

Remarks * Listed Company is Indonesia

Training in 2021

- None -

Director position other listed company :

4 Companies

Director position other non-listed company :

5 Companies

Family Relationship among Directors and Executives

-None-



5. Mr. Paramate Nisagornsen

Age 54 Years **Nationality** Thai

Position Director

Appointed as the Director 9 November 2018

Term of Office		Education / Training
1 st Term	9 September 2018 - 24 April 2020	<ul style="list-style-type: none"> Master of Science in Management, Massachusetts Institute of Technology, USA
2 nd Term	24 April 2020 - Present	<ul style="list-style-type: none"> Bachelor of Engineering (Electrical Engineering), King Mongkut's University of Technology North Bangkok Certificate of Advanced Management Program (AMP) Harvard Business School, USA
Training by the Thai Institute of Directors Association (IOD)		The Brief Working Experience in 5 years
<ul style="list-style-type: none"> Director Accreditation Program 258 / 2018 		<p>2012 - 2016 Operations Vice President Director, PT. Chandra Asri Petrochemicals Tbk*</p> <p>2016 - 2017 Managing Director, Bangkok Synthetics Co., Ltd.</p> <p>2018 - Present Director, Siam Global House PCL</p> <p>Director, Global House International Co., Ltd</p> <p>2018 - Present Director, SCG Cement-Building Materials Co., Ltd</p> <p>Commissioner, PT Catur Sentosa Adiprana Tbk*</p> <p>2018 - 2021 Vice President Regional Business – Cement and Building Materials Business, The Siam Cement PCL</p> <p>2020 - 2021 President Commissioner, PT Keramika Indonesia Assosiasi Tbk*</p> <p>2020 - Present President Commissioner, PT Kokoh Inti Arebama Tbk*</p> <p>Present Vice President-SCG Home Business, Business – Cement and Building Materials Business, The Siam Cement PCL</p>

Remarks * Listed Company in Indonesia

Training in 2021

- None -

Director position other listed company:

2 Companies

Director position other non-listed company:

2 Companies

Shareholding (%)

Held personally : - None -

Held by spouse or minor children : - None -

Family Relationship among Directors and Executives

-None-



6. Mr. Bunn Kasemsup

Age 54 Years **Nationality** Thai**Position** Director**Appointed as the Director** 25 February 2020

Term of Office		Education / Training	
1 st Term	25 February 2020 - 7 April 2021	• Master Degree of Business Administration (Finance/Accounting), University of Texas at Austin, USA	
2 nd Term	7 April 2021 - Present	• Master Degree of Business Administration (Marketing), Chulalongkorn University • Bachelor Degree Faculty of Commerce and Accountancy (Accounting Theory), Chulalongkorn University	
Training by the Thai Institute of Directors Association (IOD)		The Brief Working Experience in 5 years	
<ul style="list-style-type: none"> Director Accreditation Program 2006 Director Certification Program (DCP) 116 / 2009 		2013 - 2020	Managing Director, SCG International Corporation Co., Ltd
		2020	Head of SCG Home-Retail & Distribution Business, SCG Cement-Building Materials Co., Ltd
		2020 - 2021	Director, Quality Construction Products PCL
		2020 - Present	Director, Siam Global House PCL Director, Global House International Co., Ltd Director, SCG Distribution Co., Ltd
		Present	Chief Strategy and Investment Officer, SCG Cement-Building Materials Co., Ltd
Training in 2021		Shareholding (%)	
- None -		Held personally : - None - Held by spouse or minor children : - None -	
Director position other listed company:		Family Relationship among Directors and Executives	
1 Company		- None -	
Director position other non-listed company:			
2 Companies			



7. Mr. Pairoj Juarprathoom

Age 64 Years **Nationality** Thai

Position Director / Independent Director / Chairman of Audit & Risk Management Committee

Appointed as the Director 23 April 2019

Term of Office		Education / Training
1 st Term	23 April 2019 - Present	<ul style="list-style-type: none"> • Master Degree Graduate School of Public Administration, National Institute of Development Administration (NIDA) • Bachelor Degree Faculty of Commerce and Accountancy, Chulalongkorn University • Bachelor Degree School of Law, Sukhothai Thammathirat University • Advance Executive Program6, Office of the Civil Service Commission (OCSC) • Advance Certificate Course of Good Governance for Medical Executive6, The Medical Council of Thailand and King Prajadhipok's Institute

Training by the Thai Institute of Directors Association (IOD)	The Brief Working Experience in 5 years	
• Director Accreditation Program 161 / 2019	2015 -2016	Director Regional Revenue Office 9
	2016 -2017	Director Regional Revenue Office 5
	2017	Deputy Director-General of the Revenue Department
	2018	Principal Advisor on Tax Base Management, The Revenue Department
	2019 - Present	Director / Independent Director / Chairman of Audit & Risk Management Committee, Siam Global House PCL
	2019 - Present	Director/Independent Director / Chairman of Audit Committee, KTB General Services and security Co., Ltd

