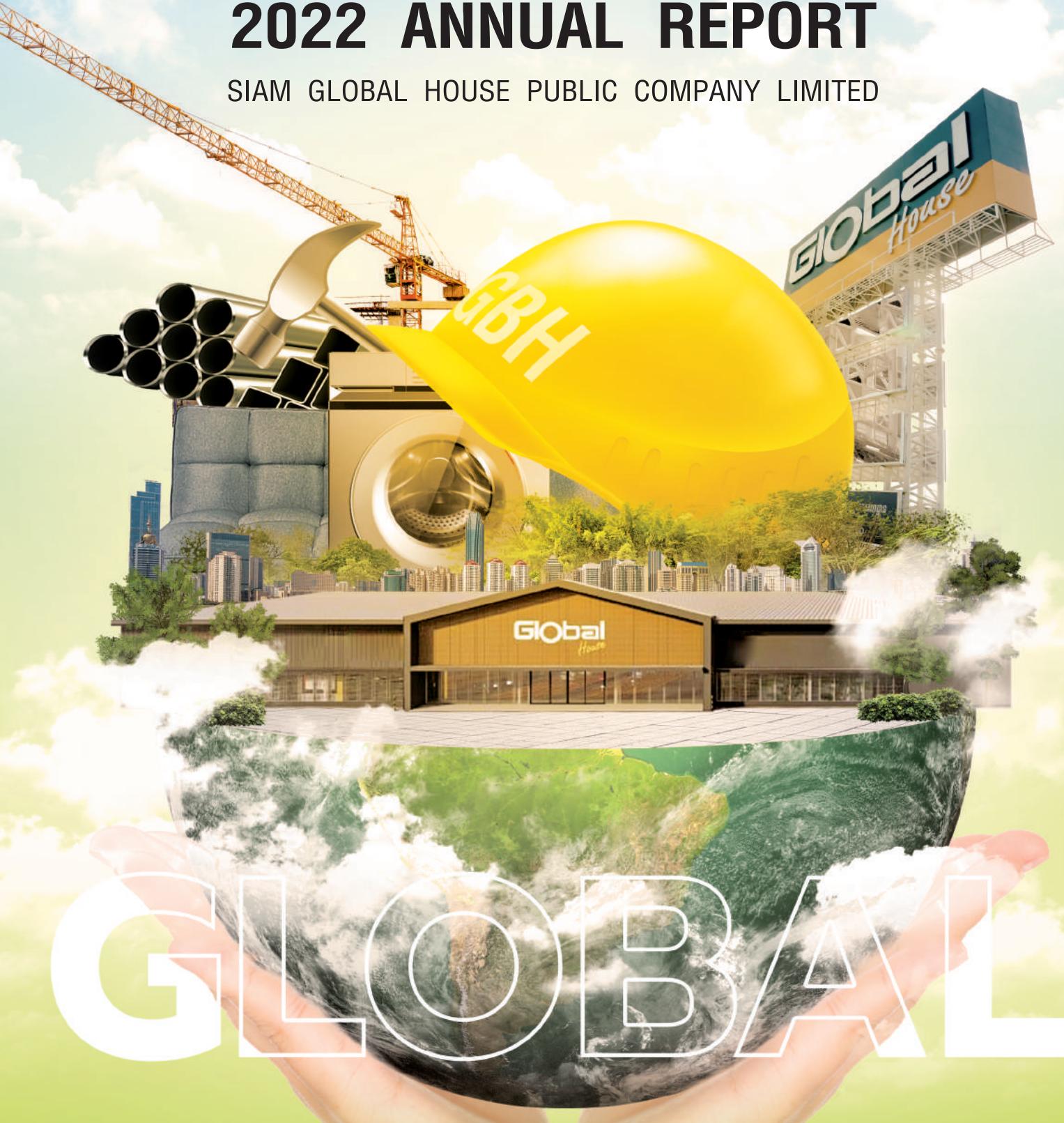




56 - 1 ONE REPORT

# 2022 ANNUAL REPORT

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED



callcenter@globalhouse.co.th  
www.globalhouse.co.th



“

In this regards,  
investors may obtain further  
information form 56 - 1 at  
[www.set.or.th](http://www.set.or.th) or [www.globalhouse.co.th](http://www.globalhouse.co.th)

”



GLOBAL



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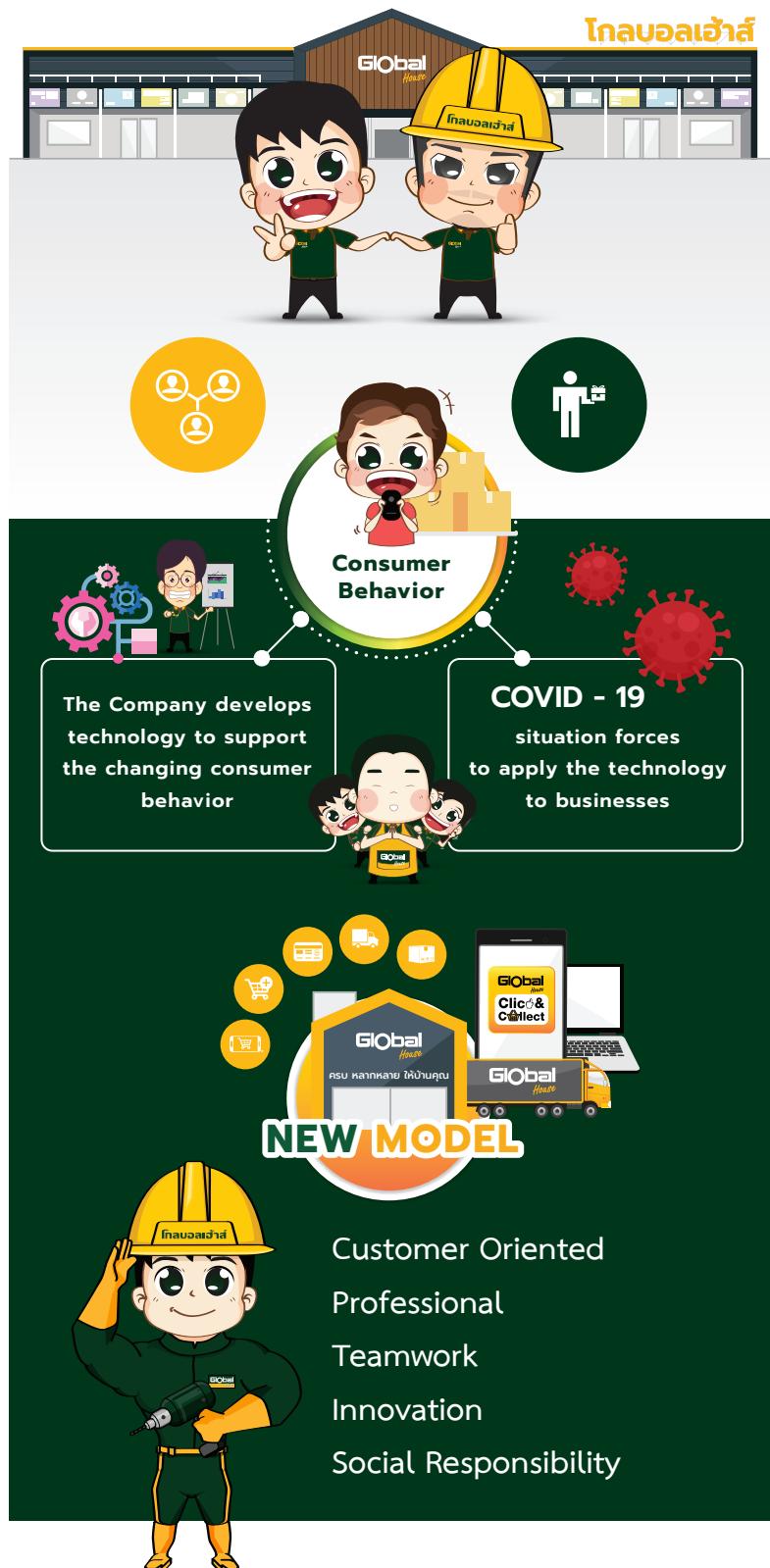
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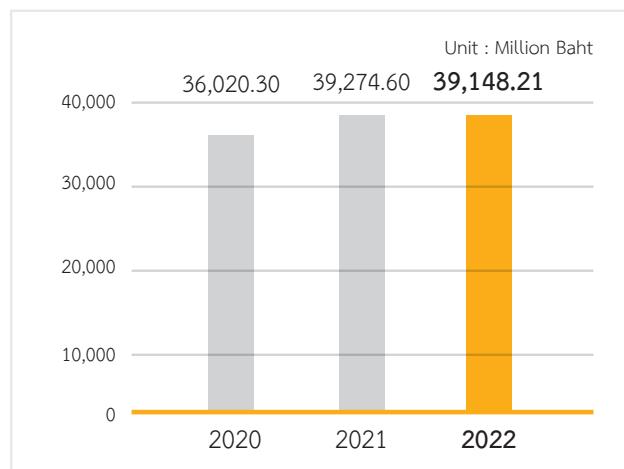
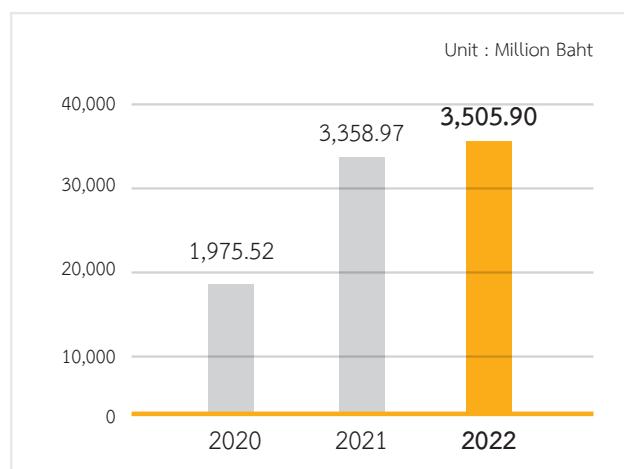
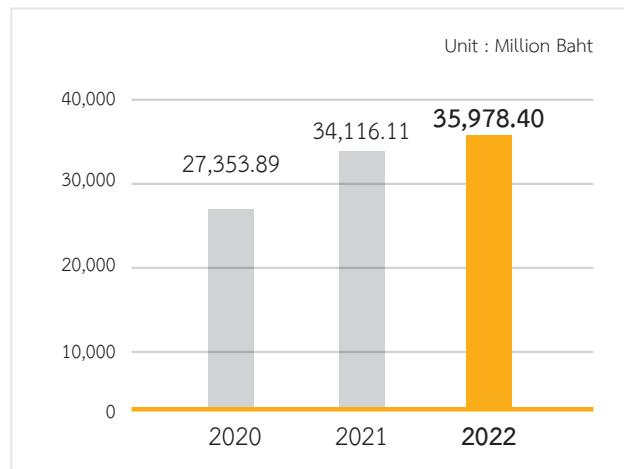
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## Financial Highlights for the year 2020 - 2022



(Unit : Million Baht)

Summary of Financial Statements Information		Consolidated Financial		Financial Statements in the Equity Method		
	2022	2021	2020	2022	2021	2020
<b>Income Statement</b>						
Sales	35,270.34	33,497.80	26,802.96	34,749.78	33,010.21	26,207.95
Total Revenues	35,978.40	34,116.11	27,353.89	35,442.67	33,620.82	26,752.64
Gross Profit	9,104.43	8,430.81	6,401.96	8,935.62	8,285.52	6,228.60
EBIT	4,523.14	4,322.70	2,676.19	4,335.28	4,190.21	2,582.73
Net Profit (Loss)	3,505.90	3,358.97	1,975.52	3,348.97	3,245.11	1,908.71
<b>Balance Sheet</b>						
Total Assets	39,148.21	39,274.60	36,020.30	37,894.51	38,090.50	35,058.52
Total Liabilities	17,057.12	19,438.55	18,806.46	16,369.90	18,745.76	18,154.99
Total Shareholders' Equity	22,091.09	19,836.05	17,213.84	21,524.61	19,344.74	16,903.53
<b>Financial Ratio</b>						
Gross Profit Margin (%)	25.81	25.17	23.89	25.71	25.10	23.77
Net Profit Margin (%)	9.74	9.85	7.22	9.45	9.65	7.13
Return on Equity (%)	16.72	18.13	11.85	16.39	17.90	11.65
Return on Assets (%)	8.94	8.92	5.49	8.81	8.87	5.40
Debt to Equity Ratio (Time)	0.77	0.98	1.09	0.76	0.97	1.07
<b>Earnings per Share</b>						
Earnings per Share (Baht/Share)	0.7262	0.7266	0.4444	0.6975	0.7052	0.4336
Book Value per Share (Baht/Share)	4.6006	4.3106	3.9108	4.4827	4.2039	3.8403
Common Stocks (Shares)	4,801,736,733	4,601,671,149	4,401,609,967	4,801,736,733	4,601,671,149	4,401,609,967

The company has received SET Awards for the year 2022, that is Rising Star Sustainability Awards, Sustainable Corporate Model and Business Excellence for the 1<sup>st</sup> year from the Stock Exchange of Thailand.

**SET AWARDS 2022**

Sustainability Excellence  
Rising Star Sustainability Awards

SET market capitalization of over THB30 bln.  
but no more than THB100 bln.

บมจ. สยามโกลบอลเอชสี  
**GLOBAL**

SET การเงินธนาคาร  
MONEY & BANKING MAGAZINE

IAA MC ASCO THAI INVESTORS ASSOCIATION

# SET AWARDS 2022

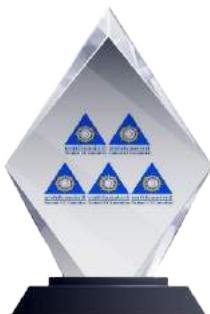
A photograph shows two men in suits standing on stage, holding a large trophy. The man on the left is wearing a dark suit and glasses, while the man on the right is wearing a dark suit and a green tie. They are both smiling at the camera. The background is a dark stage with some lighting effects.

# SET AWARDS 2022



### Thailand Sustainability Investment 2022 : THSI

The company had been selected to be one of 170 listed companies which has been listed in Thailand Sustainability Investment: THSI 2022 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



### Corporate Governance Report of Thailand Listed Companies 2022

The company has received Excellent CG Scoring or scoring of 5 from the program Corporate Governance Report of Thailand Listed Companies 2022 (CGR) organized by Thai Institute of Directors (IOD) and the Securities Exchange and Commission (SEC) and the Stock Exchange of Thailand (SET).



### AGM Checklist 2022

The Company has received 100 marks (full marks) assessment as its 4<sup>th</sup> consecutive year for the Annual General Meeting Checklist 2022 (AGM Checklist), assessed by Thai Investors Association



### 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

# Mr. Apisit Rujikiatkamjorn

Chairman

A portrait of Mr. Apisit Rujikiatkamjorn, Chairman of Global House, wearing a yellow polo shirt with the company logo. He is smiling and looking towards the camera. The background is white.

The Company continuously develops and raises the standard of good corporate governance to create value for sustainable business growth by taking

ESG  
(Environment, Social and Governance) into consideration.

” ”

### Message from the Chairman

2022 was another year in which the company conducted its business with challenges among important factors such as the conflict situation between Russia and Ukraine, higher interest rate policy to control inflation, such factors affect the operating cost. Moreover, business competition is intensified as well as rapid changes in technologies, these are all management challenges that the company has to adapt to maintain operational efficiency and competitiveness.

The Operating results of the company and subsidiaries in 2022 have total revenue of Baht 35,978.40 million and net profit was Baht 3,505.89 million, increased from the year 2021 by 5.46% and 4.37% respectively. Regarding store expansion, the Company can expand more 2 domestic stores followed in the store expansion plan.

In addition to the growing performance, the Company is committed to develop and give the importance to business operations with environmental, social, and governance consciousness or ESG to create value for sustainable growth in all dimensions, including economy, society and environment. This is reflected in the “Rising Star Sustainability Awards” from the SET Awards 2022, organized by the Stock Exchange of Thailand, which is the first time that the company has received this pride award.

On behalf of the Board of Directors, we would like to express our sincere appreciation to shareholders, all stakeholders, management team, and employees for their continued support and great cooperation to driving the company's operations success. The Board of Directors affirms that the company will adhere to the principles of Good governance in business operations with transparency, taking into account all stakeholders, along with social and environmental responsibility for sustainable growth.

Yours Sincerely,



(Mr. Apisit Rujikeatkamjorn)

Chairman

# Mr. Witoon Suriyawananakul

Chief Executive Officer



Last year is an important step on sustainability of Global House, the Company has policy to continuously renovate stores for modern image in accordance with the change of generation, along with procuring eco-friendly products and services to

deliver value to meet the highest satisfaction of customers.

”

### Message from Chief Executive Officer

In 2022, we are still on uncertainty, since the beginning of the year that Covid-19 Omicron variant has spread rapidly, including the Russia-Ukraine conflict that began since February 24, 2022 onwards, that resulted in extreme uncertainty and affected energy costs and the entire supply chain economy. These impacts are starting to be evident from the 2<sup>nd</sup> quarter to the 4<sup>th</sup> quarter that makes the same stores sales that has been positive in the beginning of the year, became negative in the 4<sup>th</sup> quarter. This reflects a slowdown in customers purchasing power, steel prices started to decline, while cement prices rose due to higher energy prices.

However, the company operated with caution, closely monitored the situation, together with continuous risk management, especially inventory costs, resulting the company has no loss from steel stocks and also other products. This was reflected in total revenue was increased by 5.46% and net profit was increased by 4.37%, compared to the year 2021 under volatile economic conditions and continuously rising interest rates.

In addition to satisfactory performance, the past year has also been an important step in sustainability of “GLOBAL” that received the “SET Awards 2022” in Sustainability Excellence group category of Rising Star Sustainability Awards, regarded as a reward of success that we’ve received this year. As a result of digitalization, continuous improvement and development of internal systems throughout the organization. At the same time, there is same stores renovation to have a modern image in line with the changes of the generation by a policy to continuously renovate all stores as soon as possible, along with sourcing Eco-friendly products and services to deliver value to customers to get the highest satisfaction.

On behalf of Siam Global House Public Co., Ltd, we would like to express our gratitude to all stakeholders for the trust and participation in development and support the operations. The Company is committed to enhancing its business operations with social and environmental responsibility, along with operating under good governance for sustainable growth.

Yours Sincerely,



(Mr. Witoon Suriyawanakul)  
Chief Executive Officer

# PART 1

## Business Operation



## ► 01 Business Structure and Operation

# SIAM GLOBAL HOUSE Public Company Limited

### ► 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<sup>th</sup> 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 290,000 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.

## Vision and Mission

## 5 Corporate Culture

### 1.1.1 Vision Mission Corporate Culture Objectives and Goals

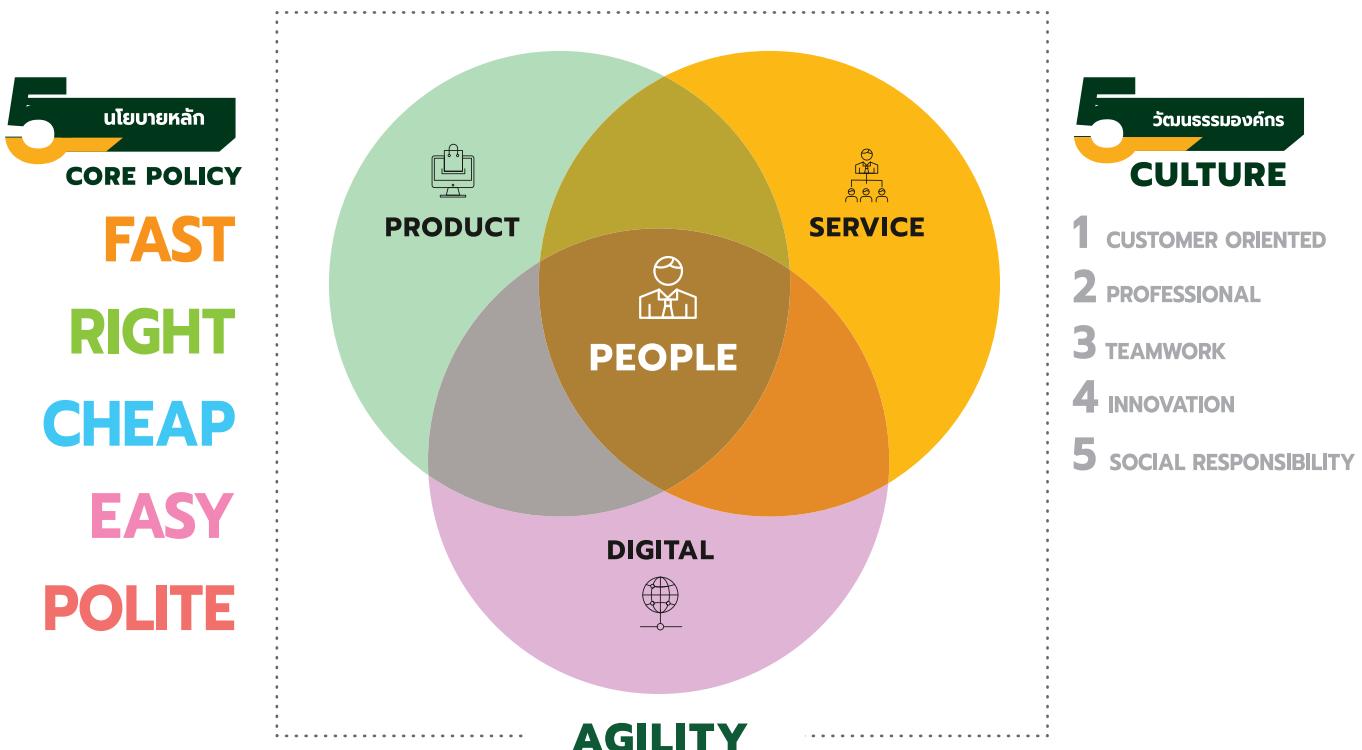
<b>Vision</b>	A center for building materials and home furnishings that meet the highest satisfaction along with the innovation development for sustainable growth. (A Better Choice for A Better Home)
<b>Mission</b>	The Company will strive to create products and services to suit the needs of customers in each area along with managing costs and expenses to an appropriate level. In order for the Company to deliver the highest value of products and services to customers, to achieve its vision of being a center for building materials and home furnishings that meet the highest customer satisfaction. In addition to managing under good governance principles and focusing on excellent work processes, the Company will focus on developing distribution channels, building relationships with customers, working with business partners, developing the innovation and information technology, improving human resources, together with social and environmental responsibility to create value for sustainable business growth.

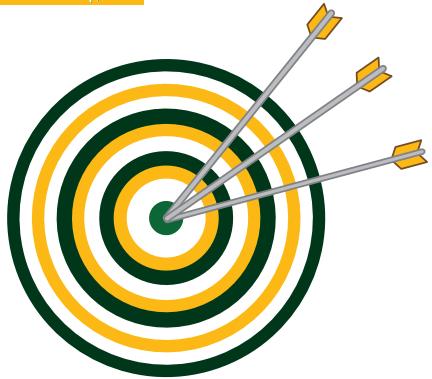
<b>1</b>	<b>Customer Oriented</b>	Prescribed that customers and customer needs both external and internal (employees) are important things and use to be principles of decision-making.
<b>2</b>	<b>Professional</b>	Performing work at full capacity, using logical decision-making on facts and information, being responsible for the assigned duties, including respect to the commitment for the completion.
<b>3</b>	<b>Teamwork</b>	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.
<b>4</b>	<b>Innovation</b>	Innovation to discover working methods, solving new problems to increase convenience and speed of working, including other business forms and opportunities for the Company.
<b>5</b>	<b>Social Responsibility</b>	Giving Contributions to the community and society as well as volunteering in various activities for the public both outside and inside the Company.



## Business Strategy

- ▶ Respond the highest customer satisfaction
- ▶ Properly Manage Cost and being competitive
- ▶ Variety of Products with quality services
- ▶ Continuous Innovation Development
- ▶ Continuous Store Expansion to cover service areas





### 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 2022, there are a total of 77 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 31 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 (Buriram), Kanthararak, Det Udom (Ubon Ratchathani) Kuchinarai (Kalasin) Phayakkhaphum Phisai (Mahasarakham), Nong Han (Udon Thani) and Phon Charoen (Bueng Kan).
- The northern 18 branches; Chiang Mai, Nakhon Sawan, Phitsanulok, Lamphun, 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 6 branches; Suratthani, Nakhonsithammarat, Phatthalung, Satun, Phuket and Samui (Surat Thani).

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 2022, the company has expanded more 2 stores, by the end of the year, the company has operated total 77 stores.



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

#### 2020



- ▶ On 24<sup>th</sup> 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, Kuchinarai and Wiang Pa Pao. **By the end of 2020, there were total 71 stores.**

#### 2021



- ▶ On 7<sup>th</sup> 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.
- ▶ On 30<sup>th</sup> August 2021, the Board of Director's meeting No. 4 / 2021 has approved the resolution to establish **Guangxi Global House International Trade Co., LTD**, subsidiary in China for import and export the products with registered capital 3,500,000.00 renminbi or equal to 17,950,450.00 Baht by the shareholding proportion 100%, and has registered on September 29, 2021
- ▶ On 29<sup>th</sup> October 2021, the Board of Director's meeting No. 5/2021 has approved the resolution to expand business in Philippines by joint venture with Filipino business partners to establish Global House Philippines Co., Ltd and Global House Philippines Estate Co., Ltd. to support the business expansion in Philippines.
- ▶ 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.**

#### 2022



- ▶ On 8<sup>th</sup> April 2022, the Annual General Meeting of Shareholders' 2022 have resolution to increase the Company's registered capital to be Baht 4,801,743,807.00 by issuing common stock of total 200,072,658 shares at the par value of Baht 1 per share for paying in common stock dividends.
- ▶ On 17<sup>th</sup> June 2022, the Company has signed a joint venture agreement with **Cosco Capital Incorporated** which operated various businesses in Philippines such as retail business in consumer goods, Real Estate, includes Oil and Mineral Business. The Company would establish **Global House Philippines Co., Ltd. ("GBP")** to operate retail stores and related businesses to distribute building materials and home improvement products in Philippines likewise with Global House store in Thailand. Also, the Company found **Global House Philippines Estate Co., Ltd. ("GBP ESTATE")** to operate land holding business to develop **Global House stores in Philippines.**
- ▶ The company has opened more 2 operating stores i.e., Samui and Phon Charoen.  
**By the end of 2022, there are total 77 operating stores**

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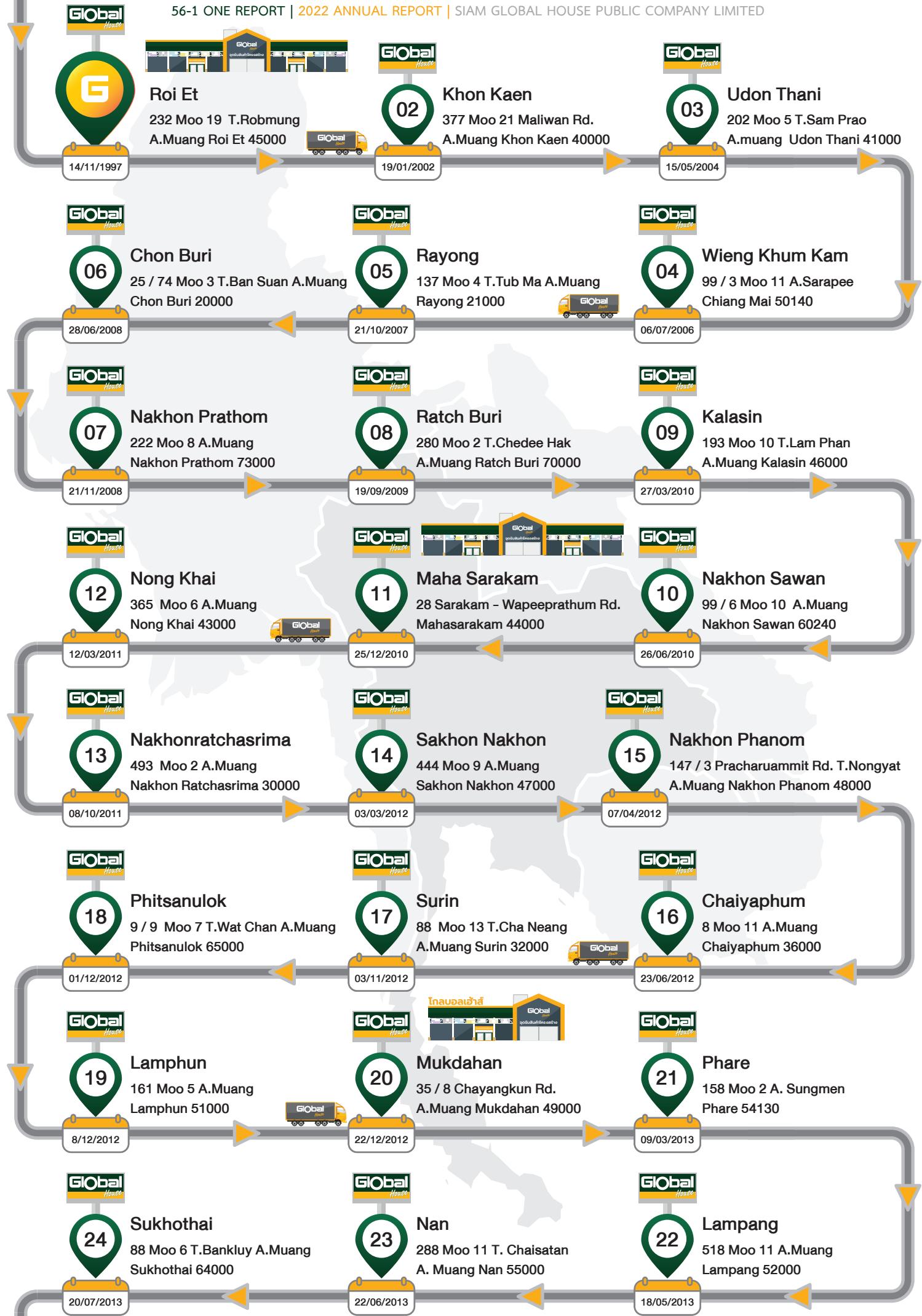


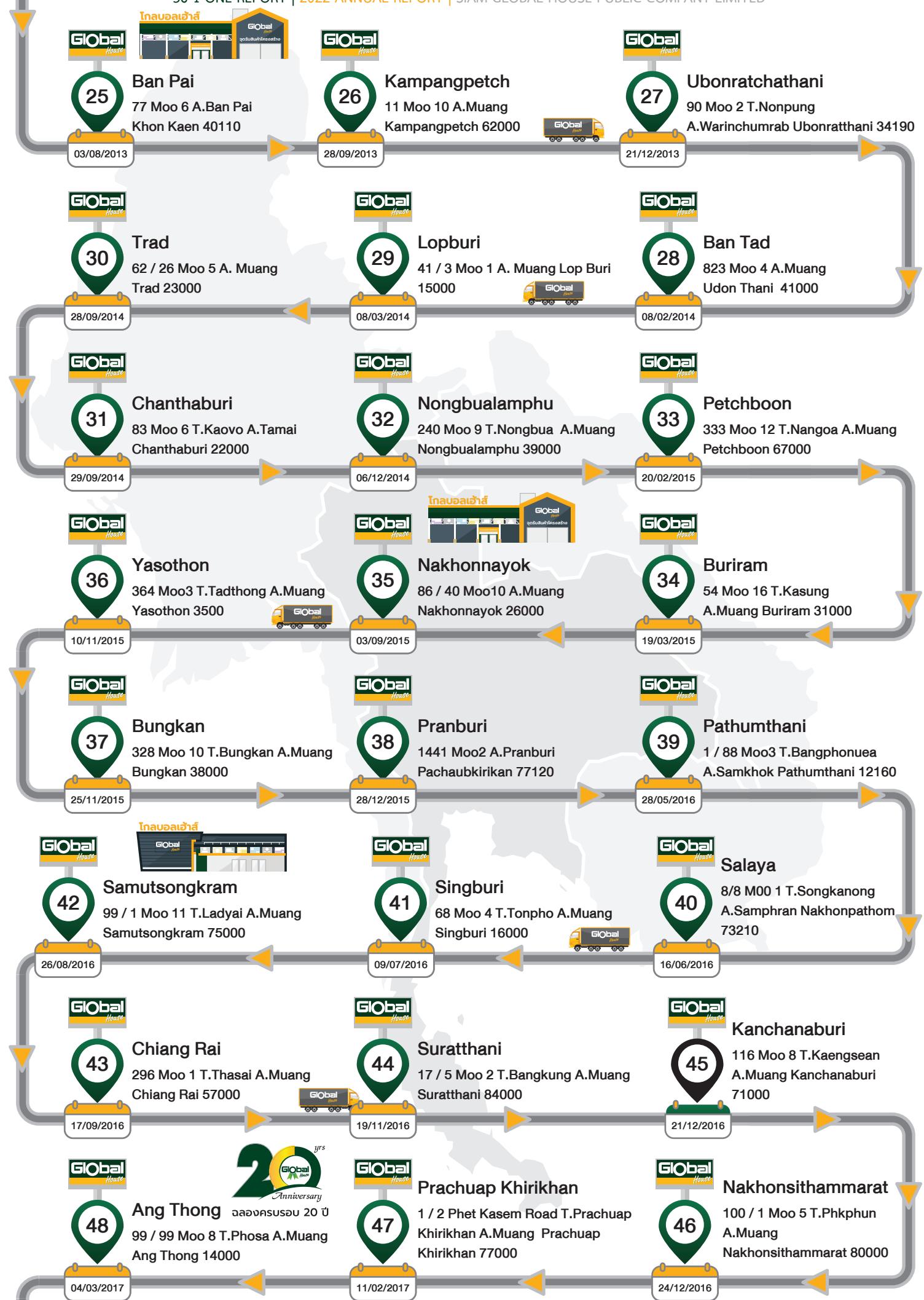


### 1.1.3 Company Head Office

**Company's Listed Name** Siam Global House Public Company Limited

<b>Symbol</b>	GLOBAL
<b>Registration No</b>	0107551000029
<b>Type of Business</b>	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
<b>Address</b>	232 Moo 19 Rob Muang, Muang, Roi Et, Thailand 45000
<b>Telephone</b>	043-519-777
<b>Fax</b>	043-511-492, 043-519-649
<b>Website</b>	<a href="http://www.globalhouse.co.th">www.globalhouse.co.th</a>
<b>Registered Capital</b>	4,801,743,807.00 Baht
<b>Paid-up Capital</b>	4,801,736,733.00 Baht
<b>Par Value</b>	1 Baht

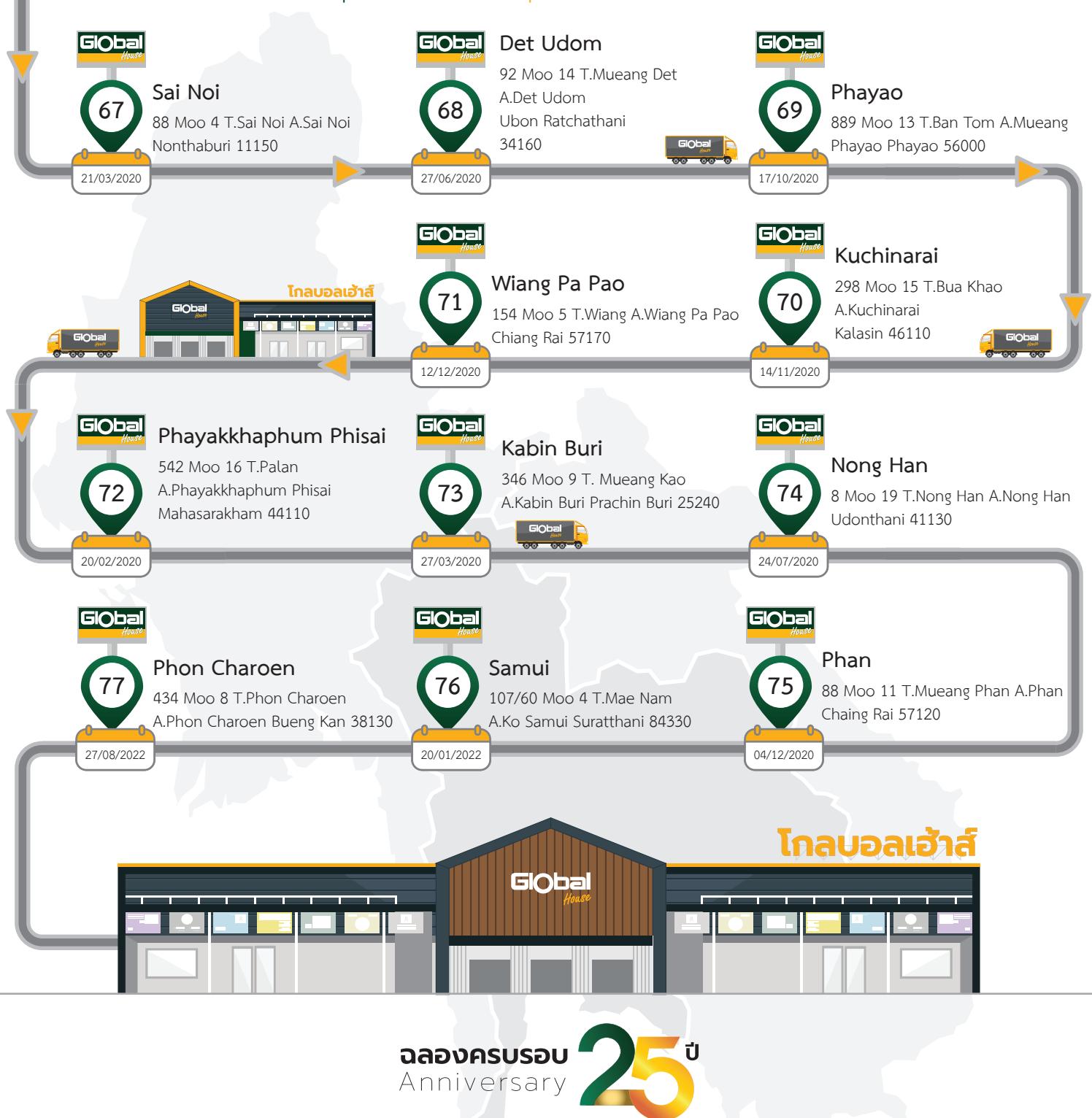






GLOBAL HOUSE CAMBODIA





With inspiration and commitment to create new things for construction material commercial circle in Thailand, along with knowledge and experience in construction material commerce business for over 25 years, thus “GLOBAL HOUSE” has established by concept and philosophy

“All-inclusive for your 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 Automated Storage Retrieval System (ASRS) 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.