Training in 2021

- Annual Audit Committee Conference KTB Group 2021

Director position other listed company :

1 Company

Director position other non-listed company :

1 Company

Shareholding (%)

Held personally : - None -

Held by spouse or minor children : - None -

Family Relationship among Directors and Executives

- None -



8. Dr. Boonchai Pitugdamrongkija

Age 67 Years Nationality Thai

Position Director / Independent Director / Audit & Risk Management Committee

Appointed as the Director 23 April 2019

Term of Office		Education / Training									
1 st Term	23 April 2019 - Present	<ul style="list-style-type: none"> • Doctor of Manage Degree Graduate School (Business Management), Suan Dusit University • Master Degree Faculty of Economics, Thammasat University • Bachelor Degree Faculty of Economics and Business Administration, Kasetsart University • Capital Market Academy (CMA.16), Stock Exchange of Thailand • Towards High Potential Leaders Project, Office of the Civil Service Commission • Leading Change for Executive of Excise Department 2nd Generation, NIDA • GSB Middle Management Leadership Program2007, Nanyang Technological University • Advance Executive Program 45, Office of the Civil Service Commission (OCSC) • Strategy for Improving Directors Effectiveness, Kellogg School of Management • Middle Management Professional Development, Revenue Canada • Program Tax Analysis and Revenue Forecasting, Harvard University 									
Training by the Thai Institute of Directors Association (IOD)		The Brief Working Experience in 5 years									
<ul style="list-style-type: none"> • Director Certification Program 155 / 2012 		<table border="0"> <tr> <td>2009 - 2010</td> <td>Deputy Director, General of the Excise department</td> </tr> <tr> <td>2011 - 2014</td> <td>Advisor of Excise Tax Strategic Plan</td> </tr> <tr> <td>2019 - Present</td> <td>Director / Independent Director / Audit & Risk Management Committee, Siam Global House PCL</td> </tr> <tr> <td>2020 - Present</td> <td>Independent Director / Audit Committee, Precise Corporation PCL</td> </tr> </table>	2009 - 2010	Deputy Director, General of the Excise department	2011 - 2014	Advisor of Excise Tax Strategic Plan	2019 - Present	Director / Independent Director / Audit & Risk Management Committee, Siam Global House PCL	2020 - Present	Independent Director / Audit Committee, Precise Corporation PCL	
2009 - 2010	Deputy Director, General of the Excise department										
2011 - 2014	Advisor of Excise Tax Strategic Plan										
2019 - Present	Director / Independent Director / Audit & Risk Management Committee, Siam Global House PCL										
2020 - Present	Independent Director / Audit Committee, Precise Corporation PCL										

Training in 2021

- Attended the Audit Committee for listed companies Meeting organized by the Securities and Exchange Commission (SEC) to communicate regarding roles and duties of Audit committee in good corporate governance

Shareholding (%) :

Held personally : - None -

Held by spouse or minor children : - None -

Director position other listed company : Family Relationship among Directors and Executives

1 Company - None -

Director position other non-listed

company :

1 Company



9. Dr. Vongsak Swasdipanich

Age 70 Years **Nationality** Thai

Position Director / Independent Director / Audit & Risk Management Committee / Nomination & Remuneration Committee

Appointed as the Director 11 May 2016

Term of Office				Education/Training
1 st Term	11 May 2016	-	24 April 2017	<ul style="list-style-type: none"> • D.Litt.PA, St Clements University, UK
2 nd Term	24 April 2017	-	Present	<ul style="list-style-type: none"> • MPA Public Affairs, Kentucky State University USA • Bachelor of Art (Political Sience), Chiang Mai University • Thailand National Defence College (NDC44) • Executives Planned High Level of NIDA • Executives of Interior level 8 & level 9, Dumrongrachanupharp Institute, Ministry of the Interior • The Leader of Bangkok Course 3

Training by the Thai Institute of Directors Association (IOD)	The Brief Working Experience in 5 years	
• Director Accreditation Program 134 / 2017	2008 - 2011	Director- General of Department of Provincial Administration
	2011 - 2013	Director of Vice - Minister
	2016 - Present	Director / Independent Director / Audit & Risk Management Committee / Nomination & Remuneration Committee, Siam Global House PCL
	2020 - Present	Chairman of the Advisory Board of the Chairman of Comissioner of Parliament

Training in 2021

- None -

Director position other listed company:

1 Company

Director position other non-listed company:

- None -

Shareholding (%):

Held personally : - None -

Held by spouse or minor children : - None -

Family Relationship among Directors and Executives

- None -



10. Pol.Gen.Kawee Supanun

Age 63 Years Nationality Thai

Position Director / Independent Director / Chairman of Nomination & Remuneration Committee

Appointed as the Director 23 April 2019

Term of Office		Education / Training
1 st Term	23 April 2019 - Present	<ul style="list-style-type: none"> • Ph.D. (Industrial Business Administration), King Mongkut's institute of Technology Ladkrabang • Master Degree Faculty of Social Sciences and Humanities, Mahidol University • Bachelor Degree Royal Police Cadet Academy 33 • Superintendent Course 25 • Air Command and Staff College Course 37 • Critical Incident Management, USA • Advanced Police Management Course 18 • Thailand National Defence College Course 51

Training by the Thai Institute of Directors Association (IOD)	The Brief Working Experience in 5 years
<ul style="list-style-type: none"> • Director Accreditation Program 129 / 2016 	<ul style="list-style-type: none"> 2012 - 2013 Commissioner of Provincial Police Region 4 2013 - 2014 Commissioner of Provincial Police Region 2 2014 - 2016 Assistant commission-General of Royal Thai Police 2016 - 2018 Advisor (Level 10) Royal Thai Police 2019 - Present Director / Independent Director / Chairman of Nomination & Remuneration Committee, Siam Global House PCL

Training in 2021

- None -

Director position other listed company:

1 Company

Director position other non-listed company:

- None -

Shareholding (%) :

Held personally : - None -

Held by spouse or minor children : - None -

Family Relationship among and Executives

- None -

Profile of Executive



Mrs. Warunee Suriyawanakul

Age 61 Years **Nationality** Thai

Position Director / Executive Director / Vice-CEO
Human Resource

Appointment Date 26 February 2008

Education

- Secondary Education

Training by the Thai Institute of Directors Association (IOD)

- Director Accreditation Program 68 / 2008

Shareholding (%) : 0.45%

Held personally 0.45%,

Held by spouse or minor children -None-

The Brief Working Experience in 5 years

1997 - Present	Director, Inter Concrete Industry Co., Ltd.
2008 - Oct 2021	Director, Siam Global House PCL.
2008 - Present	Executive Director / Vice-CEO Human Resource, Siam Global House PCL
2015 - Present	Director, Global House International Co., Ltd.



Mr. Anavat Suriyawanakul

Age 61 Years **Nationality** Thai

Position Executive Director/ Vice-CEO Inventory Management and Marketing

Appointment Date 26 February 2008

Education

- Secondary Education

Training by the Thai Institute of Directors Association (IOD)

- Director Accreditation Program 68 / 2008

Shareholding (%) : 4.44%

Held personally : 0.13%

Held by spouse or minor children : 4.31%

The Brief Working Experience in 5 years

1997 - Present	Director, Siam Global Engineering Co., Ltd
1997 - Present	Director, Inter Concrete Industrial Co., Ltd
1997 - Present	Director, Global Concrete Co., Ltd
1997 - Present	Director, Siam Global Asset Co., Ltd
2008 - Present	Executive Director / Vice - CEO Inventory Management and Marketing, Siam Global House PCL
2008 - 2019	Director/Executive Director, Siam Global House PCL
2016 - 2017	Director/Executive Director/ CEO, Siam Global House PCL
2015 - Present	Director, Global House International Co., Ltd

Family Relationship among Directors and Executives

Mr. Witoon Suriyawanakul's brother

**The Brief Working Experience in 5 years**

2008 - 2012	Director / Executive Director of Siam Global House PCL
2012 - Present	Vice CEO - Imported Products, Siam Global House PCL

Mr. Yutthana Suriyawanakul**Age** 50 Years **Nationlity** Thai**Position** Vice-CEO Imported Products**Appointment Date** 23 November 2012**Education**

- Master of Business Administration, Texas University
- Bachelor of Engineering Program in Industrial Engineering,
Kasetsart University

Training by the Thai Institute of Directors Association (IOD)

- Director Accreditation Program 68 / 2008

Shareholding (%) : 0.00%

Held personally: 0.00%

Held by spouse or minor children: -None-

Family Relationship among and Executives

Mr. Witoon Suriyawanakul's nephew



Ms. Chutikan Srisaengchan

Age 52 Years **Nationality** Thai

Position Executive Director / Vice CEO Accounting & Financial

Appointment Date 23 November 2012

Education

- Master of Business Administration, Khon Kaen University
- Bachelor of Accountancy, Thammasat University

Training

- Towards the 2nd Decade, TA Association: New Tax Law 2018 & Accounting Standard Directions
- Solution For Accounting Error According to Financial Reporting Standards
- Review Course of Financial Reporting Standards
- Tax from paying Overseas and Double Tax Treaties
- Guideline and Solution in According with Transfer Pricing Act (New)
- Catch Up with New Tax Law and Update Accounting Standard for SMEs 2019
- Investment in Associates, Subsidiaries and Joint Ventures
- Entire System Tax Related to sales Promotion
- Single Bookkeeping Course
- Transfer Pricing Documentation