## ASRS

(Automated Storage  
Retrieval System)

## ► 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;

# One Stop Shopping Home Center



Decorative items

- Doors, Windows and Woods
- Hand tools and Hardware
- Electrical Accessories
- Ceramic Tiles and Decorative items
- Furniture and Home Finishing
- Households, storage and cleaning equipment
- Kitchenware and Appliances
- Sanitary and Bathroom items
- Paints and Chemicals
- Sport and Recreation
- Outlet & Living



### Building Material Group

- Cements and Construction materials
- Steels, Nails and Wires
- Roofs and Installation tools
- Tanks, Pipes, Water Systems and Gardening



## Business Nature of Subsidiaries and Joint Venture

### 1. Global House Cambodia Co., Ltd (GBC)

established on 27 February 2017. With the objective for retailing construction materials and home décor products in Cambodia by Global House holds 55% shares of GBC.

### 2. Guangxi Global House International Trade Co., Ltd.

Established on September 29<sup>th</sup>, 2021 with the objective for import and export products in China by the shareholding proportion 100%

### 3. 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 2022		31 December 2021		31 December 2020	
	Amount	%	Amount	%	Amount	%
1. Sale revenue	34,749.78	96.59	33,010.21	96.76	26,207.95	95.81
1.1 Building Material Products	13,509.86	37.55	16,286.41	47.74	10,713.21	39.17
1.2 Decorative Products	21,239.92	59.04	16,723.80	49.02	15,494.74	56.64
2. Other Revenue	692.89	1.92	610.61	1.79	544.70	1.99
3. Subsidiary Revenue	535.73	1.49	495.29	1.45	601.24	2.20
<b>Total Revenue</b>	<b>35,978.40</b>	<b>100.00</b>	<b>34,116.11</b>	<b>100.00</b>	<b>27,353.89</b>	<b>100.00</b>

**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

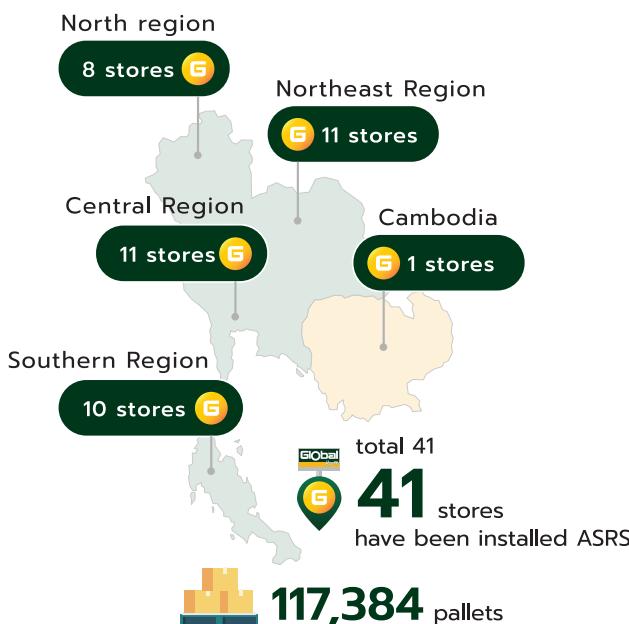
Type of Goods	Example of Goods	Number of item
<b>1. Building Material Group</b>		
Cement and Structure	Cement Portland, Cement Plaster	864
Steel, Tack and Wire	Steel Round, Steel Deformed bars	4,346
Tile and Equipment Installation	Ceramic Tile, Concrete Tile	13,058
Tanks, Pipes, Water Systems and Gardening	Plastics Tank and Stainless Tank, Trough and Gardening Equipment	21,902
<b>2. Hardware and Decorative Group</b>		
Doors, Windows, Woods and Equipment	Wood doors, PVC doors, Windows, Frame	19,696
Hand tools and Hardware	Steels Tools, Wood tools etc.	48,042
Electricity and Equipment	Switch, Plug, Cables, Lighting	37,063
Electrical Appliances and Kitchenware	Home Appliances and Kitchenware	32,559
Sanitary ware, bath and kitchen	Sanitary ware, Bathtub	31,312
Ceramic, Floor material and wall	Ceramic flooring, Granites tiles	28,187
Painting and Chemical material	Paints, Base, Oil	17,985
Furniture and Home Decoration Products	Bed, Wardrobe, Chairs, Mattress, Sofa, Office equipments	18,935
Sport and Leisure Equipment	Bicycle, Exercise Bike, Treadmill, Fitness Equipments	2,419
Home and Clearing equipment	Sideboard, Shelves, Home Equipments, Cleaning Equipments	7,741
Outlet & Living	Home Decoration and products, Office Equipment, Recreation, Skill Development Toys for Children, Vehicle Care Products, Coffee Shops	7,566
<b>Total</b>	<b>290,811 Items</b>	



## ASRS TO AUTOMATE STORE

# ASRS

### Automated Storage and Retrieval System



From our concept “All Inclusive for your House”, Global provided the categories of product more than 290,000SKUs. 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.

**Click & Collect****Delivery Service****Call Center****Installation Service****Return Policy**

### **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 2022, the company has innovation development project as follow;

#### **Development project of online trading system on Marketplace**

To be a distribution channel and increase the convenience of purchasing goods, there are also various payment channels to respond the lifestyle of the new generation.

#### **Development project of the connecting system of QR VISA MASTERCARD**

To make it easier for customers not to have to carry a credit card to pay for their products, simply scan the QR at the point of sale and also increase the security of use.

### Expenses details for innovation research and development

(Unit : million baht)

	2020	2021	2022
Innovation research and development expenses	26.37	27.03	0.03

### (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 show all products for customer's viewing, touching and selection, included installation services, renovation or decoration services, Special to 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.

# 2P3S

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

BEST PRICE	Selling products in reasonable and fair price
BEST PERSONAL	Best service mind and service availability of staffs
BEST SELECTION	The most of product variety with Low-end, Mid-end and High-end.
BEST SERVICE	Best service comparing with international standard
BEST STORE	Develop goods shelves and display of merchandise to be the best

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 290,000 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 in 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 2022, there are total ASRS operated 41 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 stores opening, giving information to mass medias such as business newspaper, local newspaper including public relations department of the partners from time to time, and the opening ceremony, giving 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

The retail business of construction materials and home furnishing products is likely to grow higher in the future. As the covid-19 pandemic is improving and is likely return to normal, respectively. This is supported by the government's economic stimulus and recovery measures to promote tourism, as evidenced by the gradual increase in the number of foreign tourists. Household consumption of middle-income groups and above still has a lot of purchasing power. This includes the continued expansion of government construction investments, such as repair and construction of secondary roads in various regions or large - scale construction projects linked to the EEC area. In addition, the stimulus package for housing-related properties is driving the growing demand for housing-related products. The stimulus package for housing-related properties is driving the growing demand for housing-related products. Nevertheless, the Company has continuously prepared and adjusted its operational strategy to deal with the situation. The company has stimulated consumer spending for both participating in economic stimulus and economic recovery measures with the government have a wide selection of products to respond to and be in line with the behavior of digital customers who shop through online channels and social media platforms. This includes public relations through advertising media and promotional activities in stores nationwide.

In 2022, the Company has continued its strategy of presenting products through omni channel, resulting the system for purchasing goods and services at the storefront has been improved, along with the development of online marketing channels both on the website and Click & Collect application. Including the development of new service models in collaboration with the Bank, the company has developed the Self - Check Out for customer convenience in the self-payment, customers can pick - up products at all the time 24 hours through Click & Collect application machine, customers can select the service point to pick-up products without leave their car by Drive-up service. As well as developing the Automated Storage & Retrieval System (ASRS) to increase the efficiency of the company's operation for the product storage, tracking the location, and checking the product status more accurate and correct, in order to increase more convenience for customer's service. And this will help to create the differentiation and enhance the competitiveness of the business more.

### Competitors

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

#### 1. Home Center Business 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 102 stores.
- **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 67 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 21 stores operated and 9 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 18 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 8 stores.

#### 2. Specialty Store 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 68% and importing products from aboard about 32% 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 200 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

#### 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

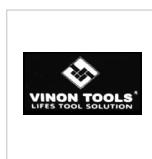
### Knob, Hinge and Door Accesories



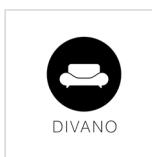
### Kitchen Ware



### Hardware and Tools



### Furniture



### Ceramic



### Roof

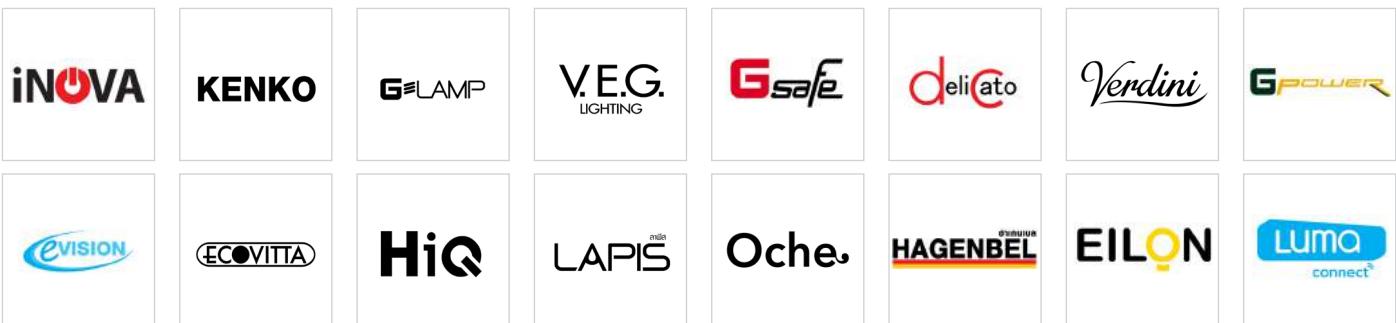


### Chemical



## HOUSE BRAND

### Electric Appliance



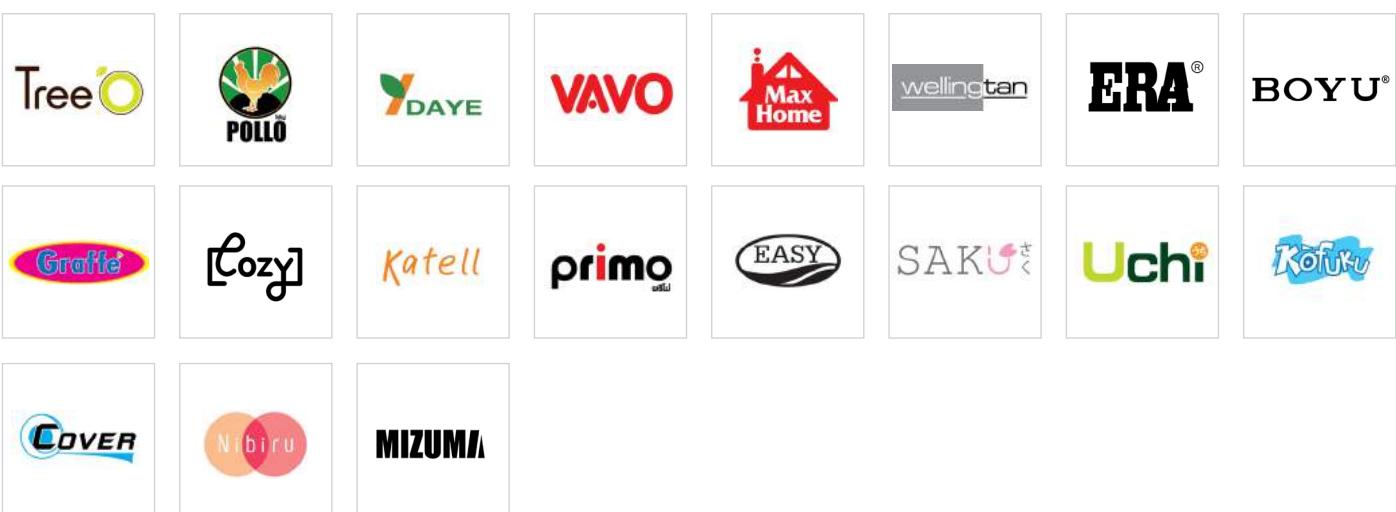
### Sanitary Ware



### Door, Window and Floor



### 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 -

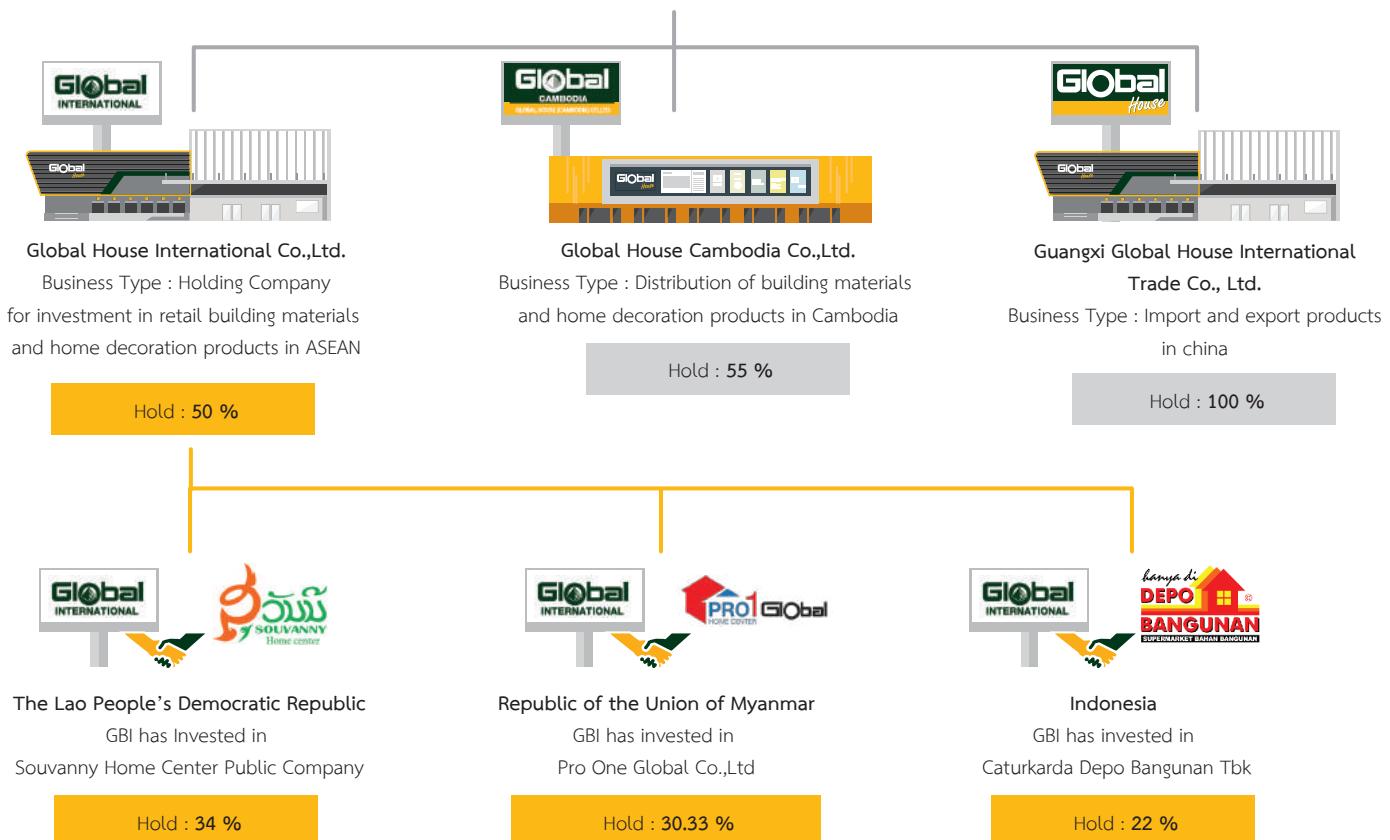
## ► 1.3 Company's Business Structure

### 1.3.1 The Structure of Business Group as 31 December 2022



Siam Global House PCL.

Business Type : Retailing building materials and home decoration products



**Initiative New things**

**To respond the highest satisfaction**

**Together with innovation development**



### 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, Phom 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, 2022, are comprise of ;

Rank	Name	Shares	Percentage (%)
1	The Suriyawanakuls	1,720,291,084	35.83
2	SCG Distribution Company Limited	1,581,880,000	32.94
3	Thai NVDR Company Limited	220,068,496	4.59
4	MORGAN STANLEY & CO. INTERNATIONAL PLC	91,038,962	1.90
5	Social Security Office	87,075,159	1.81
6	Krungsri Dividend Stock Long Term Equity Fund (LTF)	67,400,770	1.40
7	SOUTH EAST ASIA UK (TYPE) NOMINEES LIMITED	53,500,322	1.11
8	Mr. Boonyong Thanyawut	51,500,275	1.07
9	Mrs. Pitchaya Poonlarp	32,024,273	0.67
10	Krungsri Dividend Stock Retirement Mutual Fund (RMF)	22,536,075	0.47
11	Other	874,421,317	18.21
<b>Total</b>		<b>4,801,736,733</b>	<b>100.00</b>

**Remark :** Details of the Suriyawanakuls as following table.

## List of the “Suriyawanakuls”

Rank	Name			Shares	Percentage (%)
1	Ms.	Kunnatee	Suriyawanakul	544,197,012	11.33
2	Mr.	Kriengkrai	Suriyawanakul	534,956,555	11.14
3	Mr.	Kokrit	Suriyawanakul	186,046,874	3.87
4	Mr.	Kongphop	Suriyawanakul	178,907,516	3.73
5	Ms.	Chama	Suriyawanakul	177,424,998	3.70
6	Mr.	Witoon	Suriyawanakul	28,470,233	0.59
7	Mrs.	Ratnawadee	Suriyawanakul	21,944,078	0.46
8	Mrs.	Warunee	Suriyawanakul	21,702,871	0.45
9	Mr.	Anavat	Suriyawanakul	10,244,166	0.21
10	Ms.	Patumwan	Suriyawanakul	6,252,790	0.13
11	Mrs.	Karuna	Suriyawanakul	2,572,495	0.05
12	Mr.	Wiboon	Suriyawanakul	2,402,099	0.05
13	Mr.	Apilas	Suriyawanakul	1,819,967	0.04
14	Ms.	Nipapun	Suriyawanakul	1,776,352	0.04
15	Mr.	Pongsak	Suriyawanakul	727,548	0.02
16	Mr.	Pichit	Suriyawanakul	308,293	0.01
17	Mr.	Adisak	Suriyawanakul	225,656	0.01
18	Mr.	Pongkorn	Suriyawanakul	191,403	0.00
19	Mrs.	Pawika	Suriyawanakul	60,452	0.00
20	Mr.	Jakapong	Suriyawanakul	35,448	0.00
21	Mr.	Jarupol	Suriyawanakul	18,433	0.00
22	Mr.	Wittaya	Suriyawanakul	5,799	0.00
23	Mr.	Yutthana	Suriyawanakul	46	0.00
Total				1,720,291,084	35.83

## Details of shareholding of the Board of Directors and Top Executives as at 31 December 2022

	Name	Position	A number of shareholdings		
			31 Dec 2022	31 Dec 2021	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 / Chairman of the Sustainability and Corporate Governance Committee / 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	28,470,233	26,304,807
7.	Mr. Kriangkai	Suriyawanakul	Director / Sustainability and Corporate Governance Committee / Executive Director	534,956,555	512,666,699
	Spouse and minor children			60,452	41,934
8.	Mr. Nithi	Phatarachok	Director / Executive Director	-	-
9.	Mr. Paramate	Nisagornsen	Director	-	-
10.	Mr. Wiroat	Rattanachaisit	Director	-	-
11.	Mrs. Warunee	Suriyawanakul	Vice - CEO / Executive Director	21,702,871	20,798,585
12.	Mr. Anavat	Suriyawanakul	Vice - CEO / Executive Director	10,244,166	5,995,899
	Spouse and minor children			207,990,952	198,376,785
13.	Mr. Yutthana	Suriyawanakul	Vice - CEO / Executive Director	46	45
14.	Ms. Chutikan	Srisaengchan	Vice - CEO / Sustainability and Corporate Governance Committee / Executive Director	1,208,752	1,158,388
15.	Mr. Piphop	Vasanaarchasakul	Vice-CEO	-	-

Details of shareholding of the Board of Directors and Top Executives as at 31 December 2022

	Name	Position	A number of shareholdings		
			31 Dec 2022	31 Dec 2021	Increase / (Decrease)
16.	Mr. Isara	Rujikeatkamiorn	Vice-CEO	10,477,918	9,701,755
17.	Mr. Khemchat	Sungkakam	Vice-CEO	147	141
18.	Mr. Pongkorn	Suriyawanakul	Assistant-CEO	191,403	183,428
19.	Mr. Pongpol	Tiapairatkulkti	Assistant-CEO	-	-
20.	Mr. Tahpanat	Asawachchula-manee	Assistant-CEO	156	150
	Spouse and minor children			17	17
21.	Ms.Wiphawee	Hongsamspjed	Assistant-Vice CEO	175	264
					(89)

**Remark :** The numbers of shares that increase in 2022 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, 2022, the Company has the registered capital of 4,801,743,807.00 Baht and the paid-up capital amount 4,801,736,733 Baht. The Company has divided into common stock of 4,801,736,733 Shares par values at 1 Baht per share.

#### 1.5 Other Securities

The company does not issue other types of shares.

#### 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 - 2021

	2019	2020	2021
Earnings per share (Baht: Share)	0.4853	0.4336	0.7052
Dividend per share (Baht: Share)	0.2529	0.2305	0.2548
Proportion of dividends payment of net profit (%)	52.12	53.16	42.30

**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.

## ► 02 Risk Management



The Company realizes the important to Enterprise Risk Management according to the good corporate governance principles and believes that risk management is one of strategies that will help the Company to reach the operational goals and sustainable grow. Also, the business operations in present have changes all the time whether it is caused by external factors or internal factors, which may affect to achievement and the company's objectives.

## ENTERPRISE RISK MANAGEMENT

### ► 2.1 Risk management policy and plan

The Company has provided the risk management policy and plan that focuses on strong risk management with systematic process to manage risk effectively and keep the overall risk at an acceptable level. The risk management process is as follows :

- **Establishing Risk Management Policy:** setting scope, responsibilities. Risk management guidelines in line with the Company's strategy and operational goals.
- **Risk Identification:** identifies potential risks that affect the achievement of the Company's objectives, considering internal and external factors related to the Company. To cover strategic, operational, financial, legal and regulatory risks, risks of Environmental, Social and Corporate Governance (ESG) impacts and Emerging Risks.
- **Risk Assessment:** assesses the risk levels according to the stipulated criteria for likelihood, and impacts on the Company's objectives achievement, in case that such risks occur, to prioritize the risk matrix and define the methods to manage such risks.
- **Risk Management:** defines the methods to prepare significant risks management plan in order to reduce likelihood and impacts or damages from potential risks. By managing risk to an acceptable level.
- **Risk Monitoring & Review:** monitors the risk management results according to the set plan including assesses the risk management results to ensure that risk of the Company was be managed properly. The Management team shall monitor and report to the Audit and Risk Management Committee and the Board of Directors.

## ► 2.2 Risk factor to the business operations

The company analyzes and evaluates the risks, that affect to the business operation, consisting of strategic risks, operational risks, financial risks, legal and regulatory risks, ESG risks, and emerging risks. In the year 2022, there are risk factors and risk management as follows;

### 2.2.1 Risk to the business operations

#### Strategic Risks

##### (1) Risk from domestic business expansion investment

The company has policy of stores expansion to cover all over the country. In 2022, the company has expanded more 2 stores, there are total 77 stores. In addition, there are plus 7 stores are under construction that needs investment fund around Baht 300-400 million for each store. From the policy to continuously expand its stores, the company may have risks if the operating result of new stores not meet the target and affect to overview performance. The cause 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 conducting Feasibility study and analyzing rate of return before investment in stores expansion, by 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. And after operating, the company requires to closely monitor the performance of new stores in order to know the situation that can help the company to promptly deal with the risks that may arise. Besides, the company have an advantage of expertise in business from over 20 years of business experience, have the cost of acquiring land with a competitive advantage. The aforesaid factors can help to reduce risks from investment expansion of the company.

##### (2) Risk from Foreign business expansion investment

The company has expanded its investment to foreign countries by focusing on investment in ASEAN Economics Community (AEC) which has already operated in Laos, Myanmar, Cambodia, Indonesia, and Philippines and also plans to continuously expand its stores in foreign countries. Resulting the company may have risks in case that the operating result of new stores not meet the target or being fail that affect the financial position and the company's overall performance.

#### The company's risk management

The company managed such risks relating to foreign investments by conducting feasibility study and rate of return analysis to consider and formulate an investment plan. The company has considered 2 types of investment, that is; 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 Indonesia. And in form of Subsidiaries, investment in Cambodia, on behalf of Global House (Cambodia) Co., Ltd, and in Philippines, on behalf of Global House Philippines 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, along with hiring consultants with knowledge and expertise in the countries that has invested in, that can reduce risk 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, resulting the big wholesalers and retailers expand their stores or design their agents to areas near the communities, business district and department stores in Bangkok and other regions to cover more market. Consequently, the company may be affected by its market share from sales revenue 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 290,000 items, that lead to customers to find needed products for construction or decoration completely. In addition, providing home service that is covered the installation and maintenance for electric appliances, sanitary wares, water pumps, gutters, etc. Plus, In the past year, the company has also added cleaning services for residential and office buildings.

Besides, the company has developed online distribution channels for products and services to be in line 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.

## Operational Risks

### (1) Risk from Inventory Investment

AS at 31<sup>st</sup> December 2020, 31<sup>st</sup> December 2021, and 31<sup>st</sup> December 2022, the Company had inventory of Baht 14,287.20 million, Baht 16,185.62 million, and Baht 15,746.90 million respectively, or equal to 39.66%, 41.21% and 40.22% of total assets. Referring to differentiation strategy and product variation policy resulting the company has products more than 290,000 items. From this high number and value of inventories causing the company has risk on obsolescence of products that affect to decreasing of sales volume or lost, becoming sunk cost. Or in case of damaged products, causing the management cost or other damages may affect the business liquidity of the operations.

#### Risk Management of the Company

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

Besides, the company has distribution center at "Wangnoi" district, Ayutthaya province where is good location, convenient transportation, able to distribute products to other regions for all over the country in time. In addition, the company has installed the "Automated Storage & Retrieval System: ASRS" at distribution center and all stores of the company that have been operating since 2016. The ASRS system helps to manage warehouses more efficiently and able to control inventory quantity by connecting IT system with the product management system of the company. It can reduce the damage that may occur to the goods. 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. In addition, it reduces the risk of investing in the company's inventory, and the company has policy to install ASRS in all stores to increase overall operational efficiency.

## (2) Risk in product sourcing

According to differentiation strategy and product variation policy, the company have to source the quality product which respond variety of customer needs, including global price fluctuations for some products such as metals and electronics group. Therefore, the company may have risk of providing adequate products according to the quantity and price required which may affect the company's operations.

### Risk Management of the Company

The company has a products sourcing policy of both domestic and international from the manufacturers or distribution agents in order to reduce dependence on a particular vendor, as well as to create bargaining power for the Company. Plus, the company is also a trade partner with the Siam Cement Public Company Limited who has its affiliated are manufacturers of a wide range of products.

Besides, the company has established a subsidiary in China named Guangxi Global House International Trade Co., Ltd with the objective for sourcing products. This can reduce the risk of the products sourcing of the company.

## (3) Risk in human resource management

The Company plans to continuously expand its stores both domestically and internationally. Each store must have operational staffs around 150-200 persons, resulting the Company faces challenges in preparing personnel adequately even through the sufficient quantity, knowledge and ability to be keep up with stores expansion plan. The objective for the efficiency in operations and being competitive both domestic and international market.

### The company's risk management

The Company formulates recruitment strategies both from inside and outside the company. The organization provides opportunities for existing employees inside the company who wish to be relocated back to their hometown, and for outside the company, focuses on recruiting local personal. Regarding knowledge and skill development, the company has Learning Center at Head Office and Coaching Teams who are skillful with over 20 years of skills and experience to transfer knowledge to new employees. Furthermore, the company provide fair compensations correspond to the economic conditions of each area and properly welfares to attract candidates to work with the company.

## (4) Natural Disaster Risk

Global warming has resulted in rapid and severe climate change, many areas in Thailand have been affected such as flood crisis, drought, intensifying gale-force winds, and rising temperatures have all affected the company's business operations. Due to the Company has 77 stores nationwide and some products need to be placed outdoors such as Soil water tanks, treatment tanks and agricultural water pipes, which are big size, require space for arrangement. Besides, most of the store's locations are located in the suburb. Therefore, there is a risk of property damage in the event of a serious natural disaster.