Training by the Thai Institute of Directors Association (IOD)

- Director Accreditation Program 68/2008

Training in 2021

- Understand business by financial statements analysis
- Basic Finance for accountants
- Tax update 2021
- TFRS for NPAEs summary to be followed in transaction recognition principle.
- MD&A direction, significant issues need to be considered and M&A Strategy for achievement

The Brief Working Experience in 5 years

2008 - Oct 2012	Director, Siam Global House PCL
Nov 2012 - Present	Executive Director / Vice CEO Accounting & Financial, Siam Global House PCL

Shareholding (%) : 0.03%

Held personally : 0.03%

Held by spouse or minor children : - None -

Family Relationship among and Executives

- None -



The Brief Working Experience in 5 years

2014 - Nov 2017	Assistance of Vice CEO Business Development, Siam Global House PCL
Dec 2017 - Present	Vice CEO Business Development, Siam Global House PCL
Dec 2017 - Present	Director, Global House International Co., Ltd

Mr. Phiphop Vasanaarchasakul

Age 51 Years **Nationality** Thai

Position Vice CEO Business Development

Appointment Date 11 December 2017

Education

- Bachelor of Humanities, Kasetsart University

Training

- Strategic Customer Retention CRM
- Store Tour Modern Trade in USA (Home Depot, Lowes)
- LDP 1,2 (Leadership Development Program)

Shareholding (%) :

Held personally : - None -

Held by spouse or minor children : - None -

Family Relationship among and Executives

- None -



The Brief Working Experience in 5 years

2012 - Nov 2017	Manager of Innovation & System Development, Siam Global House PCL
Dec 2017 - Present	Vice CEO Innovation & System Development, Siam Global House PCL

Mr. Khemchat Sungkakam

Age 39 Years **Nationality** Thai

Position Vice CEO Innovation & System Development

Appointment Date 11 December 2017

Education

- Bachelor of Engineering Program in Industrial Engineering, Khon Kaen University

Training by the Thai Institute of Directors

Association (IOD)

- Director Accreditation Program 188 / 2021

Shareholding (%) : 0.00%

Held personally : 0.00%

Held by minor children : 0.00%

Family Relationship among and Executives

Ms. Wiphawee Hongsamsipjed's husband



The Brief Working Experience in 5 years

Dec 2017 - Sep 2018	Assistant CEO of Siam Global House PCL
Oct 2018 - Present	Vice CEO of Siam Global House PCL
Nov 2018 - Present	Director of Global House International Co., Ltd

Mr. Isara Rujikeatkamjorn

Age 42 Years **Nationality** Thai

Position Vice CEO

Appointment Date 4 October 2018

Education

- MBA Texas A&M University, USA
- Bachelor of Engineering, Khon Kaen University

Training by the Thai Institute of Directors

Association (IOD)

- Training Anti - Corruption Course: The Practical Guide, ACPG 46 / 2018, IOD

Shareholding (%) : 0.21%

Held personally : 0.21%

Held by spouse or minor children : - None -

Family Relationship among and Executives

Mr. Apisit Rujikeatkamjorn's son



The Brief Working Experience in 5 years

2017 - Present	Assistant CEO - Engineering Siam Global House PCL
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Mr. Pongkorn Suriyawanakul

Age 40 Years **Nationality** Thai

Position Assistant CEO Engineering

Appointment Date 13 December 2017

Education

- Bachelor of Engineering, Thammasat University

Shareholding (%) : 0.00%

Held personally : 0.00%

Held by spouse or minor children : - None -

Family Relationship among and Executives

Mr. Witoon Suriyawanakul's nephew



The Brief Working Experience in 5 years

Dec 2017 - Present Assistant CEO Innovation & System Development, Siam Global House PCL

Mr. Thapanat Asawachulamanee

Age 38 Years **Nationality** Thai

Position Assistant CEO Innovation & System Development

Appointment Date 13 December 2017

Education

- Bachelor of Engineering (Computer Engineering) Khon Kaen University

Training by the Thai Institute of Directors

Association (IOD)

- Director Accreditation Program 188 / 2021

Shareholding (%): 0.00%

Held personally : 0.00%

Held by spouse or minor children : - None -

Family Relationship among and Executives

- None -



The Brief Working Experience in 5 years

2009 - 2019	Purchasing Manager
2019 - 2021	Assistant To Vice Chief Executive Officer , Purchasing and Marketing
2021 - Present	Assistant To Vice Chief Executive Officer , Customer Sales & Service

Ms. Wiphawee Hongsamsipjed

Age 39 Years **Nationality** Thai

Position Assistant Vice CEO Customer sales & Service

Appointment Date 30 April 2019

Education

- Master of Business Administration, Khon Kaen University
- Bachelor of Science Program in Food Process Engineering, Chiang Mai University