### The company's risk management

The company manages risk by establishing a policy of hiring an independent building inspector to assess the safety of the building structure and the area around the building, as well as all outdoor garages. It also requires the store management team to check the building and area around the building every day for the safety of the building. In addition, the Company has a policy to provide All Risk Insurances for all stores of the Company in order to reduce the impact on the company's overall operations.

## (5) Risk in consumer behavior

The company has operated “Global House” since 1997. The layout inside and outside the store, as well as the narrative of shopping, may not be consistent with the generations and consumer behavior of Generation X and Generation Y customers group, which account for up to 80% of the company’s total customers. In addition, generation Y customers are considered to be consumers with high purchasing power, resulting the company may be at risk of losing market share that cannot adapt to such customer group and affects its overall operations.

### **The company’s risk management**

The company manages risk by determining policy to adjust the stores layout to be “Modern” both the improvements to the exterior and atmosphere inside the store. 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

The company manages risk by establishing a policy to modernize the layout of the store, both the exterior and the atmosphere of the store have been improved, Shop in Shop strategy, that is; Life Styles shop “USUPSO” and coffee shop “La Mayon Coffee”. Selecting products to suit the customer group and regularly assessing customer satisfaction to ensure that customers satisfy the store, products and services, and taking the survey results to improve. Besides, closely monitoring the movements and changing trends of the customer group to meet the demand in time, that can reduce risks in the Company’s operation.

## (6) Risk from Pandemic

In 2022, there is still outbreak of COVID - 19, although there is a downward trend. The government has issued a cancellation notice of COVID-19 from being a dangerous contagious disease, but adjusting it to a contagious disease that needs to be monitored since 1<sup>st</sup> October, 2022 onwards. The Company continues to monitor the spread of the disease as it may affect the company’s overall operations.

### **The company’s risk management**

The company maintains strict hygiene and safety measures, a screening point has been set up before entering the store, placement of alcohol gel and regular cleaning of service areas. For employees, screening is required before entering the store, encouraging employees to wear face masks, vaccination support and ATK testing when there is a risk of disease. Anyway, if an employee has COVID - 19, the company will allow to take leave for treating until they recover with closely monitor to ensure that they get well and safe before back to work.

In addition, the company focuses on developing online distribution channels to be modern, easy to use, and access more customers. For customers who wish to shop online, they can pick up their products at the store through Drive Up channel without leaving their car or online pickup kiosks at stores, where customers can pick up their products by themselves.

## 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 2020-2022 by the proportion was 96.73%, 97.40% and 97.30%, respectively. The company also place an important on credit sales revenue even through 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, 2022, the Company has account receivable of Baht 86.54 million.

#### **The company's risk management**

The company realizes to credit line consideration for customers by considering only customers with a conditional repayment history and requires a letter of guarantee from SCB Bank as collateral, as well as complete the legalization of the contract. Besides, the company have a cooperation with the financial institution to support credit line for construction materials store entrepreneurs and contractors who are business partners with the company. This helps to reduce risk from account receivable of the company.

Besides, the company has policy to set allowance for doubtful accounts by considering the general accounts receivable with no guarantees that overdue over 60 days. The Company shall set allowance for doubtful accounts 100% of the total outstanding debt of that debtor. And for the government agencies, foreign account receivables, and related parties' accounts receivable with overdue over 90 days, the Company will set the allowance for doubtful accounts 100% of the total outstanding debt. In 2022, the Company recorded the Expected Credit Loss in impairment of Baht 2.34 million and had no bad debt.

### (2) Risk from interest rates

Loans is the company's primary approach of financing for operations and investments in stores expansion, that resulted in *Interest-bearing depts* to pay to financial institutions such as short-term loans and long-term loans. Some of them have floating interest rates, which may rise or fall depending on the interest crisis in the financial markets. Therefore, 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 bargaining ability for 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 the operations either directly or indirectly due to the company import products from overseas, theire is 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 making forward contract with the financial institutions to reduce impacts from any probability risk of currency fluctuations.

## Compliance Risks

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

Conducting the business, some kind of products require a license for selling. The Company must provide or maintain various licenses for using in the business operations, 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, etc. The company may have risk in providing a license or unable to renew licenses completely within deadline that may affect the business operations.

#### The company's risk management

The company manages risk by establishing the audit process for completeness of all operation licenses and develops internal operation system for reminding and monitoring 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 Laws on The Right to Personal Data Subjects, creating standards for keeping personal data safe and using for the right purpose according to the consent granted by the personal data subject that has been effective since 1 June 2022 onwards. Due to the operation of the company has related to personal data of many groups of stakeholders such as customers, suppliers, and employees which may be cause of risk if there is fail to comply with the measure as stipulated by Laws.

#### The company's risk management

The company has defined the operation measure to be in accord with the regulations, such as 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 and train employees to know the compliance to the Personal Data Protection Act. 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. Anyway, in the past years, there have been no cases of personal data leakage.

## ESG Risks

### (1) Risk of Climate Change

Presently, global face severe climate change all over the world, that affected the livelihoods. infrastructure and the overall economy. Many countries are becoming more focused on climate and the environment. Businesses are encouraged to take climate change into account in policy and practice. For the company, Climate Change may affect both the risks and opportunities for the company's overall operations and reputations.

#### The company's risk management

The Company recognizes the importance of climate change affecting its business operations and sustainability. Therefore, it focuses on operational approaches that do not affect the climate and the environment, such as Solar Rooftop installation at all 77 stores at the end of the year 2022. The objective for using clean energy instead of electricity from transmission lines of 79,611,969.10 kWh. and reduce greenhouse gas emissions of 45,315.13 tCO<sub>2</sub>e/y, including the modification of operational equipment from fuel to electric, etc.

Besides, There is also a policy to procure and support the sale of eco-friendly products to support the responsible consumption for customers. By 2022, there is sales of such products accounted to 31.81% of sales revenue.

## (2) Human Right Risk

According to the company has continuously expanded its stores 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 has established a human rights policy that reflects its commitment to conduct business on the basis of respecting human rights. By requiring directors, all executives and employees must acknowledge and comply with the Company's human rights policy to prevent human rights violations of the Company's stakeholders throughout the 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) Corruption Risks

The company is well aware that Corruption is a top important problem that affects the country's development very much. Throughout the past period, the Company has adhered to business operations with integrity, integrity and transparency under the framework of good corporate governance, and realizes to concise internal control procedures, determining anti-corruption policy, corporate governance manual, Business Ethics and code of conduct as well as requiring directors, all executives and employees to be acknowledged and strictly followed.

### The company's risk management

Beside of compliance to Anti-corruption policy and Business ethic, to prevent the mentioned above risks that may arise in the organization, the company set the operational 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.

And also in the past years, the Company has announced its intention to join Thai Private Sector Collective Action against Corruption (CAC) to be a part of efforts to tackle corruption, along with invites partners to join the anti-corruption network.

## Emerging Risks

### (1) Risk from Technological Change

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 policy to develop Roi-Et store where is the first store of the company to be the Original Digital Store, in order to increase the efficiency in management within store and reduce environmental impacts in long-term.

### **(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) Geopolitical Risk**

In recent years, geopolitical conflicts and tensions between countries have affected the financial system, the global economic and business sector, whether directly or indirectly. This has resulted in higher operating costs as a result of rising oil prices, loan interest rates have increased and the strengthening of the US dollar. Besides, this may also affect sales that do not meet the target due to a decrease in customer purchasing power, which may affect the company's overall performance.

#### **The company's risk management**

The Company manages risk by closely monitoring the situation and preparing appropriate and timely response plans for impacts such as program in-house development to closely monitor the performance of each store, adjusting applicable rates in accordance with operating costs, using of financial instruments, choosing to pay for goods imported from abroad in local currency instead of US dollars, Creating new business partnerships to reduce dependence on a particular. As well as expanding the customer base both inside and outside the country, resulting the company can maintain the growth rate of the previous year.

The Company gives the importance to the Enterprise Risk Management in risk management according to the good corporate governance, and believes that risk management is one of strategies that help the Company to achieve the operational goals and sustainable grow. In addition, the current business operations are always constantly changing, whether due to external or internal factors, which may affect the company's goals and objectives.

### 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 Suriyanakuls and SCG Distribution Co., Ltd are the major shareholders that holding shares more than 25% which held total 3,302,171,084 shares or 68.77% of the total issued shares, as of 31 December 2022. Therefore, the Suriyanakuls 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.



# ► 03 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;



Governance and Economic	Social	Environmental
<ul style="list-style-type: none"><li>• Corporate Governance, Risk Management and conducting business in accordance with laws.</li><li>• Innovation and Technology</li><li>• Quality Products and Services</li><li>• Customer Relation Management and responsibility</li><li>• Supply Chain Management</li></ul>	<ul style="list-style-type: none"><li>• Human Resource Management</li><li>• Occupational Health and Safety</li><li>• Developing the community for Society</li></ul>	<ul style="list-style-type: none"><li>• Energy Management</li><li>• Water Management</li><li>• Waste Management and Secondary Material</li><li>• Climate Change and Green-house Gas Emission</li></ul>

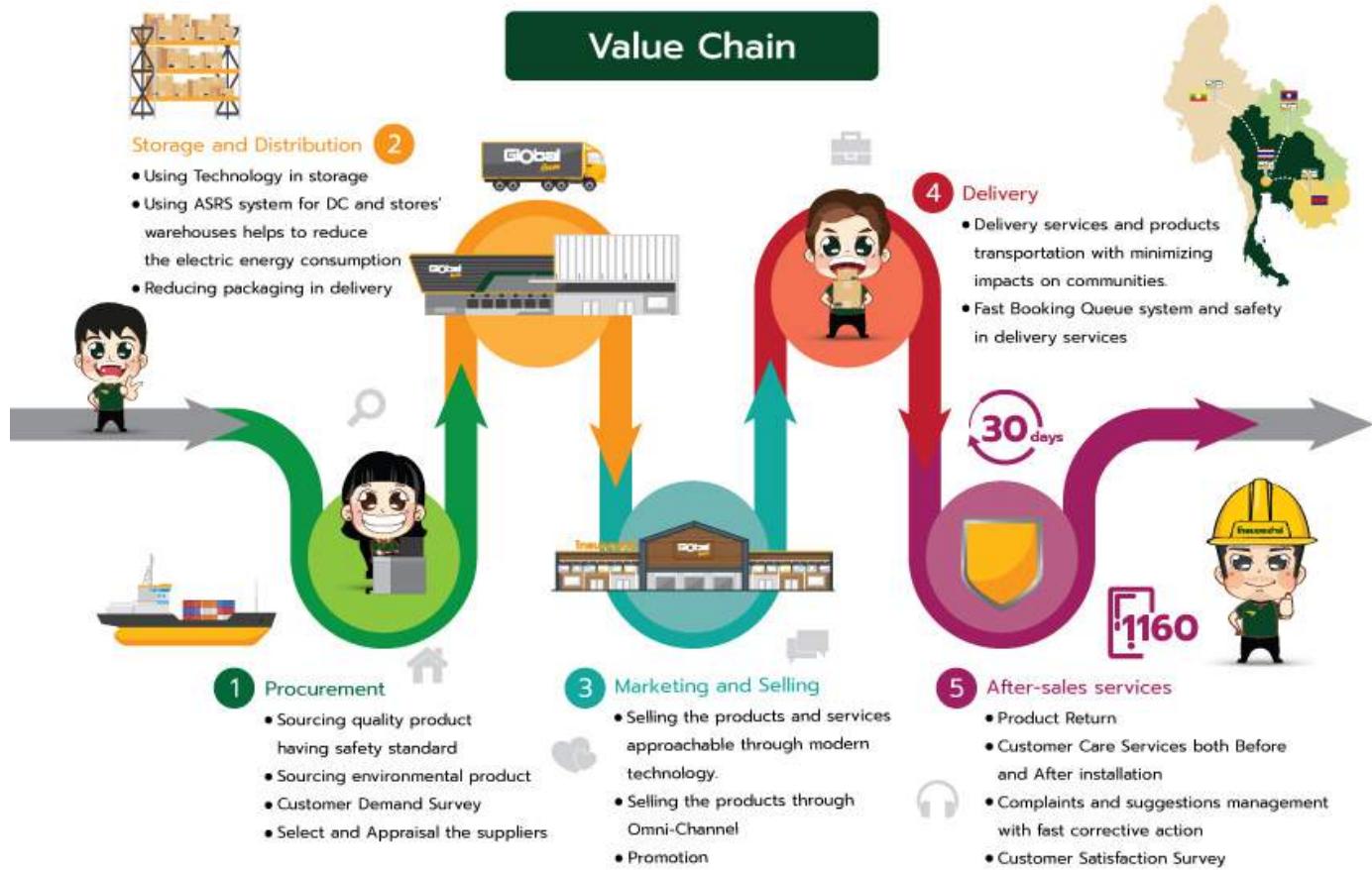


## ► 3.2 Impacts Management toward stakeholders in business value chain

### 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	Stakeholders Through Value Chain							
	Customers	Employees	Suppliers	Community and Society	Governmental Sector	Shareholders	Creditors	Competitors
1		✓	✓		✓	✓	✓	
2		✓	✓	✓		✓		
3	✓	✓			✓	✓	✓	✓
4	✓	✓		✓		✓		
5	✓	✓	✓			✓		

#### 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
Customers	<ul style="list-style-type: none"> <li>1. Products responsible for the community, Society and Environment</li> <li>2. Good quality and reasonable price</li> <li>3. Safety products and services</li> <li>4. After-sales services</li> <li>5. Easy and convenient to access products and service</li> <li>6. Clearly communication in products details</li> <li>7. Complaints handling and management</li> </ul>	<ul style="list-style-type: none"> <li>1. Procurement of Eco Product</li> <li>2. Distribution the product having standard and safety</li> <li>3. Develop distribution channels of products and services</li> <li>4. Fast and Effective in complaints</li> <li>5. Treatments both before and after sales including giving service equally.</li> </ul>	<ul style="list-style-type: none"> <li>1. Customer Satisfaction Survey</li> <li>2. Call Center 1160</li> <li>3. website : <a href="http://www.globalhouse.co.th">www.globalhouse.co.th</a></li> <li>4. Electronic Media</li> </ul>
Employees	<ul style="list-style-type: none"> <li>1. Proper Compensation and welfares</li> <li>2. Good quality of life and safety at work</li> <li>3. Career Advancement and Security</li> <li>4. Improvement of skill, knowledge and ability in working</li> <li>5. Practice toward employees by adhering to human rights.</li> <li>6. Personal Data Retention</li> </ul>	<ul style="list-style-type: none"> <li>1. Employee Engagement Activities with the company</li> <li>2. Security and Career growth</li> <li>3. Receiving Fair compensation including good welfares</li> <li>4. Good and Safety in work environment.</li> <li>5. Receiving trainings in skills related to duties and responsibilities.</li> <li>6. Providing the policy of Occupational Health and Safety</li> </ul>	<ul style="list-style-type: none"> <li>1. Employee Satisfaction Survey</li> <li>2. Complaints through the Red box for each store</li> <li>3. Information Communication through Intranet or other channels</li> </ul>

Stakeholders	Expectation	Operation	Communication Channels
Suppliers	<ul style="list-style-type: none"> <li>1. Fair trade</li> <li>2. Increasing of Purchase Volume</li> <li>3. Suppliers Development</li> <li>4. Growth together in business</li> </ul>	<ul style="list-style-type: none"> <li>1. Operates business with ethics and code of conduct</li> <li>2. Cooperates to develop products</li> <li>3. Treats suppliers equally</li> <li>4. Have clearly purchasing process</li> <li>5. Follows the trading terms and conditions.</li> <li>6. Independent and Fair-trade competition</li> </ul>	<ul style="list-style-type: none"> <li>1. Policy and ethic in business operation</li> <li>2. website : <a href="http://www.globalhouse.co.th">www.globalhouse.co.th</a></li> </ul>
Community and Society	<ul style="list-style-type: none"> <li>1. Operate business with safety and social responsibility</li> <li>2. Participation and supporting in community's activities</li> <li>3. Community Improvement</li> <li>4. Employment/Hiring</li> </ul>	<ul style="list-style-type: none"> <li>1. Participate in activities for supporting community's culture.</li> <li>2. Encourage occupation of people in community</li> <li>3. Listening opinions and suggestions of community</li> <li>4. Save important ecology of the community around the store</li> </ul>	<ul style="list-style-type: none"> <li>1. Before Construction</li> <li>2. Area Survey and Public hearing with community</li> <li>3. After Construction</li> <li>4. Contact via the management team</li> <li>5. website : <a href="http://www.globalhouse.co.th">www.globalhouse.co.th</a></li> </ul>
Governmental Sector	<ul style="list-style-type: none"> <li>1. Law compliance</li> <li>2. Participation in the projects</li> </ul>	<ul style="list-style-type: none"> <li>1. Support and strictly comply with laws and regulations.</li> <li>2. Giving cooperation in government sector's activities</li> </ul>	<ul style="list-style-type: none"> <li>1. Contact via the management team</li> <li>2. website : <a href="http://www.globalhouse.co.th">www.globalhouse.co.th</a></li> </ul>
Shareholders	<ul style="list-style-type: none"> <li>1. continuously growing performance</li> <li>2. Investment return</li> <li>3. Management with corporate governance and accountability</li> </ul>	<ul style="list-style-type: none"> <li>1. Comply with good corporate governance principle</li> <li>2. Develop communication channels with</li> </ul>	<ul style="list-style-type: none"> <li>1. Shareholder's Annual General Meeting</li> <li>2. Annual Registration Statement 56 - 1 form (One Report)</li> <li>3. Investors Relations</li> <li>4. website : <a href="http://www.globalhouse.co.th">www.globalhouse.co.th</a></li> <li>5. E-mail : <a href="mailto:ir@globalhouse.co.th">ir@globalhouse.co.th</a></li> </ul>
Creditors	<ul style="list-style-type: none"> <li>1. Cooperation in financial transaction.</li> <li>2. Follows the conditions in agreement</li> <li>3. Growth together in business</li> </ul>	<ul style="list-style-type: none"> <li>1. Strictly comply with conditions and agreement</li> <li>2. Making a contract legally and transparent</li> </ul>	<ul style="list-style-type: none"> <li>1. Contact via the management team</li> <li>2. website : <a href="http://www.globalhouse.co.th">www.globalhouse.co.th</a></li> </ul>
Competitors	<ul style="list-style-type: none"> <li>1. Fair Competitions</li> <li>2. Non infringement of intellectual property</li> </ul>	<ul style="list-style-type: none"> <li>1. Operates business with ethics and code of conduct</li> <li>2. Fair and transparency in business competitions</li> </ul>	<ul style="list-style-type: none"> <li>1. Policy and ethic in business operation</li> </ul>

## 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. Issue Verification

Propose issues from prioritization to the Sustainability and Corporate Governance Committee to consider review and approve the related matters for presenting in the Annual Report. In addition, the Company has assigned the related department to consider to verify the correctness and completeness of significant issues for covering economic, social, and environmental dimensions.

### 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 2022



### Economic

1. Corporate Governance, Risk Management and conducting business in accordance with laws.

2. Innovation and Technology

3. Quality Products and Services

4. Customer Relation Management and responsibility

5. Supply Chain Management

### Social

6. Human Resource Management

7. Occupational Health and Safety

8. Developing the community for Society

### Environmental

9. Energy Management

10. Water Management

11. Waste Management and Secondary Material

12. Climate Change and Greenhouse Gas Emission

## Economic Sustainability Management

### Smart Products & Services

“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;



Economic Target and performance	2020	2021	2022	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)	-	25.30%	31.81%	40%	2025
Increasing customer satisfaction- Product	95.60%	93.30%	93.50%	95%	2025
Increasing customer satisfaction - Service	95.10%	98.20%	93.50%	95%	2025
Increase the efficiency of same-day delivery	-	63.1%	65.08%	70%	2025
ESG Risk Assessment	-	69.39%	80.87%	90%	2022
Employees Training-Supply Chain and Sustainability	-	-	-	100%	2025
Suppliers-Supply Chain and Sustainability	-	-	-	70%	2025

**Corporate Governance, Risk Management and  
conducting business in accordance with laws**

**Corporate Governance**

Target for the year 2025	
Key Operations in 2022	Key performance in 2022
<ul style="list-style-type: none"> <li>1. Appointment of the Sustainability and Corporate Governance Committee to control the operations on environmental, social and governance (ESG) to meet target and build the confidence to all stakeholders, according to the resolution of Board of Directors' meeting No. 2 / 2022</li> <li>2. The Committee has reviewed the Corporate Governance Manual, Business Ethics and Code of Conduct to be clearer and more consistent with laws and regulations.</li> <li>3. Organizing the training on Business Ethics and Code of Conduct to employees.</li> <li>4. Reviewing the Supplier Code of Conduct to be clearer and more consistent with regulations.</li> </ul>	<ul style="list-style-type: none"> <li>1. The Company has participated in the Corporate Governance Report (CGR) of Thai Listed Companies for the year 2022 by Thai Institute of Directors (IOD) and the Stock Exchange of Thailand (SET) which has been assessed Excellence or 5 stars rating.</li> <li>2. 2022 Annual General Shareholders' Meeting Assessment, the Company received 100 full score or excellent rating for the 4th consecutive year, indicated that the Company has intention to comply with Corporate Governance that consider to Rights and Equity of all shareholders. Anyway, the Company has set a goal to maintain the results of the shareholders' meeting assessment at an "excellent" level forever.</li> <li>3. 20.94 % of all employees has been trained course Business ethics and Code of Conduct.</li> <li>4. The Company has no complaints or disputes regarding the Code of Conduct.</li> </ul>

**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.

## Good Corporate Governance Structure

### Sub-committees

The Company has sub-committee who have independence to perform duties under the responsibilities to the Board of Director, with important responsibilities which is composite of;



### Audit and Risk Management Committee

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.

### Nomination and Remuneration Committee

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.
7. 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.
8. 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.
9. 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.

#### Sustainability and Corporate Governance Committee

1. Consider and determine the goal, policy, strategy, along with sustainability development operation plan, in accordance with business operation in economic, social, and environmental aspects, under the corporate governance principle.
2. Control the compliance to the policy, strategy, sustainability development operation plan, through the working group who has been assigned.
3. Control the disclosure of sustainability development information of the Company to stakeholders in form of 56-1 One Report and Sustainability Report.
4. Corporate with Risk Management working group to evaluate the risk management and mitigation in regard to the sustainability development, including conducting the Materiality Maps.
5. Consider, determine, review, and adjust the Climate Change strategy, including manage risk and likelihood from Climate Change according to the international standard. In order to present to the Board of Directors to consider approve, as well as control the compliance to the Climate Change strategy.
6. Consider, determine, review, and adjust the policy of Corporate Social Responsibility: CSR, to present to the Board of Directors to consider approve, including control the compliance to the Corporate Social Responsibility : CSR policy.

7. Consider, determine, review, and adjust the policy, corporate governance manual, business ethics, and code of conduct, to be in accordance with regulations of government sectors and organizations in charge of corporate governance. In order to present to the Board of Directors to consider approve, including control the compliance to such corporate governance manual, business ethics, and code of conduct.
8. Consider, determine, review, and adjust the policy and practice guidelines regarding Anti-Corruption, to present to the Board of Directors to consider approve, including control the compliance to such policy and practice guidelines regarding Anti-Corruption.

### Board of Directors' Structure

The Company has 10 directors of the Board, composite of 2 executive directors, 4 independent directors, and 8 non-executive directors.

Male 10 persons	Female 0 person	Average Tenure (Years)
Non-Executive Directors 8 persons	Executive Directors 2 persons	Independent Directors 4 persons

**8.40 years**

### Board Skills Matrix



## Corporate Governance Report of Thailand Listed Companies 2022



The company has received Excellent CG Scoring or scoring of 5 from the program Corporate Governance Report of Thailand Listed Companies 2022 (CGR) organized by Thai Institute of Directors (IOD) and the Securities Exchange and Commission (SEC) and the Stock Exchange of Thailand (SET).

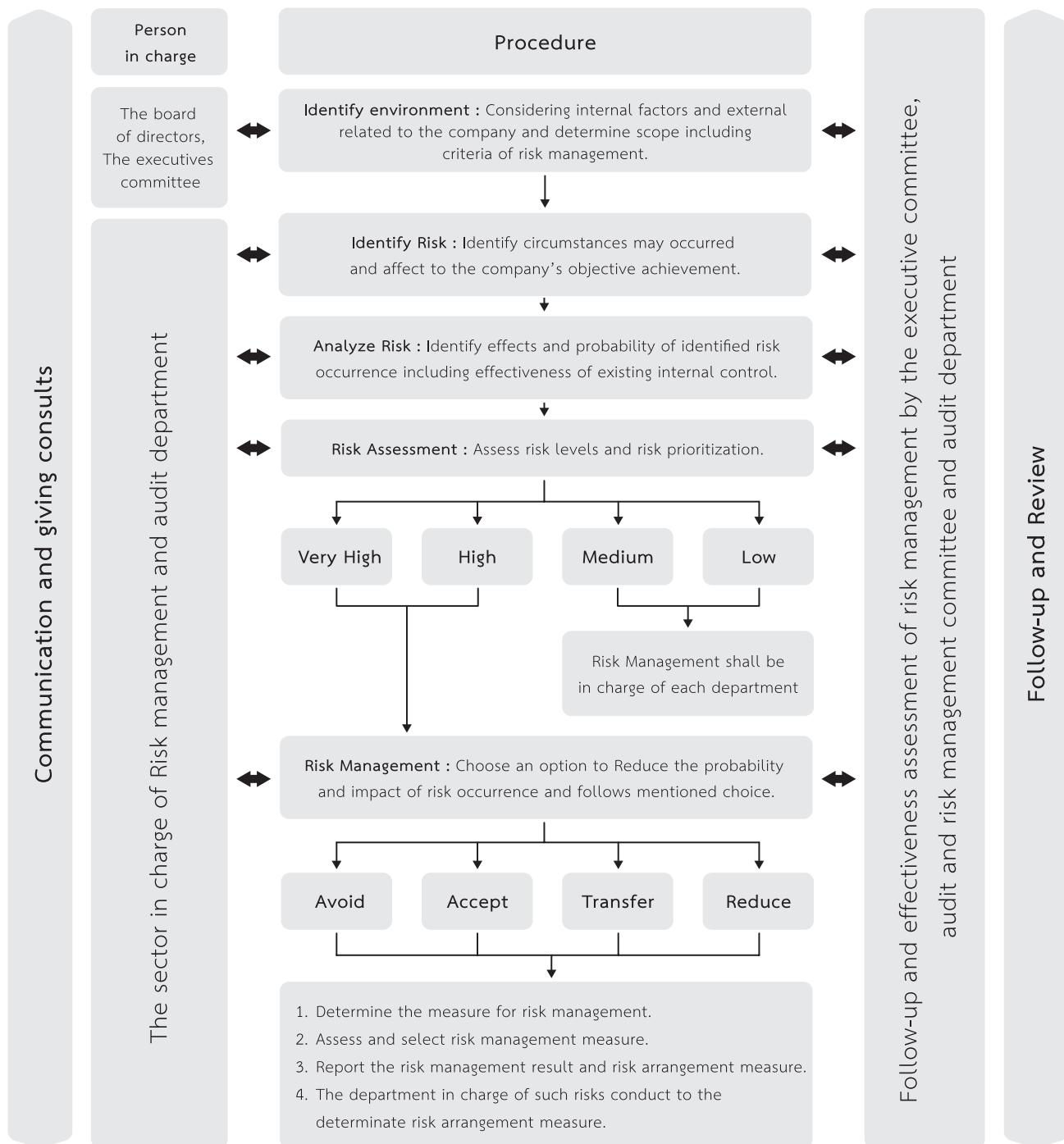
### Risk and Crisis Management

The Company realizes to the importance of risk management to be a part of good corporate governance by the Audit and Risk Management committee performs their duties to review the appropriateness and efficiency of risk management to ensure that the internal control and risk management have sufficient efficiency and report to the Board of Directors, as well as finding solutions that can increase the efficiency of risk management operations to be more comprehensive.

### Enterprise Risk Management Structure



## Risk Management Procedures



## Emerging Risks

Risk Factors	Business Impacts	Measure and Management Approach
<b>Risks from technological changes</b>		
1. Business Operation	<ul style="list-style-type: none"> <li>• Conducting business more convenient.</li> <li>• The Company can communicate with suppliers and customers quickly.</li> <li>• Buying products and services accurately and quickly</li> </ul>	<ul style="list-style-type: none"> <li>• Developing shopping online on Marketplace</li> <li>• Developing the OR connectivity systems, VISA MASTERCARD</li> <li>• Developing Click &amp; Collect system to connect storefront data and online channels</li> </ul>
<b>Cyber Threats</b>		
1. Access to personal data of stakeholders, that is, customers, suppliers, employees.	<ul style="list-style-type: none"> <li>• The Company must pay the indemnity to customers, employees, who are victims.</li> <li>• The Company might have to pay the indemnity in case of infraction (B.E. 2019).</li> <li>• Loss of reputation, Image, and trust of stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>• Training to employees</li> <li>• Authorize or specify the access rights of users</li> <li>• Set the policy and penalty</li> </ul>
2. Leakage of the important and confidential information of the Company such as trading information, financial information.	<ul style="list-style-type: none"> <li>• This may result in the failure to meet the specified plan or targets, such as decreased revenue or profit, or may result in increased operating costs</li> </ul>	<ul style="list-style-type: none"> <li>• Develop e-Tax system enabling the safe issuance of full tax documents.</li> <li>• Regularly check the system vulnerabilities.</li> </ul>
3. Being attacked by potentially unwanted programs	<ul style="list-style-type: none"> <li>• This causes the company's sensitive data to be stolen</li> <li>• This causes the loss of important data.</li> <li>• This slows down the system of programs.</li> <li>• Risk to Data Ransomware.</li> </ul>	<ul style="list-style-type: none"> <li>• Preparing the contingency plan and data recovery tests.</li> <li>• Develop a plan to increase the efficiency of information technology systems.</li> <li>• Set up a data recovery agency when exposed to cyber threats.</li> <li>• Control access right and use of information systems.</li> <li>• Control the use of rights to install unwanted program</li> </ul>

Risk Factors		Business Impacts	Measure and Management Approach
4.	Being attacked by web applications.	<ul style="list-style-type: none"> <li>This causes the leakage of internal information</li> </ul>	<ul style="list-style-type: none"> <li>Control access right and use of information systems.</li> <li>Regularly update and test</li> </ul>
5.	Being attacked to disrupt the operation of the system	<ul style="list-style-type: none"> <li>This causes the program unavailable.</li> <li>This causes the server OS cannot work properly.</li> <li>This causes the transaction of the Company to be interrupt.</li> </ul>	<ul style="list-style-type: none"> <li>Design and develop program only on sandbox</li> <li>Data Backup</li> <li>Install Andy Virus Scans and Updates regularly.</li> <li>Using the safe Cloud Server.</li> </ul>
6.	Connecting Un-safe devices	<ul style="list-style-type: none"> <li>Risk of Viruses</li> <li>Information may loss.</li> <li>Risk of theft of important information.</li> </ul>	<ul style="list-style-type: none"> <li>Use network devices that can restrict access. permissions for unauthorized devices.</li> <li>Use an SSL connection to access websites.</li> </ul>
7.	Receiving Spam mail	<ul style="list-style-type: none"> <li>Risk of viruses because of incoming email attachments from malicious person or ransom programs.</li> <li>There are emails sent from our domain (your own website) with strange usernames to a lot of other peoples.</li> </ul>	<ul style="list-style-type: none"> <li>Control access right and use of information systems.</li> <li>Add an email filter.</li> <li>Set backlist emails.</li> </ul>

#### Geopolitical Risk

1.	International conflicts War or terrorism	<ul style="list-style-type: none"> <li>The operation cost such as energy costs and financial costs have increasing.</li> <li>Causing the economy to slow down, consumers reduce spending.</li> <li>Causing supply chain disruptions.</li> </ul>	<ul style="list-style-type: none"> <li>Closely monitoring the situation, operate with caution and continuous risk management.</li> </ul>
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#### Business Ethics and Code of Conduct

The Company aims for operating its business with morality by reviewing and establishing the Business Ethics and Code of Conduct for all employees since executives to employees, as well as partners and contractors to adhere to the practice of working responsibly and honestly, including not being involved in corruption, non-violation of human rights. In 2022, employees receive communications on anti-corruption policy, Business Ethics and Code of Conduct total 2,107 person

## Complaint and Corruption Management

The Company has provided a channel for reporting complaints or whistle-blowing to support the complaints handling or clues related to corruption or unethical behavior within the organization through various channels as follows;

	Channels for receiving complaints or clues	Person in charge
Letter	232 Moo 19, Robmuang, Muang, Roi-Et 45000	Internal Audit Department
Email	secretary@globalhouse.co.th	Company Secretary
Website	<a href="https://globalhousenews.com/whistleblower-with-complaints/">https://globalhousenews.com/whistleblower-with-complaints/</a>	Company Secretary
Telephone	Call Center 1160	Company Secretary

### Complaints Handling or Whistleblowing Procedure



External Person or  
Internal Person



Complaints Handling  
or Whistleblowing  
Department



The Audit Committee  
and Internal Audit  
Department



The Board of Directors

### 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.

### Protection of Whistleblowers or Complainants

1. A whistleblower or complainant can choose to remain anonymous if deem not to disclose one's identity. The Company will keep a whistleblowers information confidential.
2. Whistle - blowers are to be suitably and fairly considered.
3. Whistle - blowers or Those who cooperate in the process of investigating complaints will be protected from unfair treatment, job reassignment, or any punishment. Unless such complaints will be dishonest intention.

### Remediation and Corrective Action

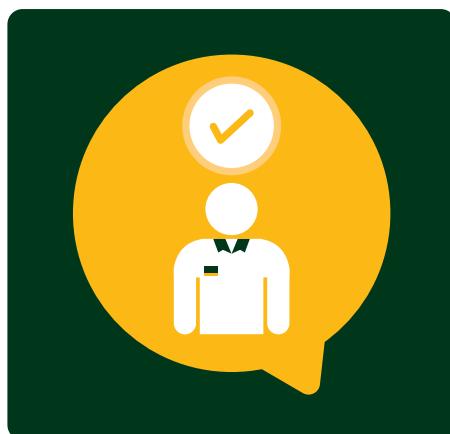
In the event that employees or stakeholders are damaged. The Company listens to comments or complaints and will immediately resolve any complaints or impacts. As well as seeking preventive measures to prevent such incidents from happening again and will consider appropriate compensation for the victims based on the cause and effect of the matter on a case-by-case basis.

## Whistle-blowing Report

	2021	2022
Breaches of compliance to good corporate governance code, business ethics and Code of Conduct	None	None
Breaches of the company's rules and regulations	None	None
Corruption Acts	None	None
Illegal Acts, violate the laws	None	None
Infringement of human rights and unfair treatment in working	None	None

### Examples of corrective actions, including preventative measures against recurrence

Code of Conduct on The Use of Information Technology and Communication in case of using the computer program with invalid license.



#### Control employees to follow the procedures properly

1. Define the conditions of use of the computer and the installation of computer programs.
2. Do not install and use the same computer programs on multiple computers at the same time.
3. Use Opensource computer program.



#### Communication and building awareness to employees

1. Provide training to educate employees on the correct use of computer programs.
2. Prepare manuals and precautions for using the correct computer program.
3. Use every opportunity to raise awareness among employees about the importance and guilt of copyright infringement

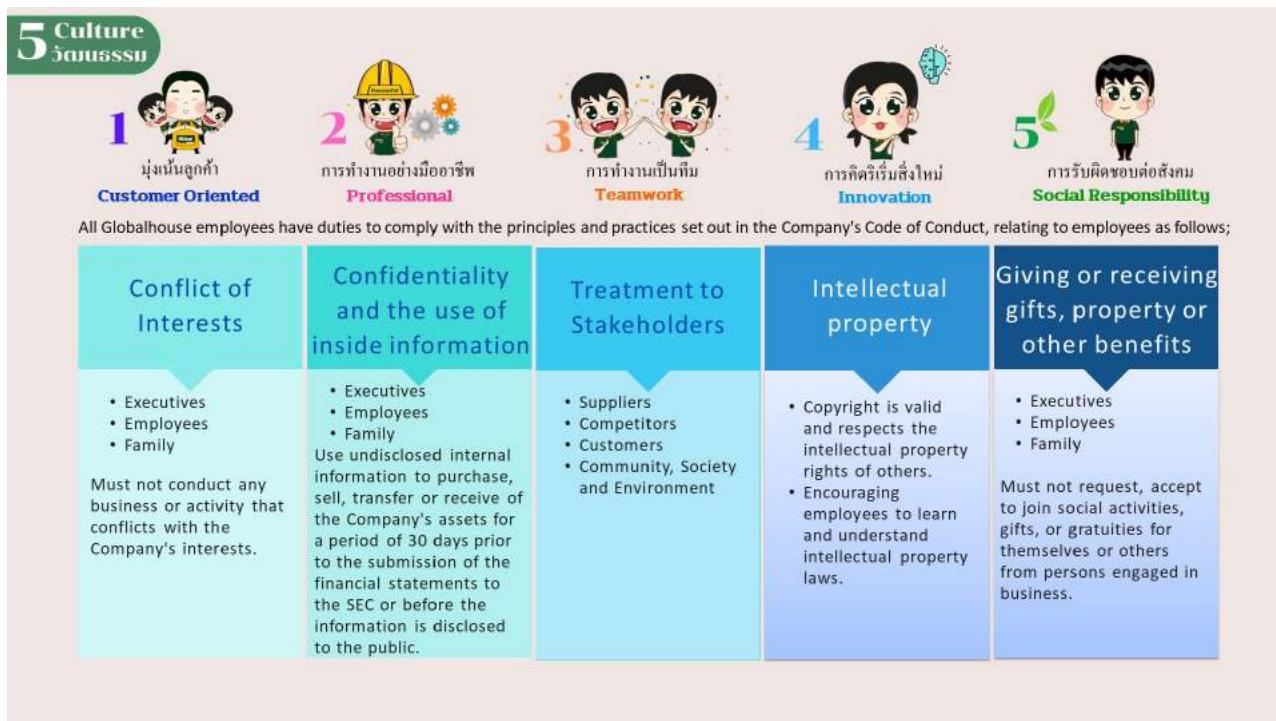


#### Follow - up monitoring and auditing

1. Record the history base of purchasing licensed computer programs.
2. Audit the use of computer programs at all points on a quarterly basis.
3. Those who commit copyright infringement, which is Code of conduct violation of the Company, will be subject to disciplinary action in accordance with the Company's regulations and may be punished according to the law if the act is unlawful.

## Communicating, educating and raising awareness

The Company is committed to operate business with honesty, integrity, transparency, accountability, and do not directly or indirectly support or accept any form of corruption. Therefore, the Company has continuously organized the training about Anti-Corruption policy for directors, executives, and all employees, publicized the Anti-corruption policy to all stakeholders through the Company's website, internal communications "Share Point" and Public Relations Board at all stores.



### Code of Conduct on Anti-Corruption

Must comply with policy

Shall not neglect or ignore any incident they witnessed which maybe considered corruption

Forbidden to request or receive benefits

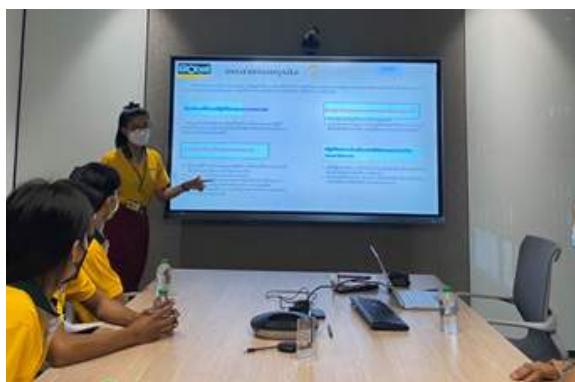
The company must ensure fairness and protection for those who deny or report corruption.

Avoid giving or receiving something from people who contact for commercial purposes.

Those who commit corruption as an offense must be considered according to the regulations

Avoid attending receptions or receptions from people who come to do business.

The Company muse be aware of the importance and disseminate knowledge and understanding to other persons who are required to perform their duties.



## Cybersecurity and Information Management

The Company has established the Information Technology Security policy to define the principle and regulation in IT security management together with aims to raise awareness on cybersecurity and important information of the Company, as well as personal data protection which is a part of risks of the Company.

## Personal Data Protection

The Company realizes to the importance of respecting the privacy rights and security of personal data of customers, partners, employees. The Company has established the Privacy Policy to inform of the privacy policy, data collection, using or disclosure details, according to the Personal Data Protection Act: PDPA. Along with prescribe practices in the operation of the Company with strict measures to protect the personal data security, to ensure that personal data of customers, partners, and employees shall be kept confidential. Nevertheless, in case that the Company will use that personal data, consent must be obtained first and used legally. By 2022, the Company has operated to enhance the personal data protection as follows;

- Promulgation of work processes that are in accordance with the PDPA laws.
- Appointment of the Data Protection Officer (DPO) to operate regard of personal data protection as stipulated by laws.
- Publicizing knowledge about PDPA laws to all employees
- Attending the training on “Implementation of Personal Data Protection Act B.E. 2562 (2019)” course, online inhouse training by a total of executives and employees of 31 persons attended in the training.

## Data Privacy and Data Security statistics

Complaints related to personal data breach	2020	2021	2022
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

## 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. Stipulated the subsidiaries and joint venture to adhere Anti-Corruption policy to be principles of conduct the business operation.
3. 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

4. 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.
5. 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.

### Key operations in 2022

1. Continuously organized the training about Anti-Corruption policy to directors, executives, and all employees.
2. Participated in Thailand's Private Sector Collective Action Coalition against Corruption (CAC) to be a part of efforts to tackle corruption by Thailand's business sector.
3. Improved and Revised the Anti-Corruption policy and related practices to ensure clarity and visibility.
4. Issue an invitation letter to suppliers to join to be a network party in Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) Project.

### Key Performance in 2022

1. 20.94% of all employees have received the training and passed the Anti-Corruption test.
2. 100% of suppliers no.1 have received the communications and the training on Anti-Corruption.

## Human Rights Management

### 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.

### Key operations in 2022

1. Screening and auditing partners regarding Human Rights that conducting its business fairly and no human right violations against its employees, together with provide Supplier Code of conduct and announce to be acknowledged
2. Providing Human rights education training for employees at all levels for understanding and participation in Human right protection in all activities of the Company.
3. Conducting Risk Assessment regarding Human Rights with partners no.1

### Key Performance in 2022

1. Non-discrimination and providing equal opportunities for employment, not discriminate against physical, gender, race, religious differences. The Company encourage and support careers of 105 disabled persons.
2. 20.94 % of all employees have been trained regarding Human rights.
3. 100 % of partners no.1 have been assessed the risk regarding Human Rights.
4. The Company has no complaints or disputes regarding Human Rights Infringement.

Promoting Equal Opportunity and Diversity		
Gender Diversity		
Gender	Number (person)	%
Male	5,770	57.34
Female	4,293	42.66
Age Diversity		
Age	Number (person)	%
Younger than 30 year	4,036	40.11
Between 30 - 50 year	5,401	53.67
Older than 50 year	626	6.22
Nationality Diversity		
Nationality	Total Employees (%)	All management positions (%)
Cambodia	9,904	0.00
Philippines	13	0.00
China	146	0.00
Religious Diversity		
Nationality	Number (person)	%
Buddhist	9,904	98.42
Christ	13	0.13
Islam	146	1.45
Capability Building of Female Employees		
Share of Female Employees	Performance for 2022 (%)	
Female employees per total number of employees	42.66	
Female Executives in operation per total executive (Manager)	37.46	
Female Executives in middle level per total executives (Directors, Deputy Directors)	43.24	
Female Executives in revenue-generating functions	35.69	
Female Executives in total executives' level	33.33	
People with Disability employment		
	Full-time Employees 82 persons	
	Employment of 3 Teachers for Roi - Et School for The Blind.	
	Support for government lottery areas of 20 persons	

## Human Rights Due Diligence Process

1

2

3

4

5

Determination	Assessment	Integration	Tracking and Reporting	Mitigation and Remediation
<ul style="list-style-type: none"> <li>• Human Rights Policy</li> </ul>	<ul style="list-style-type: none"> <li>• Identifying the scope of Human Rights issues</li> <li>• Assessment of the risk level</li> <li>• Prioritization of human rights issues</li> </ul>	<ul style="list-style-type: none"> <li>• Human Rights Risk Assessment</li> <li>• Human Rights Impact Assessment</li> </ul>	<ul style="list-style-type: none"> <li>• Improve management plans to deal with impacts and take corrective action efficiently.</li> <li>• Monitor and evaluate mitigation measures</li> <li>• Disclose human rights performance to public annually.</li> </ul>	<ul style="list-style-type: none"> <li>• Remedies for those affected in case of human rights infringement.</li> <li>• Establish the department through a complaint's mechanism.</li> </ul>

## Human Rights Impact Assessment

### Assessment of Actual and Potential Human Rights Impacts of Company Activities and Relationship

The Company performs assessment to identify the Human Rights risks issues in business operations and related persons that may get impacts from human right violation. Including Human Right Risk Assessment and Human Right Impact Assessment: HRIA.

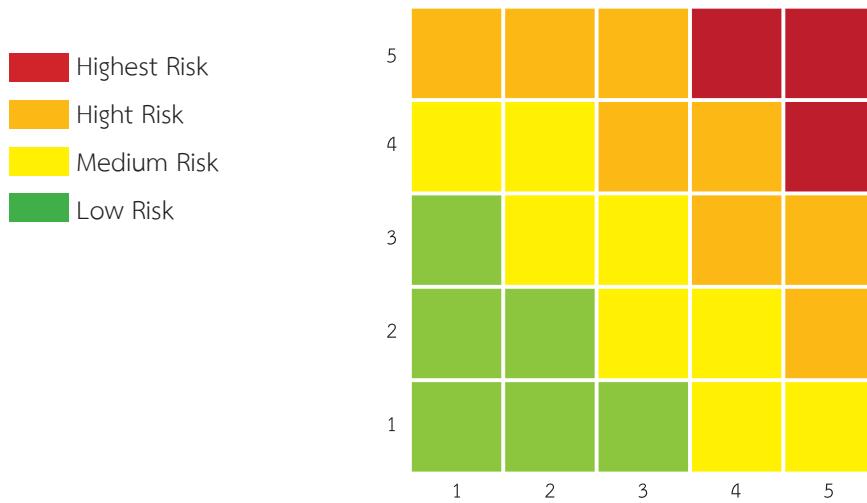
Human Rights risk assessment covers only for the business activities of the Company as follows: Product Operations, Service Operations, Product Distribution Operations, Store and Office Operations. And considering all stakeholders both internal and external that may get impacts directly or indirectly from the business activities of the Company throughout the value chain such as employees, customers, suppliers, shareholders, and communities, etc

### Scoping the human rights issues

Labor Rights	Community and Environmental	Consumer Rights
<ul style="list-style-type: none"> <li>• Employment Conditions</li> <li>• Working Environment</li> <li>• Occupational health and safety</li> <li>• Non - discrimination</li> <li>• Freedom of association and collection bargaining</li> <li>• Forced Labor</li> <li>• Data Privacy of employees</li> </ul>	<ul style="list-style-type: none"> <li>• Standard of living and quality of life</li> <li>• Community Safety</li> <li>• Access to water sources</li> <li>• Acquisition of Land</li> </ul>	<ul style="list-style-type: none"> <li>• Consumer health and safety</li> <li>• Data Privacy of Customer</li> <li>• Customer Non-Discrimination</li> </ul>

## Risk Assessment

The Company conducts human rights risk assessment by using 5x5 risk matrix to identify risk level of human rights issue, considering from 2 dimensions, that is; severity and likelihood, and divided risk of human rights issue into 4 levels as follows ;



## Prioritization of Human right issues

The Company set the priority of the important human rights risks, which are the most severely impacted through related activities and other business relationships of the Company. In 2021, the Company has the important human rights risks 5 issues as a result from the risk assessment of business activities.

1. Customer Data Privacy
2. Employee Data Privacy
3. Occupational health and safety
4. Health and Safety in community
5. Health and Safety of consumers



## Preventive Measure and impact reduction on human right of high-risk issues

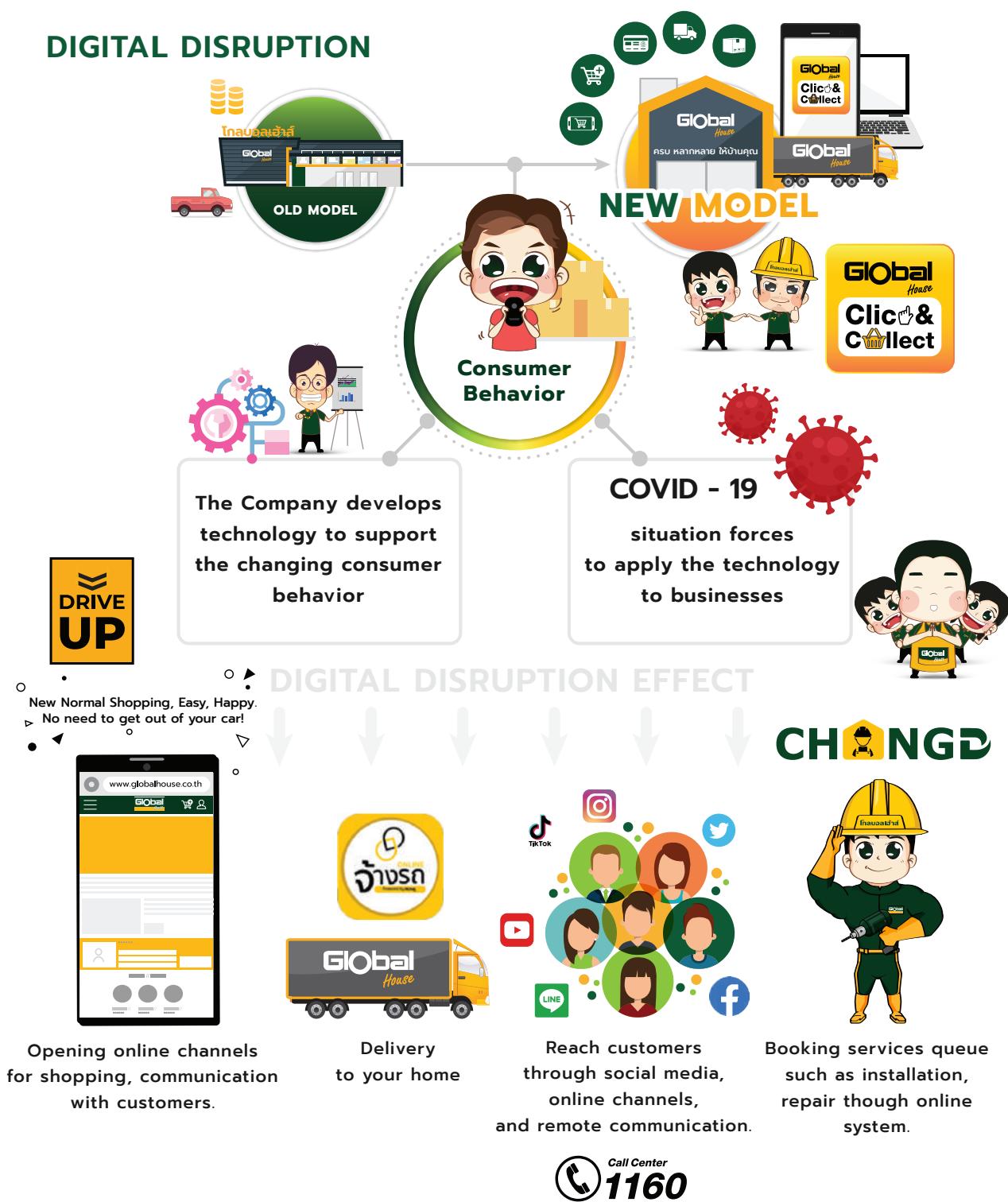
High Risk Issues	Preventive Measure and Impact Reduction	Integration and implement
Privacy of Customer Information	<ul style="list-style-type: none"> <li>• Privacy Policy</li> <li>• Appointment of the DPO and the personal data protection committee of the Company to establish the controlling measure and data protection in accordance with laws.</li> </ul>	<ul style="list-style-type: none"> <li>• The Company policy</li> </ul>
Privacy of Employee Information	<ul style="list-style-type: none"> <li>• Collecting and Processing information according to objective and consent.</li> <li>• Complaints channel and taking corrective action immediately</li> </ul>	<ul style="list-style-type: none"> <li>• The Company policy</li> </ul>
Occupational Health and Safety of Employees	<ul style="list-style-type: none"> <li>• Occupational Health and Safety Policy</li> <li>• Job Safety Analysis (JSA) and specify the preventive measure.</li> <li>• Safety Manual and Personal Protective Equipment (PPE).</li> <li>• Occupational Safety, Health and Environment Committee (OSH&amp;E).</li> <li>• Safety training for all employees.</li> <li>• Whistle-blowing &amp; Complaints channels for employees.</li> </ul>	<ul style="list-style-type: none"> <li>• The Company policy</li> <li>• Security Operations Goals</li> <li>• Working standards of each section.</li> </ul>
Community Health and Safety	<ul style="list-style-type: none"> <li>• Compliance to the company standards for vehicle safety.</li> <li>• Regularly checking readiness of driver and vehicles.</li> <li>• Whistle-blowing &amp; Complaints channels for community.</li> </ul>	<ul style="list-style-type: none"> <li>• The Company policy</li> <li>• Working Standards of the Company.</li> </ul>
Consumer Health and Safety	<ul style="list-style-type: none"> <li>• The selection operation system and inspects quality products and services in accordance with the specified standards and is regularly reviewed.</li> <li>• Product guarantee, change – return within 30 days (according to the specified conditions)</li> <li>• Whistle-blowing &amp; Complaints channels for Consumers.</li> </ul>	<ul style="list-style-type: none"> <li>• The Company policy</li> <li>• Working Standards of the Company.</li> </ul>

## Labor Practices

The Company is committed to respecting the labor rights and fair practice of employees, in alignment with relevant laws and policies under the Thai Labor Protection Act such as employment, wages, working hours, holidays, and welfare, as well as ensuring a good and safe working environment. Anyway, the Company provides the following welfares:

Welfare	Legal Entitlements	Welfare provided by the Company
Maternity Leave	98 days	98 days
Holidays	No fewer than 13 days	14 days
Annual Leave	No fewer than 6 days	6-15 days
Personal Leave	3 days	12 days

## Innovation and Technology



### Intention

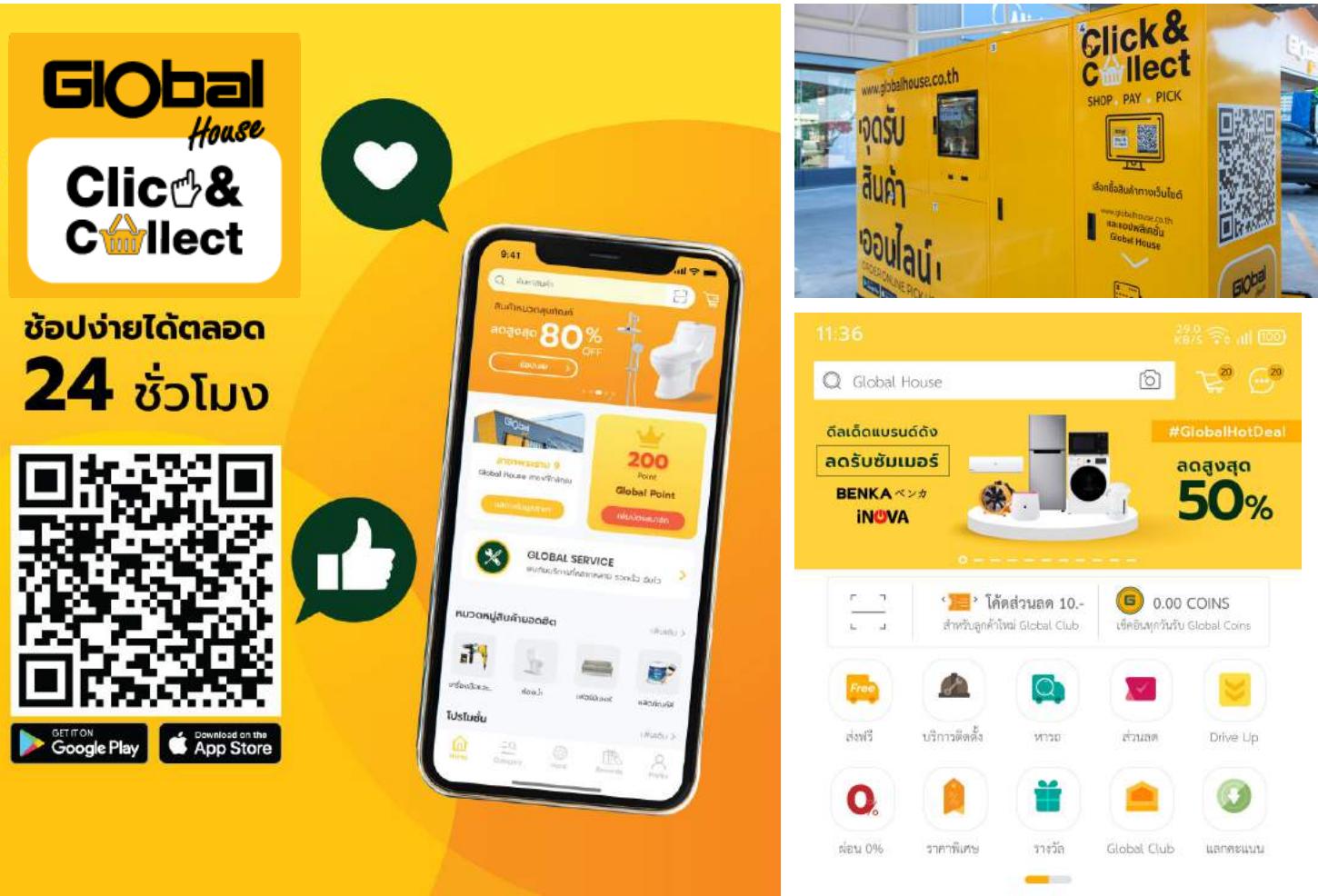
The Company has intended to operate business to be modern by applying innovation and technology to continuous increase the efficiency in business operations and leading to business development in new styles.

### 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.

## 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



**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.





## Digital OR Solutions

### 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.



## Quality 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.

### Strategy

1. Increasing channels to reach new products and services
2. Enhancing safety standards of products and services
3. Procuring products and improving services to reach consumer's needs

### 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 2022 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;

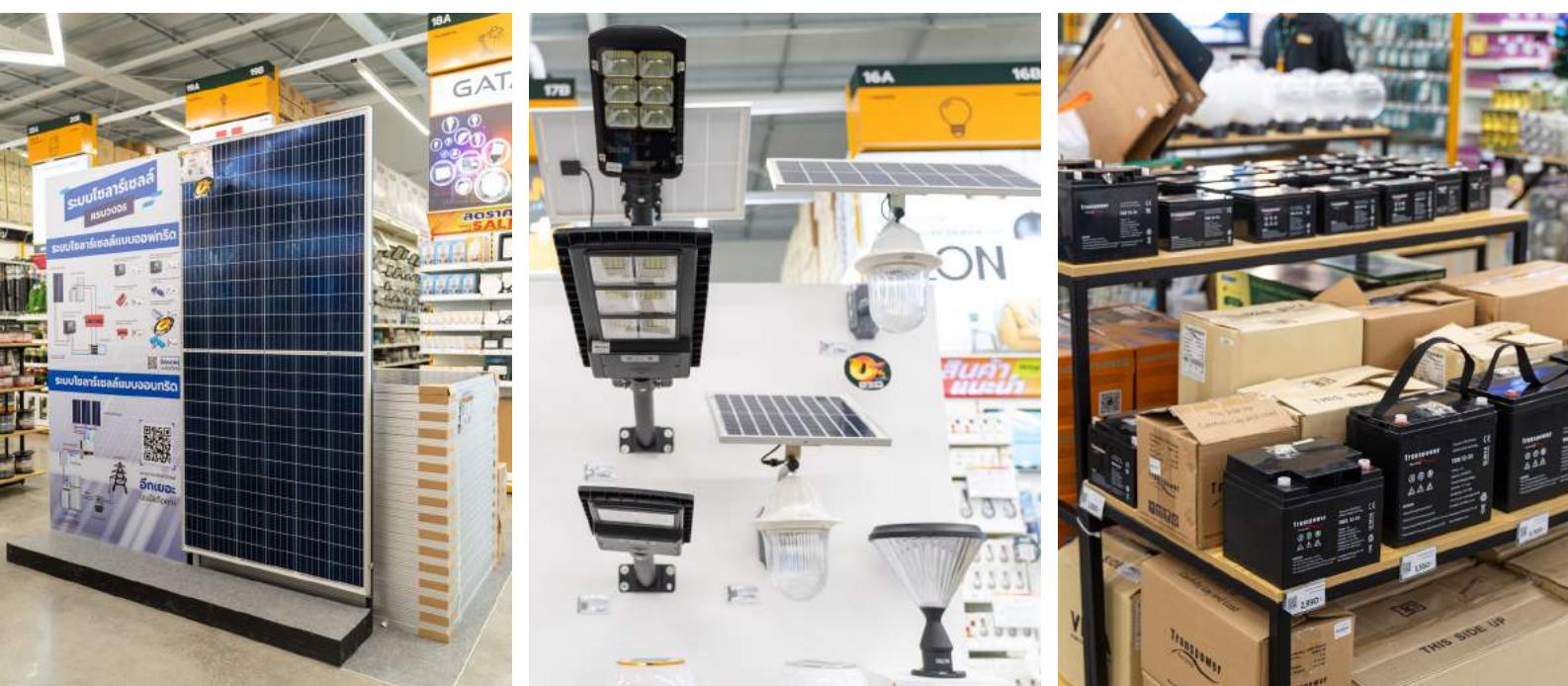
1. ESG 1 Energy saving group, reducing global warming group, Natural resources saving group
2. ESG 2 Health Promotional Group
3. ESG 3 Elderly & Disability Care Products Group
4. ESG 4 Product group for responding New Normal way of living

## Performance



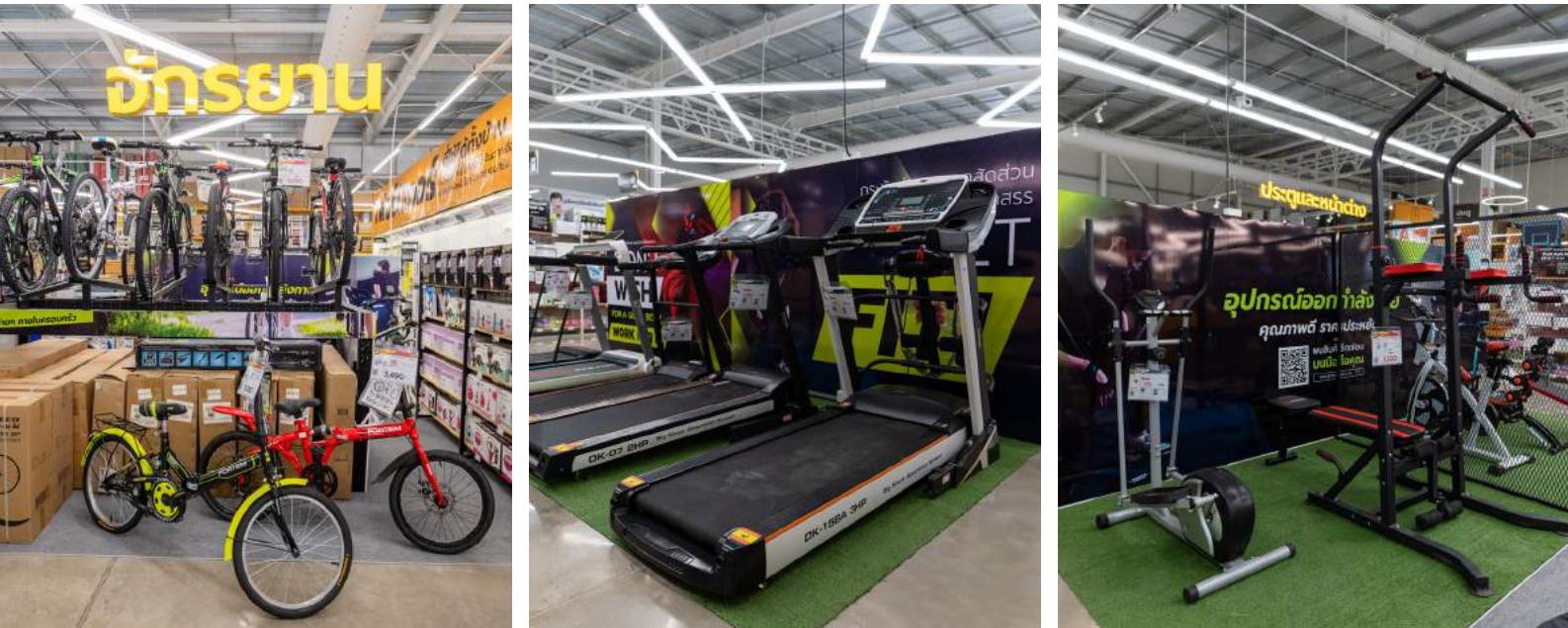
### ESG 1 Energy saving group, reducing global warming group, Natural resources saving group

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 2022, 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.



Toilets for the elderly that taking safety into consideration and also easy to use and comfortable.



### 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

The 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 case according to the terms and conditions.

### Operations in 2022 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.

# SAME-DAY DELIVERY

**Express delivery, fast, in same day.**

Retail delivery services for all products  
Available at Global House all stores near home

**YOU ORDER — WE DELIVER**

**40 km.**

**Retail delivery services for all products**

By making the payment before 4 PM and the distance is not more than 40 km from stores

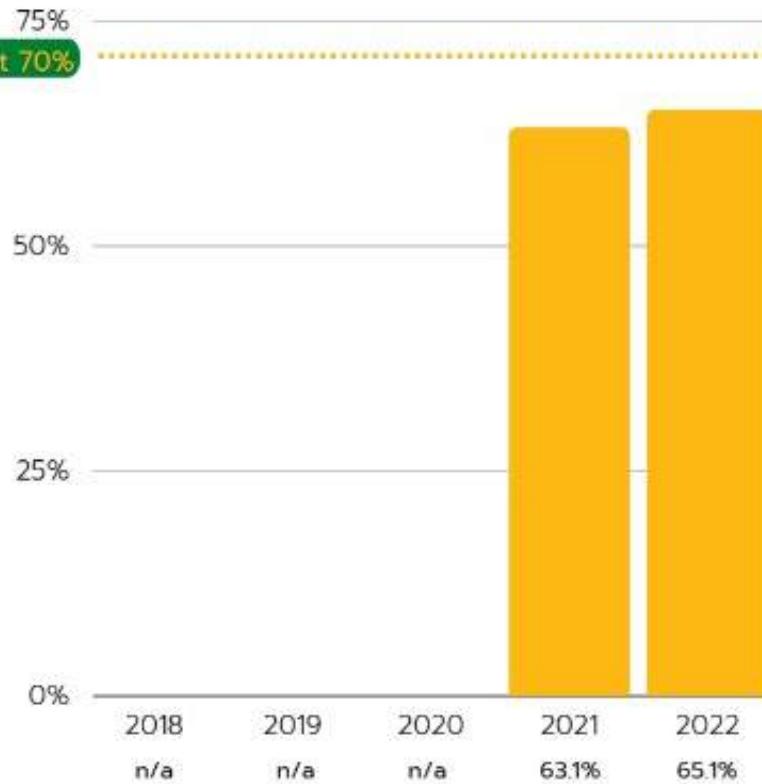
\*Fast delivery in the same day  
\*Guarantee for broken or damaged products  
\*Delivery service for only items participating in promotion  
\*For more details, please contact Global House's customer service counter  
\*Reserves the right to change terms and conditions without prior notice  
\*The Conditions are as specified by the Company

**Call Center 1160**

## Delivery Service

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.