Training

- Mini MBA Digital Marketing Management by College of Management Mahidol University

Shareholding (%): 0.00%

Held personally: 0.00%

Held by minor children: -None-

Family Relationship among and Executives

Mr. Khemchat Sungkakam's wife

Directors and Executive Officers with the Control over the Company, Subsidiaries and Joint Ventures

	Name	Siam Global House PCL.	Subsidiaries and Joint Venture		
			Global House Cambodia Co., Ltd	Guangxi Global House International Trade Co., Ltd	Global House International Co., Ltd
1.	Mr. Apisit	Rujikeatkamjorn	Chairman	Chairman	
2.	Mr. Witoon	Suriyawanakul	Director / CEO	Director	Executive Director
3.	Mr. Kriangkai	Suriyawanakul	Director / Vice CEO	Director	
4.	Mr. Nithi	Patarachoke	Director		Director
5.	Mr. Paramate	Nisagornsen	Director		Director
6.	Mr. Bunn	Kasemsup	Director		Director
7.	Mr. Pairoj	Juarprathoom	Director		
8.	Dr. Vongsak	Swasdipanich	Director		
9.	Dr. Boonchai	Pitugdamrongkija	Director		
10.	Pol.Gen.Kawee	Supanun	Director		
11.	Mrs. Warunee	Suriyawanakul	Vice CEO		Director
12.	Mr. Anavat	Suriyawanakul	Vice CEO		Director
13.	Mr. Phiphop	Vasanaarchasakul	Vice CEO		Director
14.	Ms. Chutikan	Sriseangchan	Vice CEO		
15.	Mr. Yuttana	Suriyawanakul	Vice CEO		
16.	Mr. Khemchat	Sungkakam	Vice CEO		
17.	Mr. Isara	Rujikeatkamjorn	Vice CEO		Director
18.	Mr. Pongkron	Suriyawanakul	Assistant CEO		
19.	Mr. Thapanat	Asawachulamanee	Assistant CEO		
20.	Ms. Wiphawee	Hongsamsipjed	Assistant Vice CEO		

Information of the Person Supervising Accounting

The person taking the highest responsibility in accounting & Financial

Ms. Chutikan Srisaengchan (Age 52 Years)

Position Executive Directors / Vice CEO - Accounting & Financial

Educational qualifications

Master of business administration degree, Khon Kaen University

Bachelor of Commerce and Accountancy, Thammasat University

Training

- Director Accreditation Program 68/2008 (IOD)
- Towards the 2nd Decade, TA Association: New Tax Law 2018 & Accounting Standard Directions
- Solution for Accounting Error According to Financial Reporting Standards
- Review Course of Financial Reporting Standards
- Tax from paying Overseas and Double Tax Treaties
- Guideline and Solution in According with Transfer Pricing Act (New)
- Catch Up with New Tax Law and Update Accounting Standard for SMEs 2019
- Investment in Associates, Subsidiaries and Joint Ventures
- Entire System Tax Related to sales Promotion
- Single Bookkeeping Course
- Transfer Pricing Documentation
- Understand business by financial statements analysis
- Basic Finance for accountants
- Tax update 2021
- TFRS for NPAEs summary to be followed in transaction recognition principle.
- MD&A direction, significant issues need to be considered and M&A Strategy for achievement

The person supervising accounting

Mrs. Supat Sutti (Age 41 Year)

Position Accounting & Financial Director

Educational qualifications

Bachelor of business administration in accountancy, North Eastern University

Registration as the company's accountant

- Has registered as the company's accountant under the announcement of department of business development as at 29 December 2017

Information of the Company Secretary

Ms. Siriwan Na - Nan (Age 49 Years)

Position Company Secretary / Internal Audit Manager

Appointment Date: 15 February 2012

Education

- Master of Economics (Business Economics), Ramkhamhaeng University
- Bachelor of Business Administration (Accounting), Chiang Mai University

Training

- Anti-Corruption: The Practical Guide (ACPG) 46 / 2018 (IOD)
- Developing Leadership for Finance and Accounting Professionals
- Smart Disclosure Program (SDP) 2015 - 2019
- SO 1- S05 : Corporate Sustainability Strategy

Shareholding (%)

0.00% (Held personally: 0.00%, Held by spouse or minor children: -None-)

Family Relationship among and Executives -None-

Working experience

- Feb 2012 - Present Company Secretary Siam Global House Public Co., Ltd.
- Jul 2010 - Present Internal Audit Manager Siam Global House Public Co., Ltd.
- 1995 - Jun 2010 Internal Audit Officers TMB. Bank

Authority of Secretary of the Board of Directors

- Arrange and maintain document as follow;
- Directors registration
- Notice calling for the Board of Directors Meeting, Minutes of the Board of Directors Meeting and the Annual Report of the Company
- Notice calling for the Shareholders Meeting and Minutes of the Shareholders Meeting
- Maintain the report on interests which have been reported by the directors or executives
- Manage other matters as stipulated by the Capital Market Supervisory Board
- Facilitate for activities of the Board of Directors
- Coordinate with relevant person in order to be in compliance with the resolution of the Board of Directors.