## Delivery Service

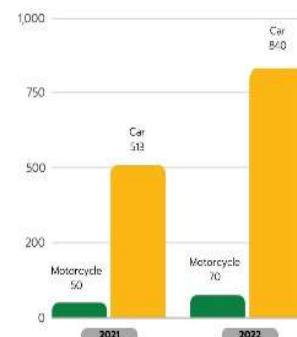


## Extra transportation vehicles by employees

Due to the Covid-19 pandemic situation, affected the changed behavior of customers to be more shopping online causing higher quantity of products need to be delivered to customers, that result to the Company can not deliver products in time.

In order to improve customer satisfaction in terms of services, the Company has improved the delivery services to be fast according to the needs of customers, therefore established the “Extra transportation vehicles by employees” projects by giving employees an opportunity to use their own vehicles for same-day delivery services. In addition, the company also has developed Mobile Application for sales department to immediately book delivery queue for customers.

### Same-Day Delivery Service (Employee)



Extra transportation vehicles by employees		
Business Impact	Social Impact	
	Employees	Customers
<ul style="list-style-type: none"> <li>Support More services.</li> <li>Helps to drive sales and increase sales.</li> <li>Builds customer satisfaction.</li> </ul>	<ul style="list-style-type: none"> <li>Earn extra income beside of regular income.</li> <li>Families have better lives.</li> </ul>	<ul style="list-style-type: none"> <li>Receive products on time of appointment.</li> <li>Receive products and installation services in same days and quickly.</li> <li>Have a product warranty in case of damages or breakages.</li> </ul>

## 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.



**Chang Dee**

**Same Day installation**

Guarantees **180 Days** all Installation jobs.

At Global House, every stores.  
Click & Collect  
Shop Online : [www.globalhouse.co.th](http://www.globalhouse.co.th)

**Completely Service ending with installation.**

- Air-Conditioners
- Water Heaters
- Water Purifiers
- Water Tanks, Toilet
- Compact Kitchen
- Rain Gutters




CHANG DEE
AESCON
บริษัท อีซอน จำกัด
ServisHero

Call Center **1160**
GLOBAL

## Customer Relation Management and responsibility

### 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.

### Management guidelines

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

### Operating

#### 1. Responsibilities toward customers

##### Pre-sales Service

1. 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.
2. 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

1. 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.
2. 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.
3. 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



## Supply Chain Management

### Suppliers 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 Customer 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.

### Suppliers 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%	2025
	Suppliers-Supply Chain and Sustainability	70%	2025

### Purchasing Information of Suppliers

Source product	Numbers (names)	Rate (%)
Thailand	596	68.04
Oversea	280	31.96

Furthermore, the company has classified important suppliers by selecting from Purchase 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 Purchase 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 Purchase 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	38	4.34
Non-Critical Supplier	838	95.66

#### 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

#### Supplier Assessment and Monitoring

The Company has established the Supplier Code of Conduct to be operational guidelines for suppliers and conduct the Sustainability Self-Assessment. The assessment covers issues covering the Environment, Social, Governance: ESG. By requiring suppliers to annually conduct a self-assessment through GLOBAL SOFT program and also requiring the purchasing department to regularly conduct ON-SITE AUDIT annually to audit the quality and sustainability operations of suppliers.

#### Performance in 2022

- **ON SITE AUDIT :** The Company conducts On-Site ESG Audit suppliers by conducting the audit at the suppliers' company to check the quality of the products and compliance with sustainability practices, including Supplier Code of Conduct. By 2022, the Company has audited 6 companies of critical suppliers and 3 companies of non-critical suppliers, and found that all 9 companies have followed the Sustainability practices across the economic, social and environmental dimensions, as well as there is no violations of Suppliers code of conduct and practices.
- **Supplier ESG Self-Assessment :** The Company has established Supplier ESG Self-Assessment by requiring domestic suppliers to conduct the assessment through Global Soft. In 2022, there is 482 companies of domestic suppliers has replied the Self-Assessment from total domestic suppliers 596 companies or equal to 80.87%

### 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	2020	2021	2022
Account Payable Day	40 Day	42 Day	38 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.

### Green Procurement

The company recognizes that Green Procurement is a process or activity of the Company's social and environmental responsibility as the procurement is an important process for every business that plays a huge role in reducing environmental impact.

The Company has supported green procurement with a commitment to promote the procurement of Eco-friendly equipment, tools, and vehicles to reduce the environmental impact from the Company's activities. As well as sourcing Eco-friendly products and services to support responsible consumption and meet the needs of customers who want to consume Eco-friendly products.

### Performance

1. Procurement of Eco-friendly equipment, tools, and vehicles.
  - Purchasing the Electric Forklift for new stores instead of gas and oil type forklifts and replace forklifts of same stores that have reached the end-of-life by starting from 2020 onwards, the operation of electric forklifts will not affect the environment in terms of noise, smell and air pollution.
  - Purchasing the Electric Stacker for moving products in retail area of every stores.
  - Hybrid Car, the Company has a policy to purchase Hybrid Car for Executives due to it is more environmentally friendly than gasoline cars.
2. Procurement of Eco-friendly products and services to support and meet the needs of customers. The company has categorized to be ESG products group which consist of energy-saving products, global warming reduction group, national resource saving group, health promotion group, products for the elderly and disabled persons, and products for the new lifestyles.

## ► 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.

Smart Stores					
Indicator	2020	2021	2022	Target	Target Year
The proportion of renewable energy consumption	57.75%	53.93%	54.05%	60%	2027
Solar power production quantity (kWh / year)	77,049,661	78,860,821	79,315,763	100,000,000	Maintain production quantity
Energy consumption per area decreased from the base year. (The base year 2018)	-7.11%	-7.72%	-0.83%	-7.00%	2027
Amount of Greenhouse Gas Emissions on scope1 and Scope2 per total revenue, has decreased from the base year (percentage) (The base year 2022)	-	-	-	-10.00%	2030
Reduced water consumption per store from the base year (The base year 2018)	-20.85%	-20.71%	-8.38	-40.00%	2025
Water recycling volume	137,515	224,640	250,560	300,000	2027
Recycled waste quantity (Metric ton)	-	2,563	2,430	-	2025
Increase of accumulated green space (square metre)	9,926	11,800	15,200	-	-
A4 paper quantity use per store (pcs)	31,169	33,820	32,824	28,000	2030

### 3.3.2 Environmental Performance

#### 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.

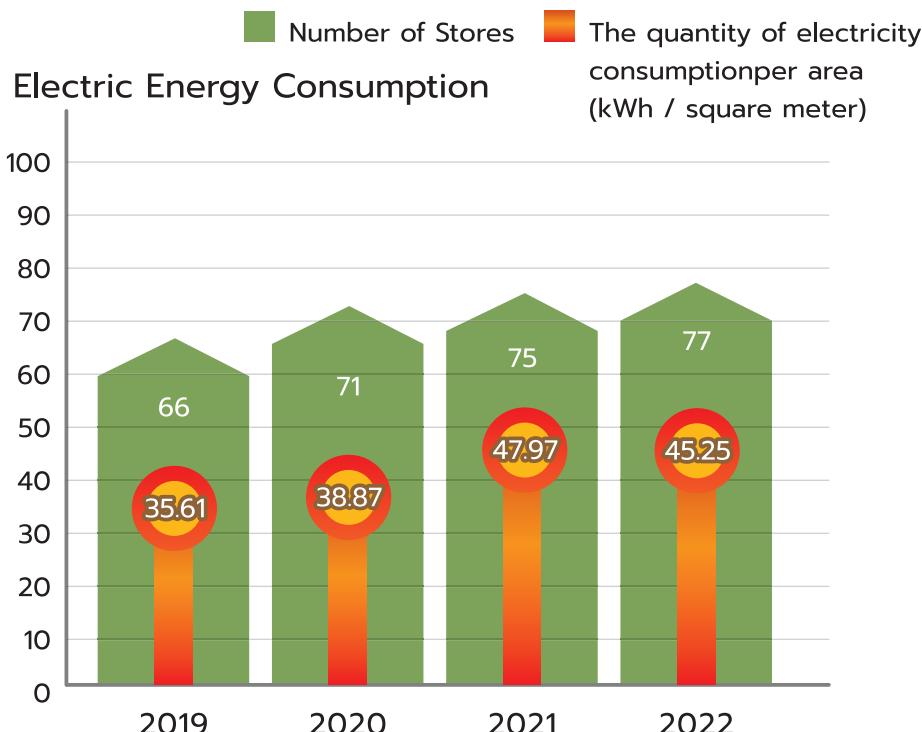
##### Management guidelines

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

##### 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)
2020	71	56,380,314.27	38.87
2021	75	72,367,475.00	47.97
2022	77	69,305,359.00	45.25





## Solar Rooftop Stores where installed Solar Rooftop



Installation power  
**69.5** megawatt



Generated electric power  
**79.6** million Unit



**398** million Baht



Equivalent to plant  
**2.48** million trees



Reduce Carbon dioxide  
**45,315** tCo<sub>2</sub> / year



Reduce coal consumption  
**18,126** ton / year

### Renewable Energy Consumption (Solar roof top)

Since the year 2017, the company has policy for renewable energy consumption, so the company start 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 2022, the company has Solar Rooftop to generate its own electricity covered in all stores, totally 77 stores,

Year	Number of Stores	Accumulated number of installed store (Solar cell)	Generated Electricity Volumes (kWh / year)
2020	71	71	77,049,661
2021	75	75	78,860,821
2022	77	77	79,611,969.1



### Electric Power System Changing Project both interior and exterior

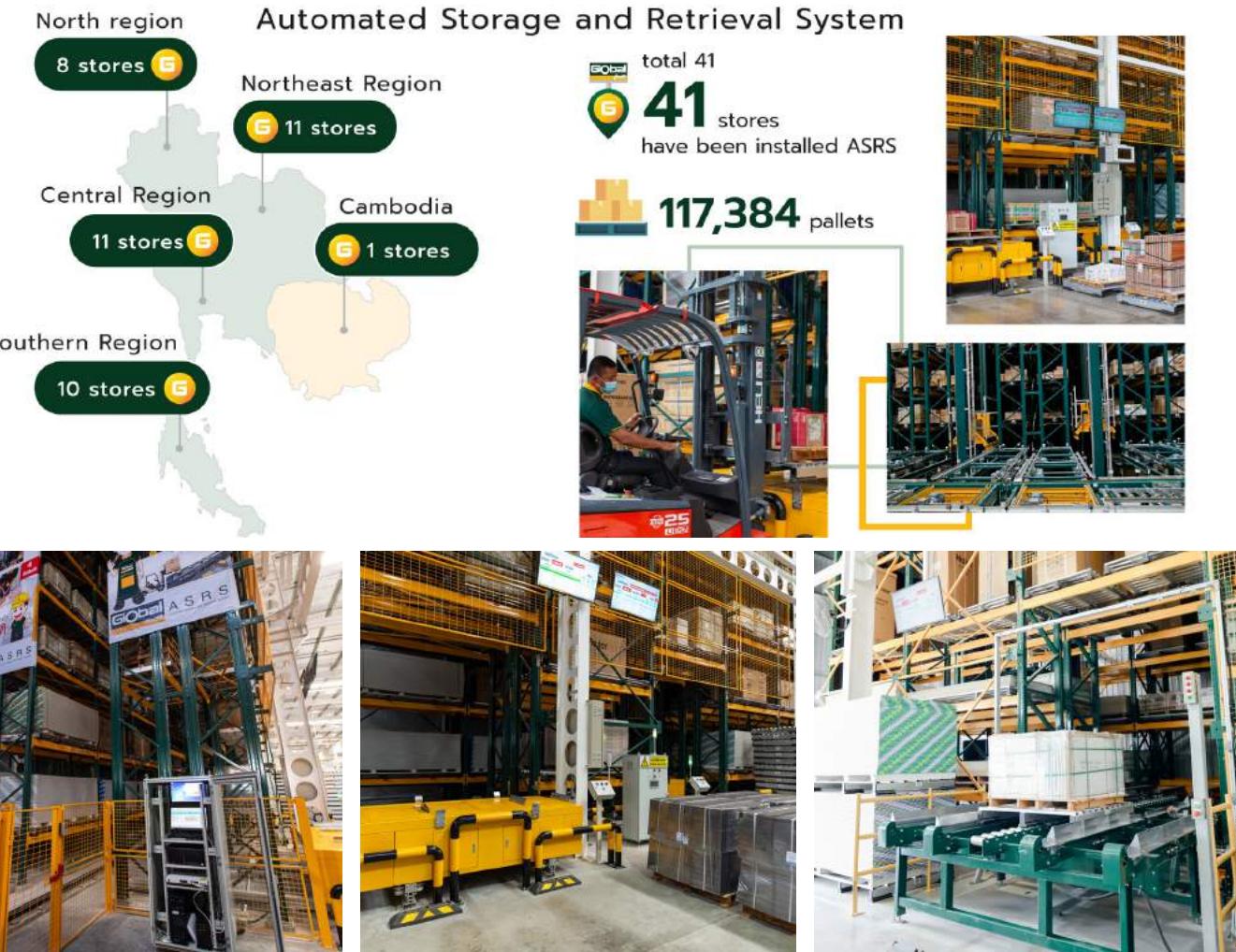
The company have action plan to improve lighting system both inside and outside the building which result to reduction of energy consumption for 151,651 kWh/year by the details of operations as below;

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	3	58,458
Change Customer's Garage light from LED 20 Watt to be Solar Cell system	3	3,815
Change light in display tray from LED 14 Watt to be LED 10 Watt	3	63,072
Change Aisle light from TLD 36-Watt, 13 set to be LED 48-Watt, 4 set	3	20,031
Change Rack light from TLD 20 Watt to be LED 18 Watt	3	6,275

### 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 2022, the company has installed completely 41 stores

## ASRS



## 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 2020-2022;

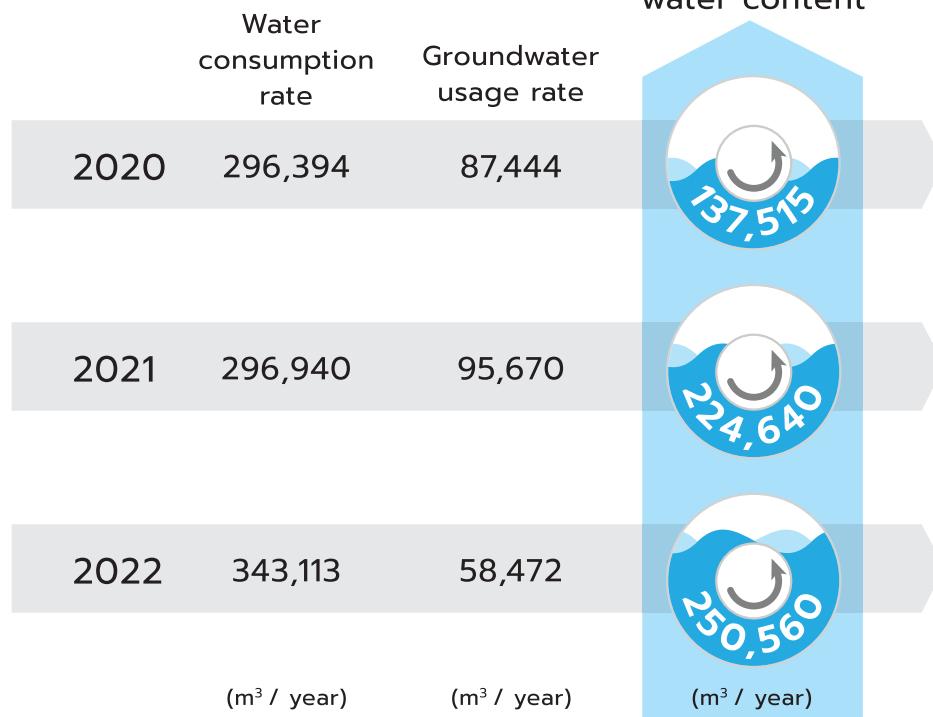
### Operating Result 2022

#### Water Consumption Statistic

	2020	2021	2022
Accumulated Number of stores	71	75	77
Accumulated Number of stores in water supply consumption	57	61	63
Accumulated Number of stores in ground water consumption	14	14	14
Accumulated Number of stores in water the plants system	20	26	29
Water Consumption Volumes separated by sources			
• Accumulated water supply consumption volumes (m <sup>3</sup> / year)	296,394	296,940	343,113
• Accumulated ground water consumption volumes (m <sup>3</sup> / year)	87,444	95,670	58,472
Total Volume of water consumption (m <sup>3</sup> / year)	383,838	392,610	401,585
• Net rate of water consumption of store			
• Water supply consumption rate/stores*	5,199	4,867	5,447
• Ground water consumption rate/stores*	6,246	6,834	4,177
• Water Recycling volumes (m <sup>3</sup> / year)	137,515	224,640	250,560
Accumulate Green Area (m <sup>2</sup> )	9,926	11,800	15,200

rate of water consumption 2020 - 2022

### Water use and water reuse



### WATER MANAGEMENT



## Waste Management and Secondary Material

### 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.





#### “Yak-laew-D” projects. (Good sorting)

The Company recognizes the importance of promoting waste sorting from the source and correct management to the destination. Therefore, the “Yak-laew-D” project was organized to campaign and encourage employees to understand and realize the importance of waste sorting, waste reduction as well as recycling waste to bring waste into the management process for benefits again.



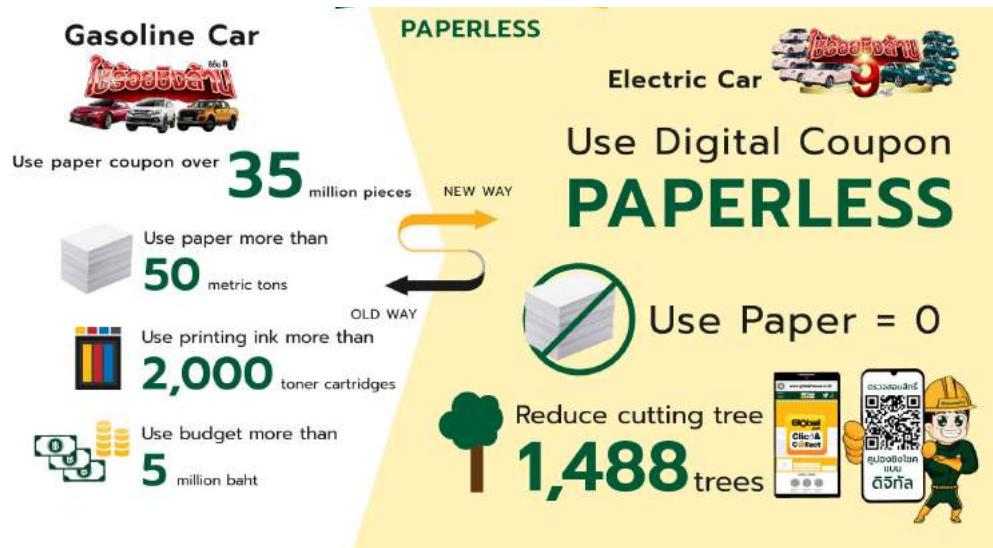
## Reducing paper use

### 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

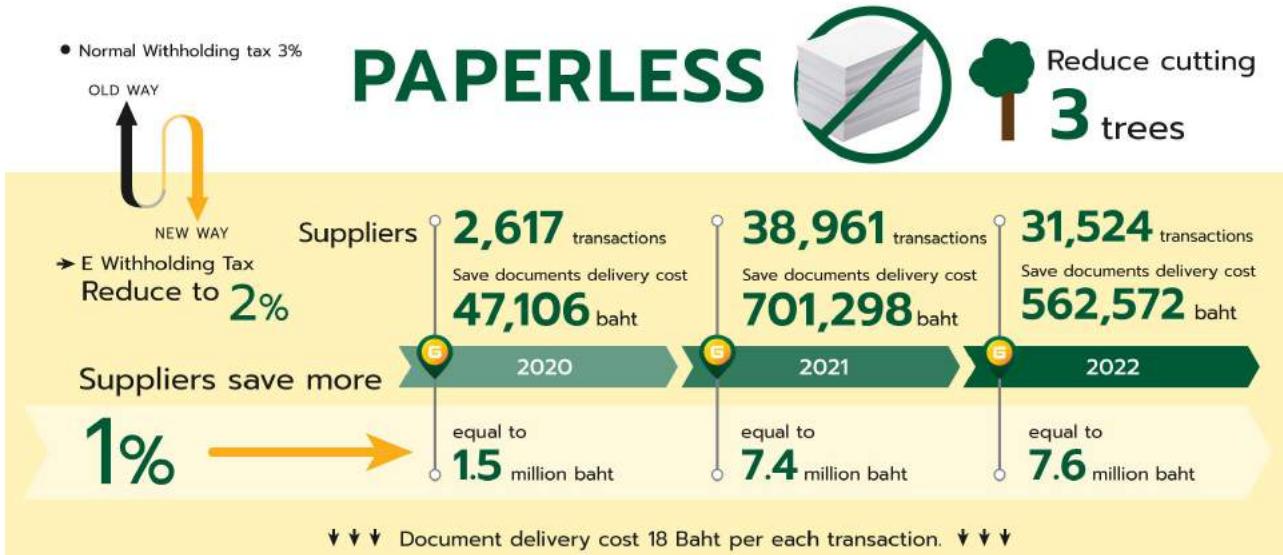
The company has policy to promote the Reducing A4 paper use by changing the form of receipt / tax invoice from A4 paper use to be A5 paper use. Besides, the company has campaign for paper use appreciative by setting the printing limitation as necessary in order to reduce and reuse as well as improve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



### Operating Result 2022

In 2022, the quantity of A4 paper used in operations has decreased by 9,500 pcs when compared with the year 2021 or was equal to 922 pcs per store.

Paper Use quantity / Year	2020	2021	2022
A4 paper quantity use in office (pcs)	2,213,000	2,536,500	2,527,000
Numbers of store	71	75	77
Using rate per store (pcs)	31,169	33,820	32,825



## Climate Change and Greenhouse Gas Emission

### Intention and Goals

The company is committed to be a part of tackling climate change, with well awareness that climate change is an issue that affects sustainability and human well-being. The worldwide has cooperated in reducing Greenhouse Gas (GHG) emissions to mitigate the impacts. In this regard, the Company gives the importance to the Carbon Footprint for Organization (CFO) assessment by starting to conduct the assessment in 2022 in order to know the amount of greenhouse gas generated from the company's activities. As well as monitoring the performance of activities following greenhouse gas emission reduction measures, and set the goal to reduce GHG emission by at least 10% from the base year (2022) within 2030.

### Risk and Opportunity

Risks	Impact	Opportunity
Physical Risks	<ul style="list-style-type: none"> <li>Customers and revenue have declined from temporary stores closure.</li> <li>Operating costs has increased.</li> </ul>	<ul style="list-style-type: none"> <li>Increased Online sale channels.</li> <li>Installed ASRS system.</li> <li>Installed Solar Rooftop.</li> </ul>
Low Carbon Policy	<ul style="list-style-type: none"> <li>Operating costs has increased from compliance with carbon reduction policies.</li> </ul>	<ul style="list-style-type: none"> <li>Replaced equipment and tools with electrical systems such as Electric Forklift, Electric Vehicles to reduce Greenhouse Gas emissions.</li> </ul>
Technology & Marketing	<ul style="list-style-type: none"> <li>Customers tend to demand more Eco-friendly products and services, affected the same stores sales.</li> </ul>	<ul style="list-style-type: none"> <li>Having an opportunity to expand ECO Product market and create service innovations to reduce environmental impacts.</li> </ul>
Reputation Risk	<ul style="list-style-type: none"> <li>Expectations from stakeholders on the Company's environmental operations may affect the reputation and image.</li> </ul>	<ul style="list-style-type: none"> <li>Having an opportunity to build the good reputation and image and create value to Brand.</li> </ul>

### Management Approach

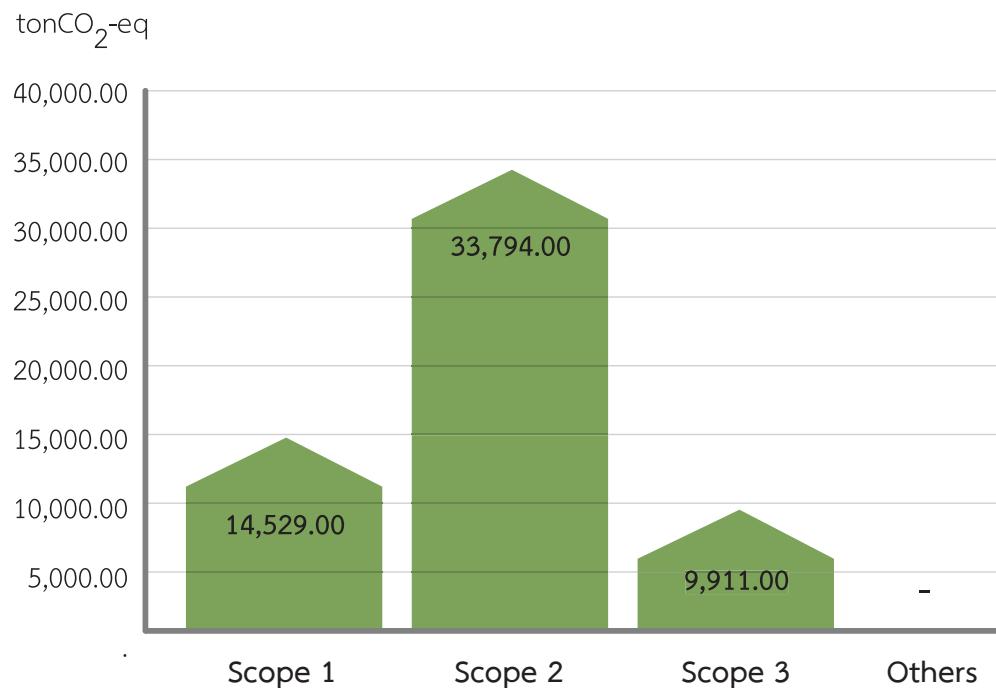
The Company operated retail business of construction materials and home decorative products which its activities required energy and natural resource consumption for customer service. The Company gives the importance to impacts from business activities causing GHG emissions, therefore emphasizes on operating for reducing GHG emission both direct way (Scope1) and indirect way (Scope2) by setting the devices modification policy of equipment, tools and vehicles to be electric instead of fuel oil, and policy on the use of solar energy instead of electricity from transmission lines. As well as energy conservation measures by reducing electricity consumption, the source that generates the highest greenhouse gas emissions by 58% of all activities.

In 2022, the Company has started the Carbon Footprint for Organization (CFO) assessment or the amount of Greenhouse Gas emission from the company's activities such as Fuel combustion, electricity consumption, waste management, and transportation, which shows the result in the form of tons of carbon dioxide equivalent. This makes to know the significant points of the company's greenhouse gas emissions and will lead to effective management by The scope and results of the greenhouse gas emissions assessment as follows;

## Scope of Greenhouse Gas Emissions

Scope 1	Scope 2	Scope 3
<ul style="list-style-type: none"> <li>Gasoline / diesel oil volume for executive vehicles</li> <li>Diesel oil volume for delivery vehicles.</li> <li>Gasoline oil for Lawn movers</li> <li>LPG / Diesel / Gasoline Volume for Forklift</li> <li>Diesel fuel consumption of Generator / Fire pump</li> <li>CO2 Fire Extinguishing Agent Consumption</li> <li>Refrigerant quantity for type of R32 / R410A / R407C / R134A / R404A / R401A</li> <li>Methane content from Septic tank</li> <li>Methane content from activated sludge wastewater treatment system</li> </ul>	<ul style="list-style-type: none"> <li>Electricity consumption</li> </ul>	<ul style="list-style-type: none"> <li>A4 70 gsm / A5 paper purchase quantity</li> <li>LDPE Handle Bag Purchase quantity</li> <li>Provincial Water Supply/Metropolitan Water Works Authority</li> <li>Acquisition of Gasoline / Benzine / Diesel / LPG / Electric</li> <li>Transportation of raw materials (paper, handle bag)</li> <li>Landfill Waste Management</li> <li>Employee's travel to the workplace</li> <li>Disposal of product residues (Tax invoice printing paper (A5) Paper handle bag)</li> <li>electricity consumption of tenant</li> </ul>

## Greenhouse Gas Emission Details for 2022

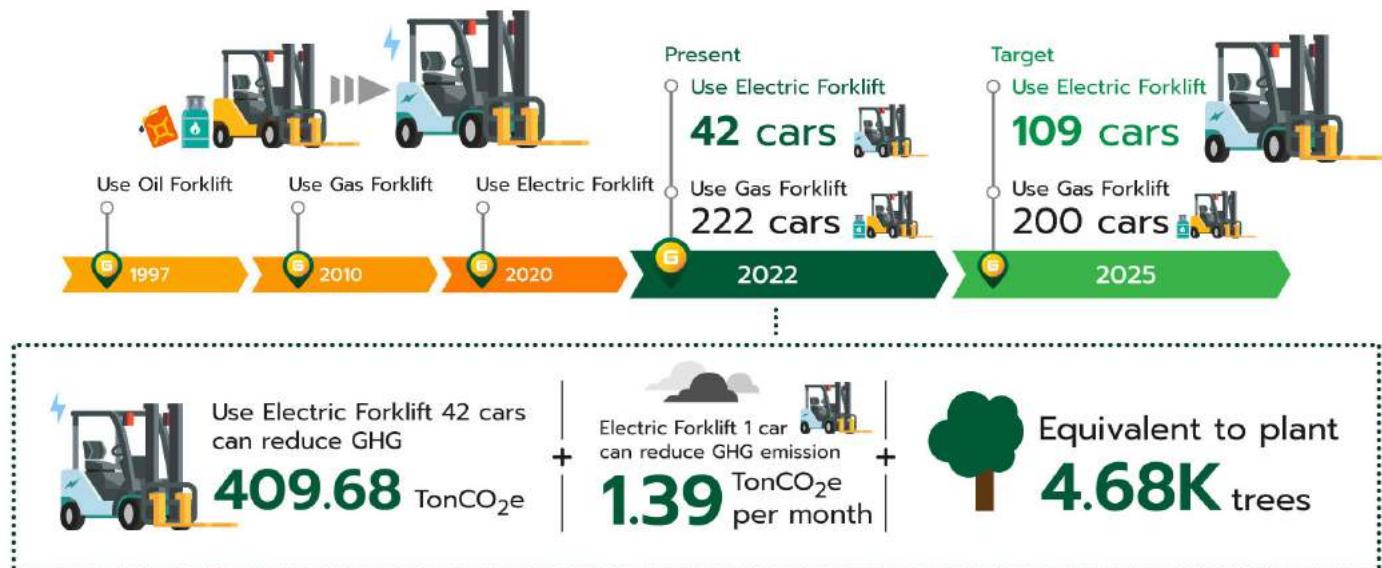


**Remark :** The Company has conducted the Carbon Footprint for Organization (CFO) by using data from 1st January - 31st December 2022, and has passed the audit and review by “The specializes in environmentally friendly business strategies center” who is the CFO reviewer registered with the Thailand Greenhouse Gas Management Organization (Public Organization).

### 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.



### 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.



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**“**

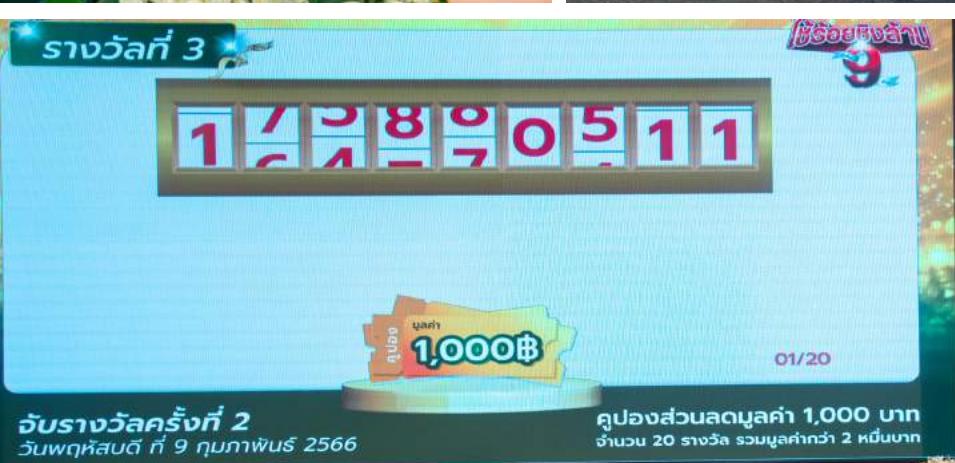
Promote to use Electric Vehicle (EV)  
Respond the policy of government sector  
for energy and environment conservation  
To bring Thailand into a low-carbon society.