Attachment 2 Detail of the Directors of Subsidiaries and Joint Venture

	Name	Global House Cambodia Co., Ltd	Guangxi Global House International Trade Co., Ltd	Global House International Co., Ltd
1.	Mr. Apisit	Rujikeatkamjorn	Chairman	
2.	Mr. Witoon	Suriyawanakul	Director	Executive Director
3.	Mr. Kriangkai	Suriyawanakul	Director	
4.	Mrs. Warunee	Suriyawanakul		Director
5.	Mr. Anawat	Suriyawanakul		Director
6.	Mr. Nithi	Patarachoke		Director
7.	Mr. Paramate	Nisagornsen		Director
8.	Mr. Bunn	Kasemsup		Director
9.	Mr. Piphop	Vasanaarchasakal		Director
10.	Mr. Isara	Rujikeatkamjorn		Director
11.	Lok Chumteav KIM HEANG		Director	
12.	Mr. IN KUOT		Director	

Attachment 3 Information of the Head of Internal Audit

Ms. Siriwan Na - Nan (Age 49 Years)

Position Internal Audit Manager / Company Secretary

Education

- Master of Economics (Business Economics), Ramkhamhaeng University
- Bachelor of Business Administration (Accounting), Chiang Mai University

Training

- Anti-Corruption: The Practical Guide (ACPG) 46 / 2018 (IOD)
- Developing Leadership for Finance and Accounting Professionals
- Internal Control System Framework COSO 2013, Federation of Accounting Professions
- Internal Control for Auditor
- Control Self-Assessment, for Risk Management, PWC
- IDEA Program for Auditing

Working experience

- Feb 2012 - Present Company Secretary Siam Global House Public Co., Ltd.
- Jul 2010 - Present Internal Audit Manager Siam Global House Public Co., Ltd.
- 1995 - Jun 2010 Internal Audit Officers TMB. Bank

Attachment 4 Assets Used in Business Operations and Details about Property Appraisal Items

Asset for Business Operation

The company has asset for business operation as at 31 December 2021 as below;

Item	Amount (Million Baht)
Land and Land Improvement – Cost price	7,561,698
Building and Equipment – Cost price	15,480,995
Building constructions and equipment in process	275,686
Vehicles	489,048
Right to use land	1,529,925
Computer Software	46,831
Total	25,384,183
Less Accumulated depreciation	6,708,418
Accumulated Amortization	286,621
Net Land Building and material (Included Software and right to use land)	18,389,144

Remark : The asset details mentioned above, can see from notes to financial statements no. 12,13,14 and the company have unused land in operations following to Notes No. 11 in amount of Baht 500.4 million.

The type of ownership can be divided as follows :

Type of Rights	Approximate Area	Contract End
1. Land Lease comprise of Samut Prakan, Pathum Thani, Salaya, Loei, Phuket, Chiang Rai (Mae Sai) Samut Sakhon (Krathum Baen), Phnom Penh, Batdombong, Roi Et Rajabhat University.	540 Rai 2 Ngan 26.83 Square wa.	2044 - 2049
2. Free Hold (The company is the owner) comprise of Roi Et, Phra Nakhon Si Ayutthaya(Wang Noi), Khon Khen, Udon Thani, Wieng Khum Kam, Rayong, Chon Buri, Nakhon Prathom, Ratch Buri, Kalasin, Nakhon Sawan, Nonthaburi(Muang Thong) Maha Saraham, Ban Pai, Nong Khai, Nakhon Ratchasima, Sakhon Nakhon, Nakhon Phanom, Chaiyaphum, Surin, Phitsanulok, Lamphun, Mukdahan, Pachaubkirikan, Lumpang, Phare, Nan, Chiang Rai, Sukhothai, Ubonratchathani, Kampangpetch, Petchboon, Lupburi, Mae Rim, Uthai Thani, Chanthaburi, Trad, Ban tad, Phayao, Buriram, Pranburi, Nongbualamphu, Chaibadan, Samutsongkram, Phra Nakhon Si Ayutthaya, Nakhonnayok, Sa Kaeo, Nakhonsithammarat, Bungkan, Suratthani, Kanchanaburi, Singburi, Khlong11(Khlong Rangsit-Thanyaburi), Yasothon, Ang Thong, Phatthalung, Uttaradit, Chom Phae, Aranyaprathet, Phang Khon, Mae Hong Son, Phang Nga, Chokchai, Chai Nat, Fang, Dan Khun Thot, Satun, Det Udom, Kanthararak, Nang Rong, Sai Noi, Songkhla, Phetchaburi, Nong Han, Phayakkhaphum Phisai, Kabin Buri, Samui, Kuchinarai, Phan, Wiang Pa Pao, Hat Yai, Jana, Phichit and Phon Charoen.	3,282 Rai 0 Ngan 83.6 Square wa.	-

The important Intangible Assets for business operation

As at 31 December 2019, 2020, 2021, the company has intangible assets equal to Baht 15,388,018.00, Baht 11,527,515.00 and Baht 7,467,516.00 respectively. The intangible assets mentioned, that is Computer program and Trademark which sum up to be a part of main assets for business operation and land unused for operations as mentioned above.

Investment in Subsidiaries and Joint Ventures' policy

Regarding The company Investment Policy, the company shall consider investing in business which support and subserve the company's business or business in growing industry and consider mainly to return on investment and the company shall control by appointing director to be representative in such subsidiary on shareholding proportion. In case of Joint Ventures, the company shall not control strictly, but only send a director to be one of director in such joint venture. Anyhow, the numbers of directors who is representative to be directors in Joint Ventures shall depends on shareholding proportion of the company.

Details about property valuation

In accounting period of 2021, the company have no list of company's property valuation.

**Attachment 5 Policy and Practical Guidelines of Corporate Governance,
Sub - Committee Charter, and Sub - Committee Report**

Disclosed on the company website at www.globalhouse.co.th

- 1) Corporate Governance Manual, Business Ethics and Code of Conduct
- 2) Anti - Corruption Policy
- 3) The Audit and Risk Management Committee Charter
- 4) The Nomination and Remuneration Committee Charter

The Nomination and Remuneration Committee Report

Dear Shareholders of Siam Global House Public Company Limited

The Nomination and Remuneration Committee has performed their duties followed in good corporate governance principle and specified Nomination and Remuneration Committee Charter by performing duties in recruitment and selection, nomination of the qualified person to take the position of directors and top executives, including determination of the form and criteria for remuneration of directors and subcommittee and top executives of the company. The Nomination and Remuneration Committee consist of 3 following directors;

- | | | |
|----|-------------------------|---|
| 1. | Pol.Gen.Kawee Supanun | Chairman of Nomination and Remuneration committee |
| 2. | Dr.Vongsak Swasdipanich | Nomination and Remuneration Committee |
| 3. | Mr.Witoon Suriyawanakul | Nomination and Remuneration Committee |

In the year 2021, the Nomination and Remuneration Committee has convened the meeting 2 times by all directors has fully attended the meeting to consider the important matters which summarized the materiality as follows;

1. Consider to recruit the appropriate qualified person to take a position of director, and propose to the Board of the directors to consider before presenting to the Annual General Meeting 2021 for consideration to appoint directors replacing those who would retire by rotation for the year 2021. The company gives shareholders an opportunity to propose name of qualified candidates for the company's director position from October 21, 2020 to January 31, 2021. Anyway, there were none of the proposals for candidates to be elected as the company's directors. Thus, the Nomination and Remuneration Committee has considered to propose the appointment of directors who would retire by rotation to take a post of directors for another tenure
2. Consider to determine the remuneration of the company's directors and subcommittee in fair and proper rate, to persuade the remuneration with the overall company's performance, and compared with other companies in the same industry group. In 2021, the nomination and remuneration committee has agreed to determine the remuneration of directors should be not exceeding Baht 15,000,000.00 which consists of the monthly remuneration, remuneration per meeting attendance (include group of sub-committees) and bonus to propose the Annual General Meeting of shareholders to approve by the shareholders' meeting has approved the proposal. Anyhow, more details are declared in subject "Key Performance Report in Corporate Governance" under subject "individual remuneration"
3. Consider to prepare the Nomination and Remuneration Committee Charter to be guideline in working which covered the matters in recruitment procedure and remuneration consideration according to the good corporate governance practical guidelines of the Stock Exchange of Thailand with approval resolution from the Board of Directors no. 6th/2021 and publicized on the company website under subject "Good Corporate Governance"

The Nomination and Remuneration has performed their duties as assigned with prudence and transparent followed in good corporate governance code to build trust to all shareholders and stakeholders.