**”**



Organizing the sale promotion by Digital system (Digital Lucky Draw)

In 2022, the Company has adjusted the sale promotion activity “Chai Roi Ching Lan” season9 to be Digital system, that can reduce A5 paper consumption for printing to be coupon by 17,963,606 pcs, and reduce fuel oil consumption for delivery coupon from all stores to the head office. And also changed the prizes to be Electric Vehicle of 9 cars instead of Gasoline car to support the driving into a low-carbon community.



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

- 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.
- 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.
- Encourage the executives and employees to turn off air-conditioners and lighting during lunch time or being outside the room for a while.

## ► 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://investor.globalhouse.co.th/en/sustainable-development/#sustainable-policy>

Social Target and performance	2020	2021	2022	Target	Long-term Target
<b>Employees Development</b>					
Development of knowledge and skills per total number of employees (%)	68%	90%	91%	>70%	Every year
Average number of training hours of all employees (hours per person)	7.45	8.39	8.08	>8.5	2025
Employee Engagement (%)	-	89.77%	90.21%	≥90%	2025
<b>Safety</b>					
Lost time Injury Rate per store	1.39	1.35	1.33	<1.0	2025
Reduced lost time injury frequency rate (LTIFR)	4.30	3.94	3.83	<1.0	Every year
Work-Related Fatality rate (person)	0	0	2	0	Every year
Occupational illness frequency rate (OIFR) (person)	0	0	0	0	Every year
<b>Employment</b>					
The employment of the elderly (person)	35	31	52	50	2025
The employment of disabled persons (person)	92	101	105	120	2025
Number of technicians in Chang-D project (team)	1,200	2,500	3,570	2,800	2025
Number of small entrepreneurs or agriculturist (person)	-	28	33	40	2025

### 3.4.2 Social Performance

#### 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. Employee Recruitments

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 continuously supported and promoted the employment for new graduates. In 2022, the company has employed new graduates total 734 persons

Job description / Year	2021 (persons)	2022 (persons)
Information Technology Department	8	26
Supply Chain	0	9
Marketing Department	8	11
Inventory Management Department	7	14
Accounting & Financial Department	19	37
Human Resource Department	7	17
Operation Department	784	620
<b>Total</b>	<b>833</b>	<b>734</b>

#### Co - payment Project (New Graduate Employment)

To help New Graduates to get a job  
And reduce the unemployment rate  
(New Gen Get Work Together)

### 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 2022, there are total numbers of employees who has joined this project 63 persons

Year	Total Numbers of Employees joined (persons)
2020	87
2021	67
2022	63

### 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 2022, there are total 52 elders working at the company in total 20 stores.

Year	Elder Employees (persons)
2020	35
2021	31
2022	52

### 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,

In 2022, the company has employed the persons with disabilities to work in various departments and provided area for lottery selling of total 105 persons, equal to 1.04% of total 10,063 employees. The Company employs persons with disabilities at the rate specified by law (1.0%) and in accordance with the Promotion and Development of Quality of Life for Persons with Disabilities Act B.E. 2550 (2007).

### Details of disabled person employment

Disability Employment	2020	2021	2022
1. Full - time Employment follows the article 33	76	83	82
2. Disabilities Employment follows the article 35 (Total)	16	18	23
2.1 Providing area for lottery distribution	16	15	20
2.2 Hired to be Teacher for Roi Et Education School for the Blind	0	3	3

## Employees Statistics 2022

### The employee proportion separated by gender

Details	Male Employee		Female Employee		Total Employee (person)
	Quantity (person)	%	Quantity (person)	%	
Operation Employees					
Staff level	4,255	58.97	2,960	41.03	7,215
Management level/Store Executives	1,245	67.15	609	32.85	1,854
Center Support Employees					
Staff level	151	23.97	479	76.03	630
Manager level or higher	66	23.66	213	76.34	279
Disabled Employees	53	62.35	32	37.65	85

### The employee proportion separated by age

	Quantity (person)	Percent / Total Employees
Younger than 30 year	4,036	40.11
Between 30 - 50 year	5,401	53.67
Older than 50 year	626	6.22

### The employee proportion separated by years' experience

	Quantity (person)	Percent / Total Employees
0 - 5 years	6,506	64.65
5 - 10 years	2,763	27.46
10 - 15 years	600	5.96
More than 15 years	194	1.93

### The proportion of employee's remuneration



## 2. Employees Training and Development

The performance for the year 2022

Average hour per year of training and employee development (%)	%
<b>Classified by age</b>	
Aged less than 30 years	39.00
Aged between 30-50 years	56.00
Aged over than 50 years	5.00
<b>Classified by the position</b>	
Executives	1.00
Manager	22.00
Employees	77.00
<b>Classified by gender</b>	
Male	57.00
Female	43.00
<b>Classified by nationality</b>	
Thai	99.97
Cambodia	0.01
Philippines	0.01
Chinese	0.01



## Number of employees attending the training and skills development

Course Name	Male (person)	Female (person)	Average Cost for Training (Baht / person)
Working Skill Enhancing for Branches Director	5	4	934.50
Working Skill Enhancing for Deputy Branches Director	22	16	2,656.11
Working Skill Enhancing for Product Manager Department	1	4	0
Risk Management	9	13	0
Business Ethics	3	3	0
Research on the implement of Personal Data Protection Act B.E. 2562	13	41	929.76
The organization management guidelines	23	45	0
Building teamwork spirit for developing the organization	31	19	3,201.95
Workshop seminar for increasing the efficiency in working of executives	10	15	9,369.20
Potentiality development of Accounting and Financial department	5	74	4,320.45
Productive Presentation technique and good personality	5	31	1,104.34
Service skills and quality selling	4,890	3,497	0
Knowledge in products	85	88	0
Supervisory Skill Development, leadership and work potentiality development	478	333	0
Crane Operator, Signal Man, Material Adhesives, Crane Supervisor for Overhead Crane, Gantry Crane and Others Stationary Crane Operator Training and Occupational Safety	218	96	3,203.87

In addition to the above employee's development, the Company has expanded cooperation and development to the educational institutions. For the year 2022, the company has made the Memorandum of Understanding (MOU) with Chaiyaphum Rajabhat University, concerning graduate production and work integrated learning: WIL by connecting classroom learning with real work experience in organizations. The objective for developing students' qualifications and skills to meet demands in business sector. Presently, there are educational institutions join the graduate production support and cooperation project of 9 places with 6 programs and students attend the internship and learning from real work more than 100 persons.

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 Khon Kean University, 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.



9  
institutions of education

6  
subjects

100  
students in projects

Support expenses of Baht  
2 million

### 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 2022

##### 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.

- 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 2022, there are employees getting the gold medal with honor card as follow;

Years' experience	Numbers (person)	Reward
10 years	219	Golden Medal 25 St.
15 years	31	Golden Medal 50 St.
25 years	3	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.



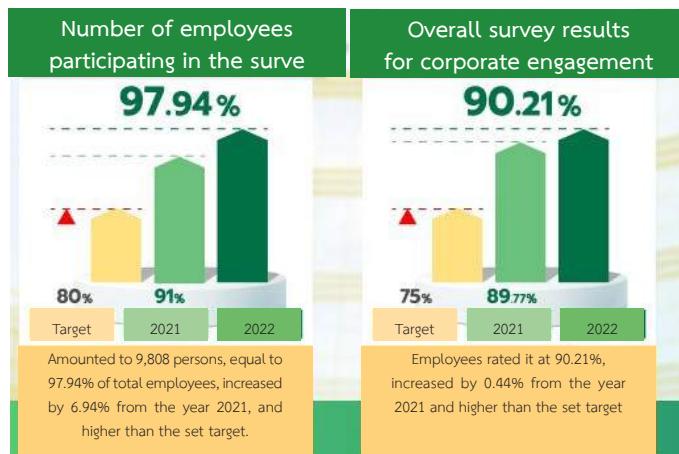
- Salary Increment based on areas affected by the government's minimum wage adjustment in order to be in accordance with laws, be appropriated and fair in the organization. As well as building competitive ability with external labor market.

## 2. Other Benefits

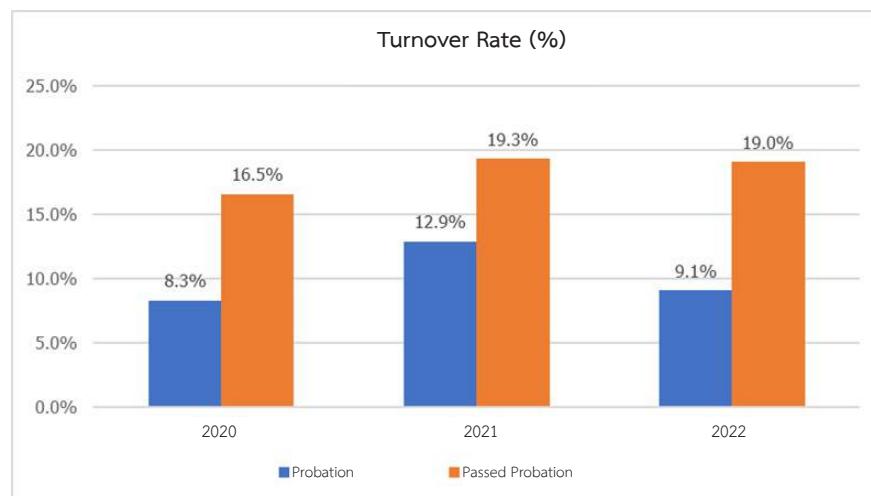
Beside of fair compensations and welfare for employees, the company also aims for employees having good quality of life and stability by providing credit with low interest rate for employees in order to relieve the financial problems, and liabilities which is important cause of employee's stress and 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 78 persons.

## 3. Employee's Engagement

For enhancing the satisfaction level and employee's engagement to be higher, resulting 2023, the results of the employee engagement survey scored 90.21%, which is higher than the target set and higher than the year 2021 by 0.44%. The survey included 9,808 employees, representing 97.94% of the total number of employees, which is higher than the year 2021 by 6.94%. The survey found that the top 3 key reasons for *staying with the company* are the same as in 2021, that is the stable company, work closer to home, give time to family, and good compensations and welfares. In addition to above key reasons, there is additional suggestions concerning issues in the overview, such as welfares, employee's activities, and tools and equipment for working, that is beneficial for the company to take the information into consideration and take appropriate action for the relevant area and agencies.



### Employee Turnover Statistics



**Remark :** Voluntary Turnover rate

## Occupational Health and Safety

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;

1. Comply with laws, regulations, and guidelines with regard to health and safety either being noticed in present and going to be noticed in the future.
2. Risk assessment in activities related to the operations such as conflagration, product storage, machine using, forklift and equipment, chemicals, and electrical system, etc.
3. 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.
4. 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.
5. 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.

## Accident Statistic

Accident Rate	2021	2022
Number of stores	75	78
Numbers of Loss Time Accident	101	104
Average Lost time Injury Frequency Rate per store <sup>1</sup>	1.35	1.33
Total Recordable Injuries Rate : TRIR	5.77	5.12
Injury Severity Rate : ISR (Excluding Fatalities)	0.08	0
Lost time Injury Frequency Rate : LTFR <sup>2</sup>	3.94	3.83
Occupational Illness Frequency Rate : OIFR <sup>3</sup>	0	0
<b>Fatalities (Times)</b>		
Employees		
• Male	0	2
• Female	0	0
PC staffs		
• Male	0	0
• Female	0	0
<b>Number of Deaths<sup>4</sup></b>		
Employees		
• Male	12	11
• Female	2	0
PC staffs		
• Male	4	3
• Female	2	1

- Remark :**
1. Average Lost time Injury Frequency Rate per store = number of accidents/Number of stores
  2. Lost time Injury Frequency Rate = number of accidents/numbers of total working hours X 1,000,000
  3. Frequency (times)/ number of total working hours
  4. Due to Force Majeure

## Elevating Occupational Health and Safety

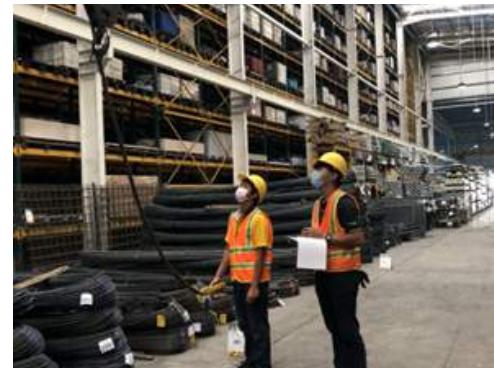
The Company realizes to the safety by emphasizing to being an accident-free organization by 2030, the Company hence ensured that its working environment is safe and aligned within strict compliance with legal requirements. It has assigned its Safety, Health, and Environment Management Committee and Safety Officer in all levels to perform their duties for setting Occupational Safety and Health Standards and corrective action guidelines and conduct the assessment the compliance to the standards, plan, or specified policies, in order to prevent severe accident and reduce incident impacts. The Company has also organized workshops, learning and communication of accident information and solutions together with the Central Safety Working Group, for elevating its management to be standards in operation.

Furthermore, the Company give an opportunity to all employees to participate in corporate safety operations by reporting the operational areas, risk point, or working process that may result in harm through different channels such as the meeting of Safety, Health, and Environment Management Committee, the Safety Patrol, along with collaborate to define the solutions, and prioritize the corrective action through the risk assessment, etc.

For 2022, the Company operates in safety, occupational health and work environment, as well as improving quality of work life for employees as below;

### Safety Patrol

The Company gives the importance to build awareness to behavior-based safety, work environment for workers and users in order to reduce risk of accidents. Anyway, the company also emphasizes to being an accident-free organization by defining that the occupational safety, health and work environment, safety officers in working levels, including all employees to be a part in safety patrol in working area that is likely to cause an impact or risk to the safety of the operator or the user and take corrective action to prevent accidents.



### Results and Benefits

All stores operate 100%

All employees have more participation in safety operations.

### Kiken Yoshi Training (KYT)

KYT project has been ongoing for a long time that is carried out at every shift before starting the operations. The executives, managers, supervisors, and safety officers will be the persons who start giving knowledge about safety to operators or workers, along with giving suggestions in others related operations, such as giving services, correct and safe work procedures, areas that may be a safety risk in operations or in giving services. Including clarifying service issues, the solutions, and dealing with each situation, etc.



## Safety Talk

The Company promotes understanding, educating and raising awareness for all employees to be acknowledged safety information relating with employees. By cultivating consciousness of knowing the cause and impacts, including correct and safe solutions, operating procedures, tools, equipment, and machines maintenance for all employees, etc.



## Participation in the “ Safe Roads, Save Lives “ Project

The Company has signed an MOU (MEMORANDUM OF UNDERSTANDING) for “Safe Roads, Save Lives” with public-private partnership, organized by Integrated Emergency Rescue and Road Safety Committee, Senate in collaboration with Rotary Club of Thailand, Country Cooperation Strategy- Road Safety (CCS-RS), Thai Health Promotion Foundation, to move forward with the common intention to drive Thailand to be a safe society from road accidents. The Company is part of the private sector to drive the operation to enhance road safety for the Company’s personnel, along with the communication team and coordinate work with each other to ensure continuity and tangible results.



## 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 2022

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

Regarding economic conditions and circumstances affect farmers as they can sell less product. There are no areas for selling agricultural products, and some areas have oversupply of agricultural products. Therefore, the Company has established “Sharing happiness, creating smile project” to be a part to relieve problem of farmers. 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 to provide consumers in different areas with the opportunity to access agricultural products that are good quality and safe for consumers in fair price, and also provide more than 9,000 of our employees at each store to consume goods.



In addition, the Company also supports small courier entrepreneurs who registered through the Company's transportation service platform for more than 800 entrepreneurs to deliver products to its stores of the Company for all the year.

Furthermore, the Company has developed “Kasetdee Platform” with its intention to be another channel to support and 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”



## 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 falling price of rice problem and the inability to export to foreign countries, resulting 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 80,000 bags or 400 tons, and distributed to “Happiness Sharing Area” of all 77 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.

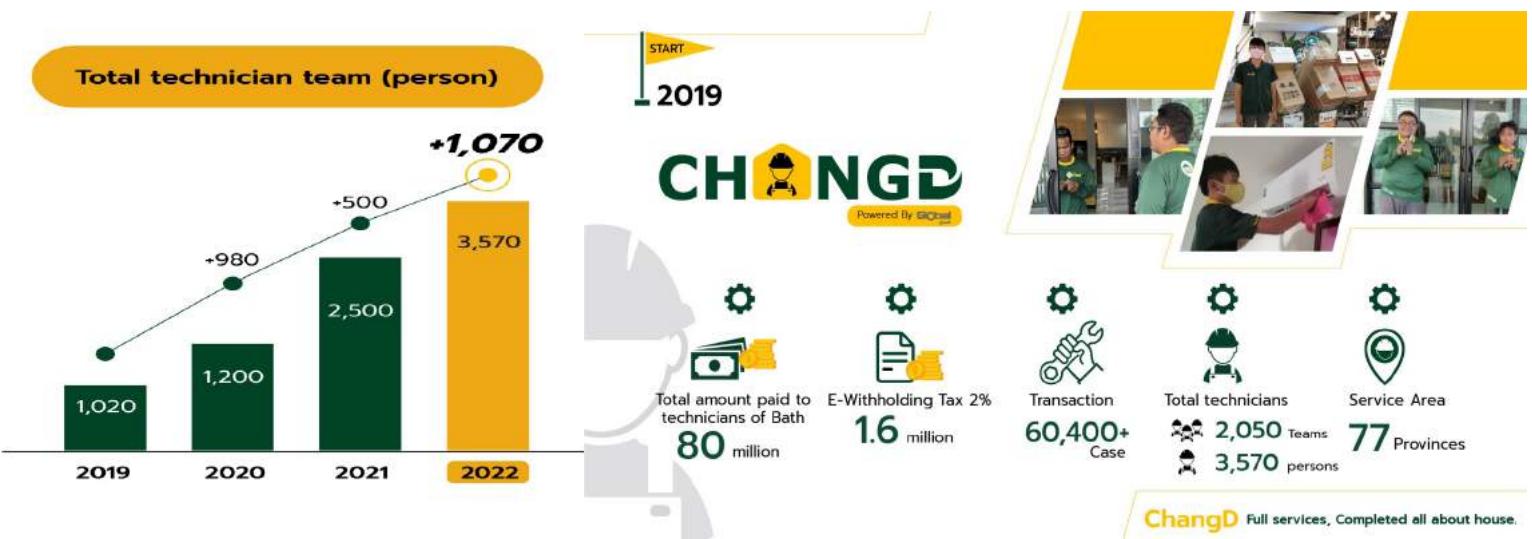


### 3. Generating Income for small entrepreneurs “Changdee Project”

The Company has continuously developed as it aims to be a part of improving quality of life and creating well-being for societies and communities where the company operates all 77 stores over the country

Thus, the Company has established “Changdee project” to provide opportunities for technicians or local small entrepreneurs to join the company. And throughout the time that we’ve provided opportunities to technicians or small entrepreneurs who operate installations by distributing over 70 installation services such as installation of electrical appliances, electrical system, toilets, water pump, solar cell, gutters, digital door locks, automatic door system, garages, kitchenwares, 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 the company for all 77 stores covering area of over 77 provinces. By 2022, the technicians can generate income from product installation service for more than 60,400 items. For each year, the technicians have developed and obtained the trainings from Department of Skill Development and also trainings from Business Partners’ Brands to increase skills for technicians. Besides, the Company have increased the installation technicians every year to be sufficient with customer’s needs.



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





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



#### Others Corporate Social Responsibility

The Company has always supported activities that benefit society whether in form of a grant donations or giving the cooperation with the public and private sectors through 77 stores. In 2022, the Company supported activities amounted to Baht 52,909,000.00 with details as follows:

##### Educations and Youth Development

The Company grants products for educational aid to schools, Industrial and Community College, Technical College in the province where stores operated.

##### Medical

The Company grants medical supplies for Roi-Et hospital, consists of 2 Dialysis Machines and 1 machine of heat needle treatment for pain suppression by Four-channel radio-frequency signal generator valued Baht 2,900,000.00 for medical use and patients' treatment.



### Disabled & underprivileged persons Contributions

The Company participated to be a part in raising donations from devotees and Global employees from all stores to the Foundation Office Roi Et Province Branch/Roi Et School for the Blind, by setting up a donation kiosk in stores, which can collect donations of Baht 410,000.00 Baht. As well as supporting prizes in activities on the International Day of Persons with disability and donating grant-in-aid for the procurement of equipment to help people with disabilities.

### Religion

Donated Money and products of construction materials and equipment to restore the church, parsonage and dhamma retreat totally 32 places



### Other Activities

The company donated 65,560 bottles of "LAMAYON" drinking water for supporting the activities of government sector and private sector through the store.



### ► 3.5 Sustainable Development Goals (SDG<sub>s</sub>)

SDG <sub>s</sub> Sustainable Development Goals	Action to support Goals	Ref. Page	
 <b>1 NO POVERTY</b>	End Poverty	<ul style="list-style-type: none"> <li>• Co-payment</li> <li>• GBH happy mind near home</li> <li>• Promoting distribution channels for agricultural products</li> </ul>	106 107 117 - 118
 <b>2 ZERO HUNGER</b>	End hunger, and improved nutrition for all at all ages	<ul style="list-style-type: none"> <li>• Supporting proper salary and welfare</li> </ul>	111
 <b>3 GOOD HEALTH AND WELL-BEING</b>	Healthy lives and well-being for all at all ages	<ul style="list-style-type: none"> <li>• Quality products and services</li> </ul>	81 - 86
 <b>4 QUALITY EDUCATION</b>	Inclusive and equitable quality education	<ul style="list-style-type: none"> <li>• Employee Potentiality Training and Development</li> </ul>	109 - 110
 <b>5 GENDER EQUALITY</b>	Achieve gender equality and empower all women and girls	<ul style="list-style-type: none"> <li>• Human Rights Management</li> </ul>	73 - 77
 <b>6 CLEAN WATER AND SANITATION</b>	Availability and sustainable management of water and sanitation for all	<ul style="list-style-type: none"> <li>• Water Management</li> </ul>	96
 <b>7 AFFORDABLE AND CLEAN ENERGY</b>	Sustainable modern energy which is accessible for all	<ul style="list-style-type: none"> <li>• Efficient Renewable Energy Use</li> </ul>	94
 <b>8 DECENT WORK AND ECONOMIC GROWTH</b>	Inclusive and sustainable economic growth, productive employment and decent work for all	<ul style="list-style-type: none"> <li>• “Changdee” Project</li> </ul>	119

SDG <sub>s</sub> Sustainable Development Goals	Action to support Goals	Ref. Page	
<b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE 	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.	<ul style="list-style-type: none"> <li>• Selling Online Development and Adjustment Project</li> <li>• Self-Check Out Development Project</li> <li>• Bank Agent Connection System Development Project</li> </ul>	79
<b>10</b> REDUCED INEQUALITIES 	Reduce inequality within and among countries	<ul style="list-style-type: none"> <li>• Elderly Employment</li> <li>• Disability Employment</li> <li>• Diversity Employment with non-discrimination</li> </ul>	107 107 74
<b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION 	Sustainable consumption and production patterns	<ul style="list-style-type: none"> <li>• Use Solar Energy as a renewable energy</li> </ul>	94
<b>13</b> CLIMATE ACTION 	Take urgent action to combat climate change and its impacts	<ul style="list-style-type: none"> <li>• Efficient Energy Use</li> </ul>	93 - 95
<b>14</b> LIFE BELOW WATER 	Use the oceans, seas and marine resources	<ul style="list-style-type: none"> <li>• Water Management</li> </ul>	96 - 97
<b>15</b> LIFE ON LAND 	Use of terrestrial ecosystems	<ul style="list-style-type: none"> <li>• Waste Management</li> </ul>	98
<b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS 	Peaceful and inclusive societies, justice, and non - discrimination	<ul style="list-style-type: none"> <li>• Respect Human Rights</li> <li>• Good Corporate Rights</li> </ul>	73 61 - 77
<b>17</b> PARTNERSHIPS FOR THE GOALS 	Implementation and revitalize the Global Partnership for Sustainable Development	<ul style="list-style-type: none"> <li>• Supply Chain Management</li> </ul>	89

### 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 1<sup>st</sup>, 2022 to December 31<sup>st</sup>, 2022.

### More Information

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# ► 04 Management Discussion and Analysis : MD&A

## ► 4.1 Overview of the past operations

2022 was a year that businesses around the world faced challenges due to many unexpected factors. Since the beginning of the year, COVID-19 Omicron strain has spread rapidly, forcing many countries to re-impose lockdowns. Plus, a conflict situation between Russia and Ukraine that resulted in higher prices for energy and commodities, and the increase of interest rate from the central bank's policy in different countries in order to control the inflation. All such factors affect significantly slowing down of global economic activities.

The operating results in 2022, the Company maintained the efficiency of revenue generation, control the cost of operations to a competitive level, and the implementation of digital systems to drive business along with caring communities and environment. The Company and its subsidiaries have total revenue of Baht 35,978.40 million, increased by 5.46% and net profit amounted to Baht 3,505.89 million, increased by 4.37% when compared to the year 2021.

Regarding the growth, the Company focus on expanding its stores to cover area in order to deliver the value for customers under slogan “**Smart Living Solutions**” by mixing between online and offline channels. The Company has expanded more 2 stores; that is Samui (Surat Thani) and Porncharoen (Bueng Kan), that has resulted in the end of 2022, there are total 77 stores in the country and 1 store in subsidiary in Cambodia.

## ► 4.2 The Operating result and profit ability

2022, the Company and its subsidiaries have total revenue and net profit of Baht 35,978.40 million and Baht 3,505.89 million, increased from the year 2021 by 5.46% and 4.37% respectively. As a result of the policy adjustment and operations strategy to be in accordance with economic fluctuations such as Inventory management, product purchasing, House Brand product management and sales boosting more through various channels. As well as improving the same store layout to be modern style, increasing customers convenience to attract and impress customers.

### (1) Revenue

Unit : Million Baht

List	2022		2021		2020	
	Number	%	Number	%	Number	%
1. Sales Revenue	34,749.78	96.59	33,010.21	96.76	26,207.95	95.81
• Construction Material	13,509.86	37.55	16,286.41	47.74	10,713.21	39.17
• Decorative Material	21,239.92	59.04	16,723.80	49.02	15,494.74	56.64
2. Other Income	692.89	1.92	610.61	1.79	544.70	1.99
3. Revenue from subsidiary	535.73	1.49	495.29	1.45	601.24	2.20
<b>Total Revenue</b>	<b>35,978.40</b>	<b>100.00</b>	<b>34,116.11</b>	<b>100.00</b>	<b>27,353.89</b>	<b>100.00</b>

2022, the company and its subsidiaries have total revenue of Baht 35,978.40 million, increased by Baht 1,862.29 million or 5.46% from the year 2021. This is mainly due to an increase of same store sales and opening new 2 stores. Revenue of the company can be categorized to sales revenue, other income, and revenue from subsidiaries, with details as follows;

- Sales Revenue was equal to Baht 34,749.78 million, increased by Baht 1,739.57 million or 5.27%, consist of retail sales revenue from construction materials and decorative materials of the Company.
- Other income was equal to Baht 692.89 million, increased by Baht 82.28 million or 13.47% by the main factors are from the increase of promotional revenue and transportation revenue.
- Revenue from subsidiary which is revenue from sales of products revenue from services and other income of subsidiary in Cambodia, on behalf of Global House Cambodia Co., Ltd, was Baht 535.73 million, increased by Baht 40.44 million or 8.16% due to the demand of products and services was increased.

#### (2) Cost of Sales and Gross Profit

2022, the Company and its subsidiaries have cost of sales amounted to Baht 26,165.91 million, increased from the year 2021 of Baht 1,098.91 million or 4.38% due to the increased sales revenue. Gross profit was Baht 9,104.43 million, increased from the year 2021 by Baht 673.62 million. Gross profit margin was 25.81%, increased from the year before which gross profit margin was 25.17% due to the adjustment of products proportions and sales boosting of House Brand products.

#### (3) The selling, general, and administrative expenses (SG&A)

2022, the Company and its subsidiaries have SG&A of Baht 5,409.68 million, increased from the year 2021 by Baht 602.71 million or 12.54%. Such expenses were equal to 15.34% on sales, with details of expenses each group as below;

- Distribution cost was Baht 2,921.46 million, increased by 320.59 million or 12.33%. The main factors were the increase of salaries expense group of 2 new stores and selling expenses of products and services.
- Administrative expense was Baht 2,488.22 million, increased by 283.06 million or 12.84% which is expenses of head office, renovation expenses to improve store image to be modern style. Including setting allowance estimates for devaluation of obsolete and slow-moving products increases to be in accord with conditions and life cycle of each type of inventories following to the accounting standards.

#### (4) Financial Cost

Financial cost for the year 2022 was Baht 192.88 million, increased from the year 2021 by Baht 12.46 million or 6.91%. This is due to the increase of long-term loans to support the company's growth and the increase of loan interest rates of financial institutions.

#### (5) Net profit

The operating result for the year 2022, the company and its subsidiaries have net profit of Baht 3,505.89 million, increased by Baht 146.92 million or 4.37% when compared to the year 2021. And when consider the ratio of net profit on sales, was equal to 9.94%, decreased by 0.09% from last year, due to the Company has considered devaluation of products to be in accord with the condition and the life cycle of each type of product, according to the policy of setting allowance estimates for devaluation of obsolete and slow-moving products which is followed in the accounting standards.

#### (6) EBITDA

Earnings before interest, tax, depreciation, and amortization (EBITDA) for the year 2022 was Baht 5,764.87 million, increased from the year 2021 by Baht 181.29 million or 3.25%.

#### (7) Efficiency in Profitability

##### • Return on Equity : ROE

As at 31 December, 2022 Return on Equity was 16.72%, decreased from last year which had return on equity at 18.13% or decreased by 1.41%. Due to the Company has paid dividends in form of ordinary shares, resulting the proportion of shareholders has increased.

- **Return on Assets : ROA**

As at 31 December, 2022 Return on Asset was 8.94%, increased from last year which had return on asset at 8.92% or increased by 0.02% from the increased net profit.

### ► 4.3 Asset Management Ability

As at 31 December, 2022 the Company and its subsidiaries have total assets of Baht 39,148.21 million, decreased by Baht 126.39 million or 0.32% from last year, as a result of changes in the significant transactions as follows;

- Cash and cash equivalent was decreased by Baht 546.67 million or equal to 32.27%
- Trade receivables and other receivables was decreased by Baht 42.62 million or 6.32% due to the decrease of Related Party Receivables that was due and other receivables arising from operations related to sales support. As at 31 December, 2022, Trade receivable outstanding aged over 12 months was Baht 2.33 million and the company has already set allowance for doubtful accounts of Baht 2.34 million. And in 2022 the company had no bad debt.
- Inventories was decreased by Baht 438.72 million or 2.71% due to the policy adjustment of inventory management and purchasing policy to be in accord with economic condition and customers' demands in each area.
- Investment in joint venture was increased by Baht 317.08 million, or equal to 21.04% due to the investment in expanding the retail business of building materials and home furnishings products in Indonesia through Global House International Trade Co., Ltd, which is joint venture between the company and SCG Distribution Co., Ltd in the proportion of 50%.
- Investment in bonds was increased by Baht 220.09 million or 220.09% due to the company has invested in debentures of financial institutions and private companies, that is; Krung Thai Bank Public Co., Ltd, Ratchathani Leasing Public Co., Ltd, TPI Polene Public Co., Ltd. The Company will receive a return in form of interest rate at 3.23 to 4.50 per annum.
- Property, plant and equipment was increased by Baht 372.15 million or equal to 2.18% due to the increase of property, plant and equipment of new 2 stores.

### ► 4.4 Capital adequacy and liquidity

#### (1) Cash Flows

The company and its subsidiaries have the capital management by preparing cash flow estimates to be used in working capital management for the sufficient liquidity and low financial costs. Comparing the cash flows for the year ended 31 December, 2022 with the same period of the year 2021 as below;

Unit : Million Baht

List	Consolidated Financial Statements		Separate financial statement	
	2022	2021	2022	2021
Net Cash From Operating Activities	4,835.04	3,204.31	4,759.58	3,110.95
Net Cash Used in Investing Activities	(1,858.42)	(2,602.72)	(1,843.93)	(2,540.17)
Net Cash From (Used in) Financing Activities	(3,522.75)	(142.88)	(3,492.13)	(113.01)
Currency Translation Difference	(0.55)	11.11	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	(546.67)	469.82	(576.48)	457.76

As at 31 December 2022, the company and its subsidiaries have cash and cash equivalent of Baht 1,147.44 million, decreased by Baht 546.67 million from 31 December 2021 due to the following activities ;

- Net Cash from Operating Activities in 2022 was Baht 4,835.04 million, generated from profit from operations before changes in operating assets and liabilities of Baht 5,847.94 million. And the increased working capital from changes in significant operating assets and liabilities, that is; inventories decreased by Baht 242.87 million, trade and other payables was decreased by Baht 353.53 million, employee benefits expenses after resignation was increased by Baht 4.02 million and income tax expenses of Baht 898.00 million.
- Net Cash Used in Investing Activities in 2022 was Baht 1,858.42 million, mostly used for purchasing of property, plant and equipment for the store expansion in 2022 and next year, and for renovation of same stores of Baht 1,439.93 million, Right-of-use assets of Baht 3.84 million, investment in joint venture of Global House International Trade Co., Ltd of Baht 298.63 million, and investment in bonds of Baht 220.00 million.
- Net Cash Used in Financing Activities in 2022 was Baht 3,522.75 million, due to short-term loans from the financial institutions was decreased by Baht 2,590.61 million, long term loans increased by Baht 1,727.00 million, repayment for long-term loans of Baht 1,278.24 million, and repayment of lease liability of Baht 54.81 million, and dividend payment of Baht 1,172.65 million.