(Pol.Gen.Kawee Supanun)

Chairman of Nomination and Remuneration
Committee

Attachment 6 Audit and Risk Management Committee Report

Dear Shareholders of Siam Global House Public Company Limited

The Audit and Risk Management Committee for Siam Global House Public Company Limited consist of 3 independent directors who are qualified in accounting and financial, risk management, economic, laws, and organization management. All directors are qualified completely as stipulated in regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand, by the Audit and Risk Management Committee, consist of

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|----|-------------|------------------|---|
| 1. | Mr.Pairoj | Juarprathoom | Chairman of Audit and Risk Management Committee |
| 2. | Dr.Boonchai | Pitugdamrongkija | Audit and Risk Management Committee |
| 3. | Dr.Vongsak | Swasdipanich | Audit and Risk Management Committee |

In 2021, the Audit and Risk Management Committee has total meeting 5 times which all directors have attended all the meeting completely. The Accounting and Financial executives of the company and Auditors attend the meeting for each related agenda in order to presenting the information and giving useful opinions. The Audit and Risk Management Committee report the meeting resolution to the Board of directors, which there are the main point of duties as follow;

1. Reviewing the quarterly financial statement and annual financial statement for 2021

The Audit and Risk Management Committee has reviewed the quarterly financial statement and annual financial statement together with the executives in charge of preparation of financial reports. By considering the compliance with standard of financial reports, disclosure of information, an important estimate, and important adjusting entries which affect to the financial statement, before presenting to ask the approval from the Board of Directors. Besides, the committee has joined the meeting Auditors 2 times specially without an attendance of the management team for asking an independence of Auditors, cooperation of the executives, Key Audit Matters, and potential irregular transaction or detected during the audit. To ensure that the preparation of financial reports is correct and accurate followed in the standard of Financial Reporting Standards and being useful to financial statement users. By the Audit and Risk Management Committee gives an opinion that quarterly financial statement and annual financial statement for 2021 has declared correct and legitimate in materiality according to the financial reporting standards and adequate disclose of information.

2. Consideration of transaction may have conflict of interest

The Audit and Risk Management Committee has quarterly considered and reviewed the related party's transaction by considering that the mentioned transaction is in line with the general trade condition, market-based pricing, no conflict of interest including have completely and adequate disclosure of information.

3. Internal Control and Internal Audit

The Audit and Risk Management Committee has considered and reviewed the internal control system and internal audit according to the audit summary report presented by the audit department, and gives an opinion that the internal control of the company is adequate and appropriate. Nevertheless, any suggestions from internal audit department, the management team shall take the corrective action for more concise of internal control system. Moreover, giving advice to the internal audit in the annual audit planning to cover high risk operation and important control to be in line with business environmental and to comply with international standard and more efficient.

4. Compliance to the Securities and Exchange Act and related laws

The Audit and Risk Management Committee has reviewed the compliance with the Securities and Exchange Act, regulations of the Stock Exchange of Thailand and laws related with business operation of the company, has an opinion that the company has corporate governance to comply with laws related with business operation.

5. Consideration to appoint the Auditors and Audit Fee for the year 2021

The Audit and Risk Management Committee has considered to appoint the Auditors for the year 2021 from the performance result, an independence, and appropriateness of audit fee, and then proposed to the Board of Directors to ask the approval from the Annual General Meeting of Shareholders to approve and appoint Mr. Methee Ratanasrimetha CPA No.3425, or Miss. Varaporn Vareesawedsuvan CPA No.5087, or Mr. Akadet Pliensakul CPA No.5389, or Miss. Kornthip Wanichwisedkul CPA No.6947 from M.R. & ASSOCIATES CO., LTD to be the Company's Auditors of the year 2021, by the audit fee in amount Baht 3,400,000.00.

6. Suggestion of risk management guidance

The Audit and Risk Management Committee has reviewed risk factors and potential impacts to the business operation objective of the company which covered in economic, social, environmental and good corporate governance. Risk factors to the company's business operation can be divided into; Strategic Risk, Operational Risk, Financial Risk, Compliance Risk, and Emerging Risk in the next 3-5 years. Along with giving suggestions of risk management guidance comprehensively in order to build efficiency in management and reporting to the Board of Directors.

7. Good Corporate Governance

The Audit and Risk Management Committee has considered and reviewed Anti-Corruption policy of the company to be in accordance with The Self-Assessment Form for anti-corruption system development version 4.0 of the Thai Private Sector Collective Action Against Corruption (CAC) and proposed to the Board of Directors' meeting no. 5th/2021 to approve. Anyway, the company has publicized to all stakeholders to be acknowledged.

The Overall Summary in the year 2021, the Audit and Risk Management Committee has fully performed their duties as specified in the Audit and Risk Management Committee Charter, and have an opinion that, the company has financial reporting and operation correct and legitimate in materiality according to the Financial Reporting Standards, has adequate and appropriate internal control system, including control to comply with laws and regulations related to the business operation correctly.



(Mr.Pairoj Juarprathoom)

Chairman of Audit and Risk Management
Committee





SIAM GLOBAL HOUSE

We aim for value creation of product and service to satisfy customers needs.

we still have the intention to expand new stores and renovate same stores
continuously with the principle “Prevent the company from High - Risk status while
growing in competitive level”



SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED

ANNUAL REPORT **2021**

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