#### (2) Liquidity adequacy

2022, the company and its subsidiaries have stability and liquidity adequacy and solvency as below;

- Liquidity Ratio as at 31 December, 2022 was equal to 1.29 times, increased from last year which had liquidity ratio at 1.16 times. This is due to the policy adjustment of product management and product purchasing, and the repayment the short-term loans from the financial institutions, resulting current assets and current liabilities decreased by 5.71% and 14.88% respectively.
- D/E Ratio as at 31 December, 2022 equal to 0.77 times, decreased from last year which had D/E ratio at 0.98 times. As a result of the repayment of short-term loans and long-term loans from the financial institutions and Interest Coverage Ratio as at 31 December 2022 at 29.91 times, decreased by 1.06 times from the same period of the year 2021. This is due to an increase in interest payments from the adjustment of the loans interest rate of financial institutions.

#### (3) Sources of Funding

The company uses operating capital from sales revenue of goods and loans from financial institutions as follows;

- Sales Revenue, since the company has a policy to sell products in cash, resulting a high revenue from cash sales. When compared to the total sales revenue from 2020-2022, there will be a proportion of cash sales at 96.73%, 97.64% and 97.34% respectively.
- Loans from the financial institutions consist of short-term loans, type of Promissory Note, and long-term loans as at 31 December 2022, were equal to Baht 9,475.45 million and Baht 3,632.20 million, respectively.

#### (4) Shareholder's Equity

As at 31 December 2022, shareholder's equity was Baht 22,091.09 million, increased from last year by Baht 2,255.04 million or equal to 11.37%. This increase was a result of an increase in unallocated retained earnings that increased by Baht 2,115.40 million.

#### (5) Capital Expenditure

In 2022, the Company has investment expenses in buying land, buildings construction for the new stores' expansion, and same stores' renovation to be modern, in total of Baht 1,439.93 million, and investment in joint venture was Baht 298.63 million. By the sources of funding come from Cash from operating activities and loans from the financial institutions.

## ► 4.5 Liabilities and Off-balance sheet obligations management

As at 31 December 2022, the Company and its subsidiaries have total liabilities of Baht 17,057.12 million, decreased from last year of Baht 2,381.43 million, or equal to 12.25%. As a result of changes of the following significant transactions;

- Short-term loan from the financial institutions decreased by Baht 2,590.61 million since the company has repaid the promissory note that was due.
- Trade and other payables decreased by Baht 232.17 million due to the company has paid creditors that was due on the credited period.
- Long-term loan increased by Baht 448.76 million in order to use to be working capital in the Company's operations. In part of long-term loans with 1-year due totaled Baht 1,511.83 million, the Company plans to repay from cash flow from operations.
- Other Current liabilities decreased by Baht 7.54 million, from making a Forward contract for using in the operations.

Anyway, in 2022, the company has complied with the conditions and agreement as specified in loan contract with the financial institutions. By the company has already repaid the short-term loans and long-term loans on due completely.

## ► 4.6 Factors that may affect the operations in the future.

The company is well aware that sustainability or ESG factor may affect the Company's operations in the future. Thus, the company has reviewed the plan to be in line with the situations as below;

- (1) Eco-friendly product trends, the company has adapted by sourcing more eco-friendly products, along with arranging the product assortment for ESG product group, in order to support the responsible consumption to customers, and prevent the loss of opportunities to sell products which may affect the overall operations, consist of 4 product groups as below;
  - ESG1 products that is; energy saving, global warming and natural resources saving products.
  - ESG2 products that is Healthcare promotional products.
  - ESG3 products that is products for elderly and disabled person.
  - ESG4 products that is products to support the new normal of living.

In 2022, the proportion of ESG sales revenue was 31.81% of total sales revenue, which has increased from the year 2021 that had the proportion of 25.30%.

- (2) The policy to pull together in the reduction of greenhouse gas emissions, resulting businesses and governments sector must find ways to achieve goals to control global temperature together. The Company has adapted by focusing the reduction of climate and environmental impacts, as well as organizing the activities of the Company. The company has set the operational policy to reduce the greenhouse gas emissions of the company as follows;
  - Clean Energy Consumption by installing the Solar Rooftop for all stores to utilize the clean energy instead of electricity from transmission lines.
  - Changing forklifts from oil and gas fuels to be electric systems.
  - Organizing promotional activities "Chai Roi Ching Lan" by digital system that can reduce paper using and transportation of coupon from stores to the head office, including giving the prize Electric Vehicle (EV) for the winners instead of gasoline car in order to support the moving into a low - carbon society.

## ►4.7 Key Financial Information

Items (Unit : Million Baht)	31 Dec 2020	31 Dec 2021	31 Dec 2022
<b>Statement of income</b>			
Net sales	26,803	33,498	35,270
Transportation income	102	117	190
Other income	449	501	518
Total revenues	27,354	34,116	35,978
Cost of goods sold	20,401	25,067	26,166
Distribution costs	2,321	2,601	2,921
Administrative expenses	1,912	2,205	2,488
Other expense	68	1	-
Profit from operating activities	2,652	4,242	4,403
Finance costs	(246)	(180)	(193)
Share of Profit of Joint Venture	23	81	120
Profit before Income Tax	2,430	4,142	4,330
Income Tax Expense	455	783	824
Profit for the year	1,975	3,359	3,506
<b>Statement of financial position</b>			
Total Assets	36,020	39,275	39,148
Current assets	16,184	18,631	17,568
Cash and cash equivalents	1,224	1,694	1,147
Trade and other accounts receivable	666	674	632
Short-term loans to joint venture and accrued interest income	6	-	-
Merchandises	14,288	16,186	15,747
Temporary Investment – Deposits at Financial Institutions	-	78	42
Non-current assets	19,836	20,643	21,580
Investment in joint venture	838	1,508	1,824
Investments in debt securities	-	100	320
Lease receivables	-	-	30
Land not use in operation	500	500	500
Property, plant and equipment	17,148	17,099	17,471
Right-of-use assets	1,270	1,283	1,232
Intangible assets	12	7	5
Deferred tax assets	60	138	189
Other non-current assets	8	8	9
Total liabilities	18,806	19,439	17,057
Current liabilities	15,761	16,011	13,629

Items (Unit : Million Baht)	31 Dec 2020	31 Dec 2021	31 Dec 2022
Short-term loans from financial institutions	11,193	12,066	9,475
Trade and other accounts payable	2,988	2,543	2,311
Current portion of long-term loans	883	1,045	1,512
Current portion of lease liabilities	15	18	18
Debentures – Maturity date within a year	500	-	-
Current portion of accrued rental expenses	-	-	-
Income tax payable	177	328	309
Other current liabilities	5	12	4
Non-Current Liabilities	3,045	3,427	3,428
Long-term loans	1,803	2,139	2,120
Lease liabilities	1,081	1,129	1,131
Debentures	-	-	-
Accrued rental expenses	-	-	-
Deferred tax liabilities	8	11	8
Provisions for employee benefits	147	144	163
Other non-current liabilities	6	5	6
Shareholders' Equity	17,214	19,836	22,091
Equity attributable to equity holders of the parent	16,981	19,561	21,787
Non-controlling interest	233	275	304
<b>Statement of cash flows</b>			
Cash flows from operating activities	4,830	3,204	4,835
Cash flows from investing activities	(2,161)	(2,603)	(1,858)
Cash flows from financing activities	(2,741)	(143)	(3,523)
Net increase (decrease) in cash and cash equivalents	(75)	470	(547)
Cash and cash equivalents at end of year	1,224	1,694	1,147
<b>Liquidity Ratio</b>			
Current Ratio (time)	1.03	1.16	1.29
Quick Ratio (time)	0.12	0.15	0.13
Current Ratio - Cash basis (time)	0.28	0.20	0.33
Account Receivable Turnover (time)	27.68	50.01	54.04
Account Receivable Day (day)	13.19	7.30	6.75
Inventory Turnover (time)	1.37	1.65	1.64
Inventory Day (day)	267.38	221.86	222.72
Account Payable Turnover (time)	6.39	9.06	10.78
Account Payable Day (day)	57.14	40.27	33.85
Cash (day)	223.43	188.89	195.62

Items (Unit : Million Baht)	31 Dec 2020	31 Dec 2021	31 Dec 2022
<b>Profitability Ratio</b>			
Gross Profit Margin (%)	23.89%	25.17%	25.81%
Operation Profit Margin (%)	9.89%	12.66%	12.48%
Other Revenue to Total Revenue (%)	2.01%	1.81%	1.97%
Cash flow to Operation Profit (%)	182.13%	75.54%	109.82%
Net Profit Margin (%)	7.22%	9.85%	9.74%
Return on Equity (%)	11.85%	18.13%	16.72%
<b>Efficiency Ratio</b>			
Return on Asset (%)	5.49%	8.92%	8.94%
Return on Fixed Asset (%)	16.68%	22.84%	22.51%
Asset Turnover (time)	0.76	0.91	0.92
<b>Financial Policy Ratio</b>			
Debts to Equity Ratio (time)	1.09	0.98	0.77
Interest Coverage Ratio (time)	15.62	30.97	29.91
Interest Bearing Debt to EBITDA (time)	4.03	2.93	2.47
Debt Service Coverage (time)	0.32	0.43	0.52
Dividend Payout Ratio (%)	43.66%	24.25%	33.45%

#### Corporate Income Tax Payment divided by country for the year 2022

Details	Thailand	Cambodia	China
Total Income	33,620.82 Million Baht	51.92 Million Baht	2.19 Million Baht
Profit from operation before income tax	4,029.47 Million Baht	6.93 Million Baht	Loss
Income Tax Deduction	748.36 Million Baht	11.99 Million Baht	-
Actual Income Tax paid	696.02 million Baht	15.30 Million Baht	-
Corporate Tax Rate	20%	20.00%	-
Effective Tax Rate	21%	28.00%	Loss

**Remark :** Corporate Income Tax Rate of Thailand, equal to 20% and effective tax rate has lower than Corporate Income Tax Rate due to

# ► 05 General Information and Other Key Information

## ► 5.1 General Information

Regulator	<b>The Securities and Exchange Commission</b> 333 / 3 Vibhavadi Rangsit Road, Chomphon, Chatuchak Bangkok 10900 Telephone 02 - 695-9999 Fax 02-695-9660
Regulator	<b>The Stock Exchange of Thailand</b> 93 The Stock Exchange of Thailand Building, Rachadapisek Road, Dindaeng Bangkok 10400 Telephone 02-009-9726-50 Fax 02-009-9807-8
Share Registrar	<b>Thailand Securities Depository Company Limited</b> 93 The Stock Exchange of Thailand Building, Rachadapisek Road, Dindaeng Bangkok 10400 Telephone 02-009-9000 Fax 02-009-9991
Auditor	<b>M.R. &amp; ASSOCIATES Co.,LTD</b> 705 - 705 Chaopaya Tower 89, Soi Wat Suan Plue, Charoenkrung Road, Bangrak, Bangkok 10500 Telephone 02-630-7500 Fax 02-630-7506

## ► 5.2 Other key Information

- None -

## ► 5.3 Legal Dispute

As of December 31, 2022, The Company has no Legal Dispute

# PART 2

## Corporate Governance



# ► 06 Corporate Governance Policy

## ► 6.1 Corporate Governance Policy Overview

The Company has its intention to conduct business under the good corporate governance principles following to the practical guidelines of the Stock Exchange of Thailand. By realizing that the important factor for strengthening the efficient management with transparency and accountability, which can help to build the reliability and confidence to shareholders, investors, all stakeholders and related persons, and increase the competitive advantage that leads to sustainable business growth. Therefore, the Board of Directors has established the Corporate Governance Manual, Business Ethics, and Code of Conduct for directors, executives to adhere to be practical guidelines, by publicizing on the Company's website : [https://investor.globalhouse.co.th/corporate-governance-th/\\_and on the Intranet..](https://investor.globalhouse.co.th/corporate-governance-th/_and on the Intranet..)

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 realizes and gives equal importance to the rights of shareholders by encouraging shareholders to exercise their rights and will not infringe on the rights of shareholders whether it is a fundamental right, receiving information appropriate, adequate, timely, as well as attending the meetings to fully vote and express opinions. The Company has formulated the corporate governance policy by considering to the rights of shareholders, by not limited to only the rights stipulated by law. In 2022, the Company has complied with the good corporate governance principles as follows;

#### 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 2022 though the company website since 15<sup>th</sup>, October 2021 to 15<sup>th</sup> January 2022.
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 1 March, 2022 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 2022, 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 publication 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 2022, the company has appointed Mr.Pairoj Juarprathoom, Dr. Boonchai itugdamrongkija, and Dr.Vongsk Swasdipanich to be independent directors, the proxy.

#### **Meeting Day**

1. The Annual General Meeting of Shareholders for the year 2022 on April 8<sup>th</sup>, 2022, 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](http://www.globalhouse.co.th)

In the Annual General Meeting of Shareholders, the Company conducted the meeting according to the agenda of the meeting and no agenda was added without prior notice to shareholders, as well as no shareholders propose agenda or nominate candidates to be elected as directors prior to the 2022 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. Information Technology and Cyber Security Policy

The Company aims to create value for products and services to suit the needs of customers in each area, while managing costs and expenses of business operations to the appropriate level in order to the Company enable to deliver the highest value for products and services to customers.

The Company also focuses on developing distribution channels, building customer relationships, working with business partners, along with the development of information technology systems and the human resource development, to support the growth and the creation of appropriate added value for the stakeholders and overall society. Thus, the Company has established the Information Technology and Cyber Security Policy to ensure the company's activities and the relevant laws.

## 7. Anti-Corruption Policy

The Company strives to operate business following the good corporate governance principles by giving the importance to Anti-Corruption, as well as adhering to the principles of integrity, morals, ethics, code of conduct, and good governance, managing with transparency and responsibility to all stakeholders. Therefore, the Company has established the "Anti-Corruption" policy to adhere to be distinctly practical guidelines in business operations and develop the organization to grow continuously and sustainably. Directors, executives and employees shall not act or accept any form of corruption, either directly or indirectly, covering all business of the Company in all categories and related departments. As well as requiring to check and review the compliance to the anti-corruption policy in order to prevent and against corruption problems of the company more clearly, by creating a corporate culture for everyone to be aware of the dangers of corruption, creating correct values and increase confidence to all stakeholders, to effectively combat corruption. The Company has announced and communicated to the Directors, Executives and employees to acknowledge and adhere to changes of the business, rules, regulations and related Laws. In 2022, the Company has participated in the declaration of intent to join Thailand's Private Sector Collective Action Coalition against Corruption (CAC) since 26 April 2022, and the Company is on process of submitting a proposal for certification of anti-corruption standards by CAC.

## 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 2022 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 2022 via the Company's website on 1 March 2022 that the meeting held on 8 April 2022.
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](http://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 2022, the Company has reviewed and revised the vision and mission to be in accordance with the sustainability development.
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](http://www.globalhouse.co.th))

## ► 6.3 Major changes and developments of policy practices and corporate governance systems in the past year.

### 6.3.1 Major changes and developments regarding corporate governance

The Board of Directors recognizes the importance of developing a good corporate governance system and committed to enhance corporate governance standards to be comparable to leading companies, which will affect the sustainable growth of the company. Therefore, the Board of Directors has regularly reviewed the appropriateness and adequacy of the Company's corporate governance policies and practices to comply with business models and environments that might be changed. Resulting in 2022, the Company has received the corporate government assessment in "Excellence"  level for the 2<sup>nd</sup> consecutive years.

In 2022, the Board of directors has developed and enhanced the Company's corporate governance system which summarize details of major changes and developments as follows ;

- Has appointed the sustainability and corporate governance committee to control the environmental, social and governance operation to meet the goals and build confidence to all stakeholders, according to the resolution of the Board of directors' meeting no.2/2022.
- Has approved the charter of the sustainability and corporate governance committee according to the resolution of the Board of directors' meeting no.3/2022.
- Has participated in Thai private sector Collective Action Against Corruption: CAC) to take *part of efforts* in tackling corruption problem by Business sector of Thailand.
- Has reviewed the Corporate Governance, Business ethics, and Code of Conduct to be clearer and more consistent with laws and regulations.

- Has reviewed the charter of the Audit and Risk Management Committee to be consistent with The *Corporate Governance Report* of Thai Listed Companies (CGR) principles.
- Has reviewed the Supplier Code of Conduct to be clearer and more consistent with rules and regulations.
- Has organized the projects and activities relevant with good corporate governance, business ethics and sustainability 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 2022, 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

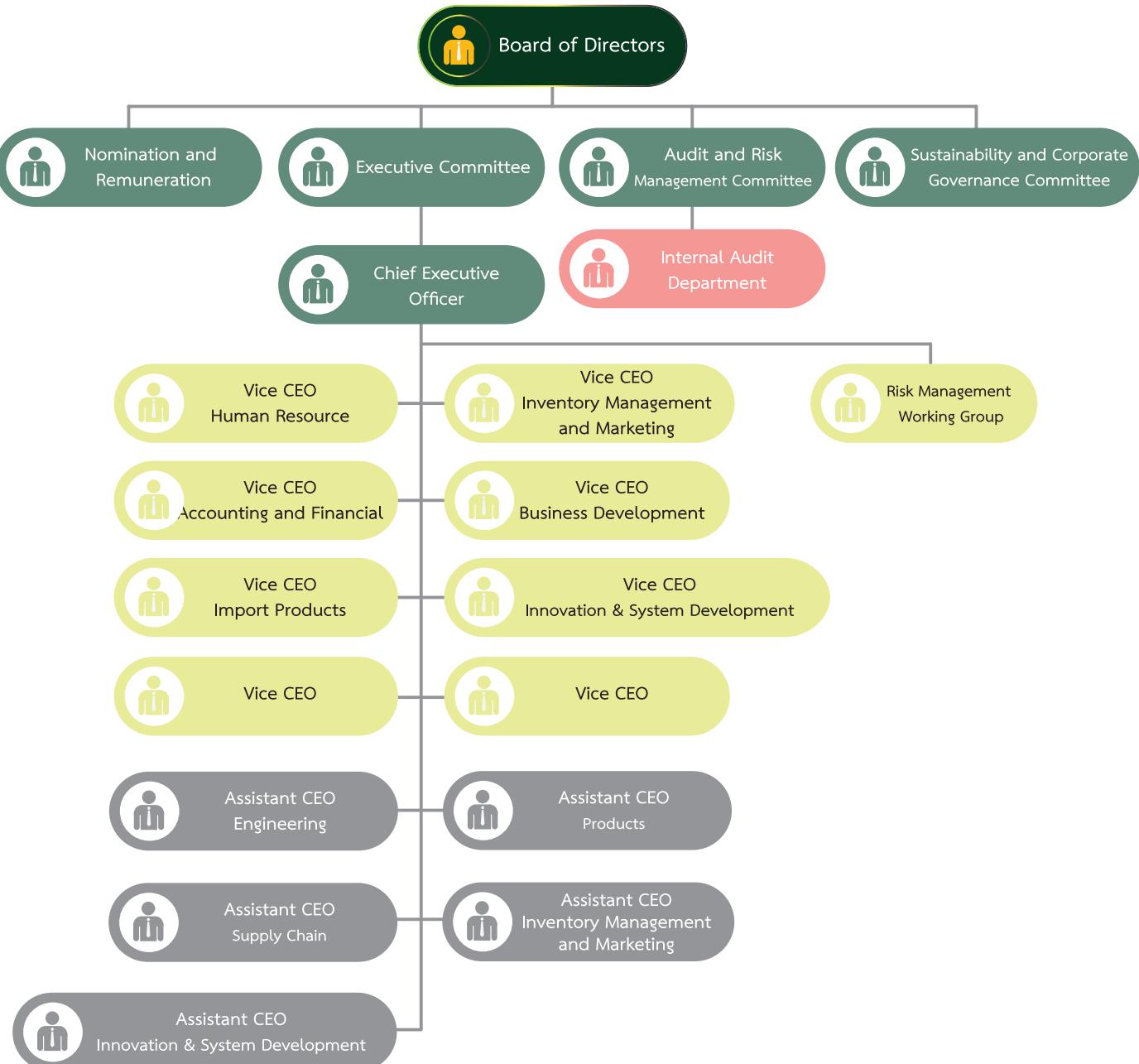
The company has reviewed and operated to regularly enhance and improve its policy and practical guidelines follows the good corporate governance principle annually. The objective for keeping standard according to the corporate governance principles in the country and international level namely good corporate 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 received SET Awards for the year 2022, that is Rising Star Sustainability Awards, Sustainable Corporate Model and Business Excellence for the 1<sup>st</sup> year from the Stock Exchange of Thailand.
- 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 4<sup>th</sup> consecutive year from the Annual General Meeting Checklist (AGM Checklist) for the year 2022, assessed by Thai Investors Association
- The company has been selected to be one of 170 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

# ► 07 Corporate Governance Structure and Important Information of the Board of Directors, Sub-committees, Executives and Other Staffs

## ► 7.1 Corporate Governance Structure as at 31 December 2022



## ► 7.2 Board of Directors information

As at 31 December 2022, 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 / Chairman of the Sustainability and Corporate Governance Committee / 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 / Sustainability and Corporate Governance Committee / Executive Director
8.	Mr. Nithi	Phatarachoke	Director / Executive Director
9.	Mr. Paramate	Nisagornsen	Director
10.	Mr.Wiroat	Rattanachaisit	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. Nithi Phatarachoke 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:
  - 1.1 Each shareholder has the vote equivalent to one vote per one share held.
  - 1.2 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.
  - 1.3 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 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	Siam Global House PCL.	Subsidiary 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	Chairman
3.	Mr.Kriangkai Suriyawanakul	Director / Vice CEO	Director		
4.	Mr. Nithi Phatrachok	Director			Director
5.	Mr. Paramate Nisagornsen	Director			Director
6.	Mr.Wiroat Rattanachaisit	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. Pongpol Tiapairatkulkit	Assistant CEO			
20.	Mr. Thapanat Asawachchulamanee	Assistant CEO			
21.	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 4 committees, that is executive committee, Audit and risk management committee, Nomination and Remuneration Committee and Sustainability and Corporate Governance 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 Phatarachoke	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

- Review accuracy and adequacy of the Company's financial reporting according to the accounting standard, related laws with sufficient disclosure.
- Consider disclosing the company's information in case of the Related-Party Transactions or transactions that may have any conflict of interest.
- 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.

## 4. Sustainability and Corporate Governance Committee

The Sustainability and Corporate Governance Committee consist of at least 3 directors by selecting from the Company's directors, independent directors, and some executives of the Company. The objective for supporting the Board of Directors to stipulate the Environmental, Social and Governance (ESG) operational Policy and social responsibility of the company and its subsidiaries. To ensure that the business operations have transparency, fairness, and building trust to all stakeholders, including effective sustainability operations which is guidelines to build the sustainable growth of the Company.

Anyway, the Board of Directors shall consider to appoint the appropriately qualified member to take a position of the Chairman to the Sustainability and Corporate Governance Committee in the same time. The list of the Sustainability and Corporate Governance Committee consisted of 3 directors as follows;

Name		Position
1.	Dr. Boonchai Pitakdamrongkit	Chairman of the Sustainability and Corporate Governance Committee (Independent Director)
2.	Mr. Kriengkai Suriyawanakul	Sustainability and Corporate Governance Committee
3.	Ms. Chutikan Sriseangchan	Sustainability and Corporate Governance Committee

## Duties, Authorities and Responsibilities of the Sustainability and Corporate Governance Committee

### Sustainability

1. Consider and determine the goal, policy, strategy, along with sustainability development operation plan, in accordance with business operation in economic, social, and environmental aspects, under the corporate governance principle.
2. Control the compliance to the policy, strategy, sustainability development operation plan, through the working group who has been assigned.
3. Control the disclosure of sustainability development information of the Company to stakeholders in form of 56-1 One Report and Sustainability Report.
4. Corporate with Risk Management working group to evaluate the risk management and mitigation in regard to the sustainability development, including conducting the Materiality Maps.
5. Consider, determine, review, and adjust the Climate Change strategy, including manage risk and likelihood from climate change according to the compliance to the Climate Change strategy.
6. Consider, determine, review, and adjust the policy of Corporate Social Responsibility: CSR, to present to the Board of Directors to consider approve, including control the compliance to the Corporate Social Responsibility: CSR policy.

## Corporate Governance

1. Consider, determine, review, and adjust the policy, corporate governance manual, business ethics, and code of conduct, to be in accordance with regulations of government sectors and organizations in charge of corporate governance. In order to present to the Board of Directors to consider approve, including control the compliance to such corporate governance manual, business ethics, and code of conduct
2. Consider, determine, review, and adjust the policy and practice guidelines regarding Anti-Corruption, to present to the Board of Directors to consider approve, including control the compliance to such policy and practice guidelines regarding Anti-Corruption.

## Others

1. Perform others as deem appropriate to achieve the set goal of sustainability and corporate governance development of the Company or as assigned by the Board of Directors.

## Tenure of office

The Sustainability and Corporate Governance Directors, who has been selected by the Board of Directors and independent directors, shall have tenure pursuant to the tenure of the Company's directors. By the nomination and remuneration committee shall consider to select the Company's directors, independent directors, and some executives of the Company, and present to the Board of Directors to consider the appointment of the Sustainability and Corporate Governance Directors position.

## ► 7.4 High-level Executives

### 7.4.1 Name and executive position

The Company's executives 13 persons as at 31 December 2022

	Name	Position	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 – Investor Relations
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. Pongkol	Tiapairatkulkit	Assistant CEO
12.	Mr. Thapanat	Asawachchulamanee	Assistant CEO - Innovation & System Development
13.	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 manage 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;

- 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.
- Turnovers comparison with other companies in same business.
- Business Development Capacity and efficiency improvement in operation to be better.
- 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 2020-2022, Details of remuneration payment for the company executives 11 persons are as follow;

##### Cash Remuneration

	2020	2021	2022
Salary	47,164,800.00	46,075,800.00	50,519,800.00
Bonus	37,838,850.00	38,952,900.00	25,133,550.00
Social Security	72,900.00	46,800.00	50,400.00
<b>Total</b>	<b>85,076,550.00</b>	<b>85,075,500.00</b>	<b>75,703,750.00</b>

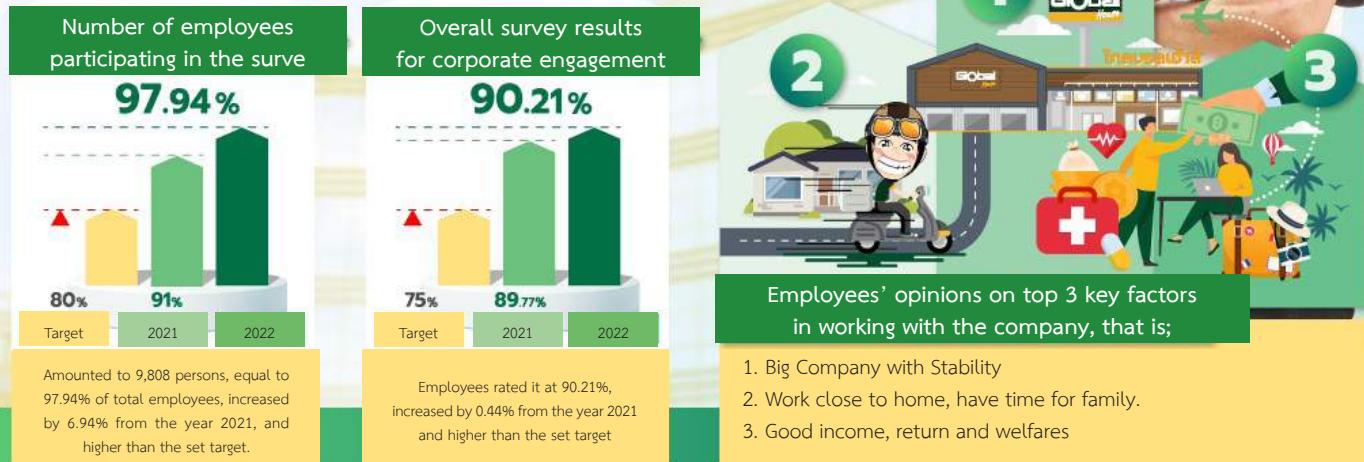
##### Other Remuneration

	2020	2021	2022
Provident Fund	3,311,399.00	1,232,159.00	1,046,030.00
Retirement Compensation	2,981,539.11	15,455,661.60	-
<b>Total</b>	<b>6,292,938.11</b>	<b>16,687,820.60</b>	<b>1,046,030.00</b>

# CEO Talk :

Thank you to all employees for their cooperation in responding to the 2022 Employee Engagement Survey. This is the second year that this survey has been conducted as a channel to listen to opinions and suggestions from employees on related issues to improve and develop our organization.

For the results of this survey, it was found that :



In addition to the above score information, there are also suggestions for more issues in the overview such as welfares, working tools and equipment, employees' activities, which is beneficial for the company to take such information into consideration to manage appropriately with each area and related department.



## ► 7.5 Employee's information

### 7.5.1 Total Employee Details

The Amount of Staffs during year 2020 - 2022

Employees	2020	2021	2022
Company Employees			
• Head Office	398	431	459
• Branch	8,888	9,524	9,674
Subsidiary Employees	181	158	159
<b>Total</b>	<b>9,467</b>	<b>10,113</b>	<b>10,292</b>

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

### Details of main employees

Employee Details	2020	2021	2022
Product Management and Marketing	81	102	122
Supply Chain	151	162	176
Engineering	6	5	5
Innovation & System development	84	83	92
Accounting & Financial department	219	316	334
Human Resource department	109	182	183
Management department	11	11	6
Operation department	8,625	9,094	9,215
<b>Total Employee</b>	<b>9,286</b>	<b>9,955</b>	<b>10,133</b>
<b>Total Stores</b>	<b>71</b>	<b>75</b>	<b>77</b>

### 7.5.2 Change in Number of Employee with Significance

The company's number of employees has continuously increased since 2020 onwards, due to the company has expanded more stores by details as follow;

	2020	2021	2022
Number of stores	71	75	77
Number of employees	9,286	9,955	10,133

### 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	2020	2021	2022
Salary	1,276,965.94	1,376,521.64	1,570,822,.27
Bonus	149,479.95	195,774.88	244,544.02
Social Security	88,370.76	80,122.54	98,691.26
<b>Total</b>	<b>1,514,816.65</b>	<b>1,652,419.06</b>	<b>1,601,057.56</b>

Remark : The number of employees in 2020-2022 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
9,166 persons	90.46 %	51,896,863.00 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 2022 the company reserve amount 609,647.21 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 2020 - 2022, 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 Company requires investor relations to communicate important information to investors, analyst, and general interested person. The information provided by the Company will be accurate, complete, transparent and timely. You can contact the Investor Relations at:

Mr. Yutthana Suriyawanakul

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](http://www.globalhouse.co.th)

For the year 2022, the Company has presented operational information, strategic information, and other information to shareholders, analyst through Conference Call and various electronic medias. It is well supported by the company's top management that has allocated time to participate in investor relations activities to provide information and direction of the Company's operations. In the past year, the Company has organized activities related to the financial statements and investor meetings summarized as follows;

1. Meeting with analysts from local and international securities and fund firms via conference call for 34 times.
2. Organizing the Opportunity Day by a total of 4 times by the Stock Exchange of Thailand which have shareholders, investors and mass medias attended the event.

#### 7.6.3 Audit Fee

##### 1. Audit Fee

In 2022, 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.Kornthip 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 2022, in amount of 3,900,000 Baht, exclude other expenses

##### 2. Non-Audit Fee

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

# ► 08 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 An Independent director has tenure of position not exceeding 9 years, at present, no independent director holding position of director exceeding the specified tenure, as below;

Name		Position	Tenure (Date in position - 2022)
1.	Mr. Pairoj Juarprathoom	Independents Director	3 years 8 months
2.	Pol.Gen. Kawee Supanun	Independents Director	3 years 8 months
3.	Dr. Boonchai Pitugdamrongkija	Independents Director	3 years 8 months
4.	Dr. Vongsak Swasdipanich	Independents Director	6 years 8 months

###### 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 allow all shareholders to nominate qualified persons to be elected as directors of the Company through the company's website channel in advance since 15 October 2021 until 15 January 2022 and the voting procedure on election of directors will use ballot individually by criteria and method as follow;

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

- 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).
- 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.
- 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

- 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.
- 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.
- 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.

The Company has directors who have full of knowledges and abilities, and always acquire new knowledge and do understanding in role of director. All directors have been trained by Thai Institute of Directors, including attended the training, seminar, and factory visiting to develop knowledge in business operation. In 2022, there are the directors who have attended the training and seminar as the following;

Directors	Course
Mr. Pairoj Juarprathoom	<ul style="list-style-type: none"> <li>• The "Annual Audit Committee Conference Krungthai Group 2022: AACC 2022"</li> <li>• Easy listening: "Accounting tips that AC shouldn't miss!" by the Securities and Exchange Commission.</li> </ul>
Dr. Boonchai Pitugdamrongkija	<ul style="list-style-type: none"> <li>• Easy listening: "Accounting tips that AC shouldn't miss!" by the Securities and Exchange Commission</li> </ul>
Mr. Kriangkai Suriyawanakul	<ul style="list-style-type: none"> <li>• Subsidiary Governance Program SGP 2 / 2022</li> <li>• Exploring the implementation of Thailand's Personal Data Protection Act BE 2562 (PDPA)</li> </ul>

At present, there are the following directors who have been trained in course relating to the duty performance of director by Thai Institute of Directors (IOD);

Directors		Position	Course
Mr. Apisit	Rujikeatkamjorn	Chairman	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	Director Accreditation Program 161 / 2019
Dr. Boonchai	Pitugdamrongkija	Director / Member of Audit & Risk Management Committee / Independent Director	Director Certification Program 155 / 2012
Pol.Gen. Kawee	Supanun	Director / Chairman of Nomination & Remuneration Committee / Independent Director	Director Accreditation Program 129 / 2016
Dr. Vongsak	Swasdipanich	Director / Independent Director / Member of Audit & Risk Management Committee / Member of Nomination & Remuneration Committee	Director Accreditation Program 134 / 2017
Mr. Witoon	Suriyawananakul	Director / Chairman of the Executive Committee / Member of Normination & Remuneration Committee	Director Accreditation Program 68/2008
Mr.Kriangkai	Suriyawananakul	Director / Executive Director	Director Accreditation Program 188 / 2021
Mr. Nithi	Phatarachoke	Director / Executive Director	Director Accreditation Program 140 / 2017
Mr. Paramate	Nisagornsen	Director	Director Certification Program 258 / 2018
Mr. Wiroat	Rattanachaisit	Director	Director Certification Program 163 / 2019

### 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 2022

	Board-Committee Assessment		Individual Assessment	
	Scored	Rating	Scored	Rating
Board of Directors	97.88%	Excellent	97.96 %	Excellent
Audit and Risk Management Committees	97.00%	Excellent	99.24 %	Excellent
Nomination and Remuneration Committees	97.37%	Excellent	96.21 %	Excellent
Sustainability and Corporate Governance Committee	95.83%	Excellent	93.94%	Excellent

The overall result of the 2022 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 2022**

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;

1. Progressive of Business Plans
2. Performance Measurement
3. 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 2023, the meeting date is informed to the Board of directors in December 2022. 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 2022

Name	Position	Meeting (Numbers of attendance times / Numbers of total meetings)					Non - executive directors' Meeting	
		Board of Director's meeting			Annual General Meeting			
		Total	In person	E-Meeting				
Mr. Apisit	Rujikeatkamjorn	Chairman	6 / 6	4 / 6	2 / 6	1 / 1	1 / 1	
Mr. Pairoj	Juarprathoom	Director / Independent Director / Chairman of Audit & Risk Management Committee	6 / 6	1 / 6	5 / 6	1 / 1	1 / 1	
Dr. Boonchai	Pitugdamrongkija	Director / Independent Director / Chairman of the Sustainability and Corporate Governance Committee / Member of Audit & Risk Management Committee	6 / 6	1 / 6	5 / 6	1 / 1	1 / 1	
Dr. Vongsak	Swasdipanich	Director / Independent Director / Member of Audit & Risk Management Committee / Member of the Nomination and Remuneration Committee	6 / 6	1 / 6	5 / 6	1/1	1 / 1	
Pol.Gen.Kawee	Supanun	Director / Independent Director / Chairman of the Nomination and Remuneration Committee	6 / 6	3 / 3	3 / 3	1 / 1	1 / 1	
Mr. Witoon	Suriyawanakul **	Director / Chairman of the Executive Committee / Member of the Nomination and Remuneration Committee	5 / 6	5 / 6	-	1 / 1		
Mr. Kriangkai	Suriyawanakul	Director / Sustainability and Corporate Governance Committee / Executive Director	6 / 6	6 / 6	-	1 / 1		
Mr. Nithi	Phatarachoke	Director / Executive Director	6 / 6	-	6 / 6	1 / 1		
Mr. Paramate	Nisagornsen	Director	6 / 6	-	6 / 6	1 / 1		
Mr. Bunn	Kasemsup *	Director	5 / 5	-	5 / 5	1 / 1		
Mr.Wirot	Rattanachaisit *	Director	1 / 1	-	1 / 1	1 / 1		

**Remark:**

1. \* Mr. Bunn Kasemsup has resigned from the position by Mr. Wiroat Rattanachaisit has taken the position instead on 23<sup>rd</sup> November, 2022
2. \*\*Director cannot attend the meeting due to their health problem and has informed to the Chairman prior to the meeting.

## 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 2022 on 8 April, 2022 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 2022 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, nomination and remuneration committee and Sustainability and Corporate Governance Committee.

## Detail of Remuneration Directors 2022

Unit : Baht

Name	Position	Monthly Remuneration	Meeting Allowances	Bonus	Total
Mr. Apisit Rujikeatkamjorn	Chairman	840,000.00	280,000	2,280,833.33	3,400,833.33
Mr. Pairoj Juarprathoom	Director / Independent Director / Chairman of Audit & Risk Management Committee	420,000.00	365,000.00	1,315,972.22	2,100,972.22
Dr. Boonchai Pitugdamrongkija	Director / Independent Director / Chairman of the Sustainability and Corporate Governance Committee / Member of Audit & Risk Management Committee	420,000.00	405,000.00	924,083.33	1,749,083.33
Dr. Vongsak Swasdipanich	Director / Independent Director / Member of Audit & Risk Management Committee / Member of the Nomination and Remuneration Committee	420,000.00	395,000.00	924,083.33	1,739,083.33
Pol.Gen. Kawee Supanun	Director / Independent Director / Chairman of the Nomination and Remuneration Committee	420,000.00	305,000.00	924,083.33	1,649,083.33
Mr. Witoon Suriyawanakul	Director / Chairman of the Executive Committee / Member of the Nomination and Remuneration Committee	-	225,000.00	-	225,000.00
Mr. Kriangkai Suriyawanakul	Director / Sustainability and Corporate Governance Committee / Executive Director	-	260,000.00	-	260,000.00
Ms. Chutikan Sriseangchan	Sustainability and Corporate Governance Committee / Executive Director	-	50,000.00	-	50,000.00
Mr. Nithi Phatarachoke	Director / Executive Director	420,000.00	210,000.00	924,083.33	1,554,083.33
Mr. Paramate Nisagornsen	Director	420,000.00	210,000	924,083.33	1,554,083.33
Mr. Bunn Kasemsup*	Director	375,666.67	175,000	-	550,666.67
Mr. Wiroat Rattanachaisit*	Director	44,333.33	35,000	87,777.80	167,111.13

**Remark \*** Mr. Bunn Kasemsup has resigned from the position by Mr. Wiroat Rattanachaisit has taken the position instead on 23<sup>rd</sup> November, 2022

## 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 :

#### 1. 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.

#### 2. The Misuse of Inside Confidential Information for Personal Gain

##### Internal Information Monitoring Policy

The Company realized the importance of controlling the use of inside information, especially the information that undisclosed to public which may affect to price securities. By defining a policy on code of conduct manual as follow;

1. The board of directors has established the prevention measure to improperly use inside information by the related person inclusive of the executive directors, employees of the company group concerning the information (Inclusive of the spouse, underage child of such person) in suing of inside information that has not yet been disclosed for securities trading in the period 30 days before the submission of financial statements to the SEC or before disclosure of such information to the public.
2. The company defined the accounting & financial sector to be responsible for submission of financial statements and financial reports to the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC) respectively. Anyway, to ensure that the inside information of the company shall not be disclosed to the external persons before the appropriate time.
3. Giving information to directors and executives regarding their duties to report the securities holding of the company to the Securities and Exchange Commission (SEC) according to the article 59 and the legal punishment by the Securities and Exchange Act B.E. 2535 and the SET's regulations.
4. Executives and employees who are responsible for using the Company's inside information must be careful not to let others overhear, eavesdrop, wiretap, or audio record the inside information. In addition, they should not converse in public through mobile phones or converse with family members and close persons which may lead to dissemination of inside information to others.
5. Executives and employees must strictly manage, store and classify inside information according to the company's rules and regulations.
6. Executives and employees shall not disclose the inside information of the company to unauthorized persons as stipulated by the regulations or business agreement, unless having received written approval from authorized persons and the responsible sector.

#### **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.



#### **3. Anti - Corruption**

The Company strives to operate business following the good corporate governance principles by giving the importance to Anti-Corruption, as well as adhering to the principles of integrity, morals, ethics, code of conduct, and good governance, managing with transparency and responsibility to all stakeholders. Therefore, the Company has established the "Anti-Corruption" policy to adhere to be distinctly practical guidelines in business operations and develop the organization to grow continuously and sustainably. Directors, executives and employees shall not act or accept any form of corruption, either directly or indirectly, covering all business of the Company in all categories and related departments. As well as requiring to check and review the compliance to the anti-corruption policy in order to prevent and against corruption problems of the company more clearly, by creating a corporate culture for everyone to be aware of the dangers of corruption, creating correct values and increase confidence to all stakeholders, to effectively combat corruption. The Company has announced and communicated to the Directors, Executives and employees to acknowledge and adhere to changes of the business, rules, regulations and related Laws. In 2022, the Company has participated in the declaration of intent to join Thailand's Private Sector Collective Action Coalition against Corruption (CAC) since 26 April 2022, and the Company is on process of submitting a proposal for certification of anti-corruption standards by CAC.

### 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)

### 4. 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	<a href="http://www.globalhouse.co.th">www.globalhouse.co.th</a> ————→ Investor Relations ————→ Corporate Governance ——→ Whistle blowing form
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

## ► 8.2 Report of Audit Committee during the past year

### 8.2.1 Number of Audit Committee Meetings

In 2022, the Audit Committee held a total of 4 meetings, with the Members attending every meeting as follows :

	Name	Position	Number of Attendance
1.	Mr. Pairoj Juarprathoom*	Chairman of Audit & Risk Management Committee	4 / 4
2.	Dr. Boonchai Pitugdamrongkija*	Member of Audit & Risk Management	4 / 4
3.	Dr. Vongsak Swasdipanich*	Member of Audit & Risk Management	4 / 4

**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 2022, 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. Sustainability and Corporate Governance Committee

In 2022, the Sustainability and Corporate Governance Committee held a total of 2 meetings, with the Members attending every meeting as follows:

Name		Position	Number of Attendance
1.	Dr. Boonchai Pitakdamrongkit*	Chairman of the Sustainability and Corporate Governance Committee	2 / 2
2.	Mr. Kriengkai Suriyawanakul	Sustainability and Corporate Governance Committee	2 / 2
3.	Ms. Chutikan Sriseangchan	Sustainability and Corporate Governance Committee	2 / 2

**Remark:** \* Independent Director

## 3. Executive Committee

In 2022, Executive Committee held a total of 11 meetings, with the Members attending every meeting as follows :

Name		Position	Number of Attendance
1.	Mr. Witoon Suriyawanakul	Chairman of the Executive Committee	11 / 11
2.	Mr. Anavat Suriyawanakul	Executive Director	11 / 11
3.	Mrs. Warunee Suriyawanakul	Executive Director	11 / 11
4.	Mr. Nithi Phatarachokee	Executive Director	-
5.	Mr. Yutthana Suriyawanakul	Executive Director	11 / 11
6.	Ms. Chutikan Sriseangchan	Executive Director	11 / 11
7.	Mr. Kriangkai Suriyawanakul	Executive Director	11 / 11

### 8.3.2 Performance of other sub-committees

- Disclosed on report of Nomination and Remuneration Committee
- Disclosed on report of Sustainability and Corporate Governance Committee



# ► 09 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 / 2023 on 10 February 2023, 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 Tread way 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 2022, 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 2022. 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 2022, 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 2020-2022, 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;

Unit : Million Baht

Company / Relationships	Transactions	2022	2021	2020
<b>1. Inter Concrete Industry Co., Ltd. (Inter Concrete)</b>				
Have mutual 3 directors and such directors are major shareholders of Inter Concrete by holding share of 80.82% that is;	Revenue from sales of goods Purchase of merchandises (As of 31 Dec)	7.47 - -	6.85 - -	12.70 0.03 -
1. Mr. Witoon Suriyawanakul 2. Mr. Anawat Suriyawanakul 3. Ms. Warunee Suriyawanakul				
<b>An opinion of the Audit Committee :</b> This transaction is reasonable and being in line with general business and being the same price with market price (wholesale price)				
<b>2. Siam global engineering Co., Ltd. (Global Engineering)</b>				
Have a mutual director ; Mr. Anawat Suriyawanakul and 3 company's directors are shareholders of Global Engineering by combined shareholding 29.65%, that is;	Revenue from sales of goods Purchase of merchandises Purchase of fixed assets Other expenses Management fee expense (As of 31 Dec)	13.78 - 9.32 - 0.05 -	4.30 - 191.73 0.24 0.35 -	53.99 3.02 560.77 0.67 - -
1. Mr. Witoon Suriyawanakul 2. Mr. Anawat Suriyawanakul 3. Ms. Warunee Suriyawanakul				
<b>An opinion of the Audit Committee :</b> This transaction is reasonable and being in line with general business and being the same price with market price (wholesale price)				
<b>3. SCG Distribution Co., Ltd</b>				
Major Shareholder	Revenue from sales of goods Other income Distribution management income Purchase of merchandises Management fee expense Volume incentives (As of 31 Dec)	0.03 3.31 1.04 1,136.78 9.38 68.14 -	- 4.56 1.26 1,193.44 9.27 56.65 -	0.03 - - 484.19 4.42 20.99 -
<b>An opinion of the Audit Committee :</b> This transaction is reasonable and being in line with general business and being the same price with market price (wholesale price)				

Unit : Million Baht

Company / Relationships	Transactions	2022	2021	2020
4. Subsidiaries group of SCG Distribution Ltd	Revenue from sales of goods Other income Purchase of merchandises Purchase of fixed assets (As of 31 Dec)	0.13 0.41 279.01 - (As of 31 Dec)	0.01 0.41 124.50 - (As of 31 Dec)	0.42 0.32 622.98 7.73 (As of 31 Dec)
<b>An opinion of the Audit Committee :</b> This transaction is reasonable and being in line with general business and being the same price with market price (wholesale price)				
5. Siam Cement Public Company Limited, subsidiaries and other businesses related to Siam Cement Public Company Limited	Revenue from sales of goods Other income Distribution management income Purchase of merchandises Volume incentives Management fee expense (As of 31 Dec)	8.39 5.76 1.08 858.09 31.01 0.57 (As of 31 Dec)	9.34 4.08 5.95 870.93 21.08 0.22 (As of 31 Dec)	3.71 4.25 11.26 1,659.42 58.07 4.42 (As of 31 Dec)
<b>An opinion of the Audit Committee :</b> 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) Joint Venture	Other income Interest income (As of 31 Dec)	0.24 - (As of 31 Dec)	0.24 0.07 (As of 31 Dec)	0.24 0.12 (As of 31 Dec)
<b>An opinion of the Audit Committee :</b> This transaction is reasonable and being followed in agreed price and being followed in agreed rate.				
7. Souvanny Homecenter Public Company Associate of Global House International Co., Ltd	Revenue from sales of goods Other income (As of 31 Dec)	- 0.23 (As of 31 Dec)	0.24 0.23 (As of 31 Dec)	- - (As of 31 Dec)
<b>An opinion of the Audit Committee :</b> 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 Co., Ltd	Other income (As of 31 Dec)	- (As of 31 Dec)	0.58 (As of 31 Dec)	- (As of 31 Dec)
<b>An opinion of the Audit Committee :</b> This transaction is reasonable and being followed in agreed price				
9. Guangxi Global House International Trade Co., LTD	Purchase of merchandises (As of 31 Dec)	43.89 (As of 31 Dec)	- (As of 31 Dec)	- (As of 31 Dec)
<b>An opinion of the Audit Committee:</b> This transaction is reasonable and being in line with general business and being the same price with market price				

Unit : Million Baht

Company / Relationships	Transactions	2022	2021	2020
10. Subsidiary Shareholders group in Cambodia	Rental expense	30.93	28.65	26.82
	Lease income	2.44	-	-
	(As of 31 Dec)			

**An opinion of the Audit Committee:** This transaction is a reasonable transaction and is a contractual price.

#### Audit Committee Commendations

From the meeting of the Audit Committee No.1/2023 on 10 February 2023, 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.

The Company has policy to continuously renovate stores as soonest,  
along with procuring eco-friendly products and services

**To deliver value to meet the highest satisfaction of customers.**



# PART 3

## Financial Statements



## Report on the Responsibilities of the Board of Directors to the Financial Report

The Board of Directors is responsible for the consolidated financial statements of Siam Global House Public Co., Ltd. and financial information appearing in the annual report. The mentioned financial statements are prepared in accordance with generally accepted accounting standards, by selecting the appropriated policies and regularly comply, carefully considering and make the best estimates in preparation including disclosure of the important information adequately in the notes to the financial statements. The auditors of the Company are M.R. & ASSOCIATES CO., LTD., who has audited the financial statements and express unqualified opinions in the report of auditors.

The Board of Directors provides for the maintenance of risk management and internal control systems to reasonably ensure that accounting records are accurate, completed, and sufficient to maintain the assets and to identify weaknesses in order to prevent corruption or significant unusual actions.

In this regard, the Board of directors has appointed the Audit and Risk Management Committee which consist of 3 independent directors, perform their duties to control the financial report, review the internal control system, and internal audit to be appropriated and efficient. By the opinion of the Audit and Risk Management Committee appears in the report of the Audit and Risk Management Committee that has already disclosed in 56-1 form One Report.

The Board of Directors has opinions that the Company's internal control and internal audit system is adequate, appropriate and reasonably confident that the Company's financial for the year ended 31 December 2022 is accurate in essential matters in accordance with financial reporting standards.



(Mr. Apisit Rujikeatkamjorn)

Chairman of the Board

# **SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Financial Statements**

For the Year Ended December 31, 2022  
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 subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2022, 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, 2022, 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 subsidiaries as at December 31, 2022, 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, 2022, 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 Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Key Audit 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 7, 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 Code of Ethics for Professional Accountants 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 10, 2023

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022 AND 2021

**ASSETS**

Note	In Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	1,147,439,477	1,694,115,144	1,034,288,258	1,610,768,310
Trade and other accounts receivable				
- Related parties	4	27,390,717	29,526,503	37,600,158
- Others	5	603,995,151	644,479,288	587,886,024
Current portion of lease receivable	4, 6	24,056	-	-
Merchandises	7	15,746,901,981	16,185,623,759	15,406,524,836
Current investment - deposit at bank	8	41,975,225	77,717,264	-
<b>Total current assets</b>	<b>17,567,726,607</b>	<b>18,631,461,958</b>	<b>17,066,299,276</b>	<b>18,142,019,439</b>
<b>NON-CURRENT ASSETS</b>				
Investments in debt securities	9	320,088,087	100,000,000	320,088,087
Lease receivable	4, 6	29,753,890	-	-
Investments in subsidiaries	10	-	-	304,844,950
Investment in joint venture	11	1,824,374,069	1,507,296,832	1,641,435,000
Land not use in operation	12	500,357,431	500,357,431	500,357,431
Property, plant and equipment	13	17,471,160,650	17,099,008,598	17,191,425,731
Right-of-use assets	14	1,231,987,748	1,282,666,608	681,111,186
Intangible assets	15	5,105,064	7,467,516	4,920,603
Deferred tax assets	16	188,927,506	138,371,303	175,291,749
Other non-current assets		8,731,018	7,972,798	8,731,018
<b>Total non-current assets</b>		<b>21,580,485,463</b>	<b>20,643,141,086</b>	<b>20,828,205,755</b>
<b>TOTAL ASSETS</b>		<b>39,148,212,070</b>	<b>39,274,603,044</b>	<b>37,894,505,031</b>
				<b>38,090,501,248</b>

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

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022 AND 2021

## LIABILITIES AND SHAREHOLDERS' EQUITY

Note	In Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>CURRENT LIABILITIES</b>				
Short-term loans from financial institutions	17	9,475,446,355	12,066,054,861	9,475,446,355
Trade and other accounts payable				
- Related parties	4	55,266,751	90,988,915	55,875,286
- Others	18	2,255,353,450	2,451,805,674	2,213,046,565
Current portion of long-term loans	17	1,511,826,667	1,044,646,667	1,511,826,667
Current portion of lease liabilities	19	18,570,083	17,556,283	8,662,302
Income tax payable		308,625,160	328,258,354	303,949,408
Other current liabilities		4,251,490	11,790,234	4,251,490
<b>Total Current Liabilities</b>		<b>13,629,339,956</b>	<b>16,011,100,988</b>	<b>13,573,058,073</b>
				<b>15,939,466,233</b>
<b>NON-CURRENT LIABILITIES</b>				
Long-term loans	17	2,120,373,333	2,138,790,000	2,120,373,333
Lease liabilities	19	1,131,204,775	1,128,752,590	502,736,585
Deferred tax liabilities	16	7,675,973	10,570,640	5,756,332
Provisions for employee benefits	20	162,523,211	143,885,151	162,523,211
Other non-current liabilities		6,002,998	5,450,260	5,450,000
<b>Total non-current liabilities</b>		<b>3,427,780,290</b>	<b>3,427,448,641</b>	<b>2,796,839,461</b>
				<b>2,806,296,943</b>
<b>Total liabilities</b>		<b>17,057,120,246</b>	<b>19,438,549,629</b>	<b>16,369,897,534</b>
				<b>18,745,763,176</b>

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

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022 AND 2021

## LIABILITIES AND SHAREHOLDERS' EQUITY (Continued)

	Note	In Baht			
		Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<b>SHAREHOLDERS' EQUITY</b>					
Share capital	21				
Authorized share capital		4,801,743,807	4,601,683,147	4,801,743,807	4,601,683,147
Issued and paid-up share capital		4,801,736,733	4,601,671,149	4,801,736,733	4,601,671,149
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		11,805,431,355	9,690,030,767	11,467,495,232	9,491,241,238
Other components of shareholders' equity		(43,106,324)	45,667,371	31,896,954	28,347,107
<b>Equity attributable to equity holders of the parent</b>					
Non-controlling interest		21,787,540,342	19,560,847,865	21,524,607,497	19,344,738,072
Total shareholders' equity		303,551,482	275,205,550	-	-
		22,091,091,824	19,836,053,415	21,524,607,497	19,344,738,072
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
		39,148,212,070	39,274,603,044	37,894,505,031	38,090,501,248

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

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	Note	In Baht			
		Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<b>REVENUES</b>	4				
Net sales	29	35,270,335,628	33,497,804,246	34,749,780,489	33,010,210,386
Transportation income		190,160,310	117,470,862	189,836,131	117,221,767
Other income	24	517,904,846	500,836,926	503,057,637	493,387,368
<b>Total revenues</b>		<u>35,978,400,784</u>	<u>34,116,112,034</u>	<u>35,442,674,257</u>	<u>33,620,819,521</u>
<b>EXPENSES</b>	25				
Cost of goods sold	4	26,165,907,248	25,066,996,228	25,814,156,173	24,724,695,189
Distribution costs	28	2,921,461,233	2,600,870,050	2,880,925,992	2,565,327,121
Administrative expenses	4, 28	2,488,220,603	2,205,156,696	2,413,097,222	2,139,450,303
Loss on sale / write-off fixed assets		-	947,228	-	947,228
<b>Total expenses</b>		<u>31,575,589,084</u>	<u>29,873,970,202</u>	<u>31,108,179,387</u>	<u>29,430,419,841</u>
<b>Profit from operating activities</b>		4,402,811,700	4,242,141,832	4,334,494,870	4,190,399,680
Finance costs		(192,883,096)	(180,419,782)	(171,572,335)	(160,740,139)
(Loss) Reversal of Loss on Impairment of Financial Assets		781,875	(191,155)	781,875	(191,155)
Share of Profit of Joint Venture		<u>119,543,198</u>	<u>80,753,968</u>	<u>-</u>	<u>-</u>
<b>Profit before Income Tax</b>		4,330,253,677	4,142,284,863	4,163,704,410	4,029,468,386
Income Tax Expense	16	(824,357,362)	(783,312,468)	(814,731,945)	(784,360,312)
<b>PROFIT FOR THE YEAR</b>		<u>3,505,896,315</u>	<u>3,358,972,395</u>	<u>3,348,972,465</u>	<u>3,245,108,074</u>
<b>OTHER COMPREHENSIVE</b>					
<b>INCOME</b>	26				
Items that will not be reclassified subsequently to profit or loss					
- Actuarial profit on defined benefit plan		4,437,309	13,249,478	4,437,309	13,249,478
- Share of other comprehensive income of joint venture		(3,741,434)	4,993,167	-	-

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

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF COMPREHENSIVE INCOME (Continued)

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

Note	In Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>- Income tax relating to components</b>				
of other comprehensive income that will not be reclassified to profit or loss	(887,462)	(2,649,896)	(887,462)	(2,649,896)
	(191,587)	15,592,749	3,549,847	10,599,582
<b>Items that will be reclassified</b>				
subsequently to profit or loss				
- Currency translation differences of subsidiaries	19,346,095	61,739,543	-	-
- Share of other comprehensive income of joint venture (Currency translation differences)	(97,359,527)	400,898	-	-
	(78,013,432)	62,140,441	-	-
<b>Other comprehensive income</b>				
for the year	(78,205,019)	77,733,190	3,549,847	10,599,582
<b>TOTAL COMPREHENSIVE</b>				
INCOME FOR THE YEAR	<u>3,427,691,296</u>	<u>3,436,705,585</u>	<u>3,352,522,312</u>	<u>3,255,707,656</u>
<b>Profit (loss) attributable to:</b>				
Equity holders of the parent	3,486,867,326	3,343,575,386	3,348,972,465	3,245,108,074
Non-controlling interests	19,028,989	15,397,009	-	-
	<u>3,505,896,315</u>	<u>3,358,972,395</u>	<u>3,348,972,465</u>	<u>3,245,108,074</u>
<b>Total comprehensive income</b>				
<b>attributable to:</b>				
Equity holders of the parent	3,399,345,364	3,394,160,787	3,352,522,312	3,255,707,656
Non-controlling interests	28,345,932	42,544,798	-	-
	<u>3,427,691,296</u>	<u>3,436,705,585</u>	<u>3,352,522,312</u>	<u>3,255,707,656</u>
<b>Earnings per share</b>				
<b>attributable to equity holders</b>				
of the parent (Baht)	27	0.7262	0.6963	0.6975
				0.6758

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

**SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

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

**SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

In Baht

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

**SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

In Baht

Note	Separate financial statements					Other components of shareholders' equity	
	Issued and paid-up share capital	Share premium	Retained earnings		Total shareholders' equity		
			Appropriated for legal reserve	Unappropriated			
<b>Balance as at January 1, 2022</b>	4,601,671,149	4,739,295,827	484,182,751	9,491,241,238	28,347,107	19,344,738,072	
Profit for the year	-	-	-	3,348,972,465	-	3,348,972,465	
Other comprehensive income for the year	26	-	-	-	3,549,847	3,549,847	
Total comprehensive income for the year		-	-	3,348,972,465	3,549,847	3,352,522,312	
Stock dividends	21	200,065,584	-	-	(200,065,584)	-	
Dividends	21	-	-	-	(1,172,652,887)	(1,172,652,887)	
<b>Balance as at December 31, 2022</b>	<b>4,801,736,733</b>	<b>4,739,295,827</b>	<b>484,182,751</b>	<b>11,467,495,232</b>	<b>31,896,954</b>	<b>21,524,607,197</b>	

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

**SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

Note	Separate financial statements					Other components of shareholders' equity
	Issued and paid-up share capital	Share premium	Appropriated for legal reserve	Retained earnings	Actuarial gain on defined benefit plan	
				Appropriated	Total shareholders' equity	
	4,401,609,967	4,739,295,827	484,182,751	7,260,689,565	17,747,525	16,903,525,635
Profit for the year	-	-	-	3,245,108,074	-	3,245,108,074
Other comprehensive income for the year	26	-	-	-	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)
<b>Balance as at December 31, 2021</b>	<b>4,601,671,149</b>	<b>4,739,295,827</b>	<b>484,182,751</b>	<b>9,491,241,238</b>	<b>28,347,107</b>	<b>19,344,738,072</b>

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

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

In Baht

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>Cash flows from operating activities</b>				
Profit for the year	3,505,896,315	3,358,972,395	3,348,972,465	3,245,108,074
Adjustments for				
Depreciation and amortization	1,245,876,082	1,264,175,474	1,190,748,417	1,213,160,825
Decrease of merchandises				
to net realizable value	25,221,694	2,588,948	25,221,694	2,588,948
Increase in allowance for obsolete and slow-moving inventories	181,240,344	65,134,728	180,631,658	64,617,945
Provisions for employee benefits	27,098,249	27,052,121	27,098,249	27,052,121
Interest income	(15,587,196)	(5,184,235)	(8,980,001)	(4,893,391)
Interest expense	192,676,361	180,692,324	170,593,609	160,126,843
Increase (decrease) in allowance for impairment of expected credit losses	(781,875)	191,155	(781,875)	191,155
Unrealized loss (gain) on exchange rate	(7,501,516)	3,467,394	(7,501,516)	3,467,394
Gain on sale of fixed assets	(1,560,809)	(1,279,057)	(1,560,809)	(1,279,057)
Loss on write-off fixed assets	221,026	2,235,737	221,026	2,235,737
Gain on remeasurements of investments				
in debt securities	(88,087)	-	(88,087)	-
Gain from sublease	(3,601,508)	-	-	-
Gain from insurance claim	(5,985,315)	(23,076,726)	(5,985,315)	(23,076,726)
Share of profit of joint venture	(119,543,198)	(80,753,968)	-	-
Income tax expense	824,357,362	783,312,468	814,731,945	784,360,312
	5,847,937,929	5,577,528,758	5,733,321,460	5,473,660,180
<b>Changes in operating assets and liabilities</b>				
Trade and other accounts receivable	(13,668)	20,507,708	(12,227,402)	6,062,895
Merchandises	242,871,256	(1,930,808,933)	262,842,235	(1,943,926,734)
Other non-current assets	(758,220)	(2,536,739)	(758,220)	203,694
Trade and other accounts payable	(353,531,091)	268,403,626	(333,670,113)	288,525,756
Payment of post-employment benefits	(4,022,881)	(17,360,735)	(4,022,881)	(17,360,735)
Other non-current liabilities	552,738	(99,740)	100,000	(200,000)
Income tax paid	(897,997,161)	(711,319,232)	(886,001,450)	(696,017,864)
<b>Net cash provided by operating activities</b>	<b>4,835,038,902</b>	<b>3,204,314,713</b>	<b>4,759,583,629</b>	<b>3,110,947,192</b>
<b>Cash flows from investing activities</b>				
Interest received	12,636,982	3,911,087	8,228,212	4,469,353
Decrease in short-term loans to joint venture	-	6,500,331	-	6,500,331
Decrease (Increase) in current investments	35,742,039	(77,717,264)	-	-
Proceeds from sale of fixed assets	3,880,099	5,258,195	3,880,099	5,258,195
Proceeds from insurance claim	49,922,903	1,120,960	49,922,903	1,120,960

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

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF CASH FLOWS (Continued)

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash received from lease receivables	2,408,861	-	-	-
Increase in property, plant and equipment	(1,439,931,263)	(1,857,199,446)	(1,386,726,123)	(1,855,844,303)
Increase in right-of-use assets	(3,839,865)	-	-	-
Increase in computer software	(601,916)	(1,298,540)	(601,916)	(1,298,540)
Increase in investment in subsidiary	-	-	-	(17,080,000)
Increase in investment in joint venture	(298,635,000)	(583,300,000)	(298,635,000)	(583,300,000)
Increase in investments in debt instruments	(220,000,000)	(100,000,000)	(220,000,000)	(100,000,000)
<b>Net cash used in investing activities</b>	<b>(1,858,417,160)</b>	<b>(2,602,724,677)</b>	<b>(1,843,931,825)</b>	<b>(2,540,174,004)</b>
<b>Cash flows from financing activities</b>				
Interest paid	(153,440,976)	(145,003,673)	(153,440,976)	(145,003,673)
Increase (decrease) in short-term loans				
from financial institutions	(2,590,608,506)	873,120,490	(2,590,608,506)	873,120,490
Decrease in debentures	-	(500,000,000)	-	(500,000,000)
Increase in long-term loans	1,727,000,000	1,464,000,000	1,727,000,000	1,464,000,000
Repayment of long-term loans	(1,278,236,667)	(966,886,666)	(1,278,236,667)	(966,886,666)
Repayment of lease liabilities	(54,808,359)	(53,613,236)	(24,192,820)	(23,743,726)
Dividends paid	(1,172,652,887)	(814,495,219)	(1,172,652,887)	(814,495,219)
<b>Net cash used in financing activities</b>	<b>(3,522,747,395)</b>	<b>(142,878,304)</b>	<b>(3,492,131,856)</b>	<b>(113,008,794)</b>
Currency translation difference	(550,014)	11,114,217	-	-
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(546,675,667)</b>	<b>469,825,949</b>	<b>(576,480,052)</b>	<b>457,764,394</b>
Cash and cash equivalents at beginning of year	1,694,115,144	1,224,289,195	1,610,768,310	1,153,003,916
<b>Cash and cash equivalents at end of year</b>	<b>1,147,439,477</b>	<b>1,694,115,144</b>	<b>1,034,288,258</b>	<b>1,610,768,310</b>
<b>Supplementary disclosures of cash flow information:</b>				
<b>a. Cash and cash equivalent at end of year</b>				
Cash in hand	85,743,830	108,294,418	83,570,117	106,602,348
Current accounts at banks	122,086,978	175,073,652	43,899,297	123,812,244
Saving deposits at banks	939,608,669	1,410,747,074	906,818,844	1,380,353,718
	<b>1,147,439,477</b>	<b>1,694,115,144</b>	<b>1,034,288,258</b>	<b>1,610,768,310</b>

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

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF CASH FLOWS (Continued)

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>b. Non-cash transaction</b>				
Purchases of property, plant and equipment for which no cash has been paid	118,533,935	720,154,131	118,575,859	720,668,155
Stock dividends	200,065,584	200,061,182	200,065,584	200,061,182
Increase in right-of-use asset and lease liability from the new lease	-	3,293,328	-	-
Transfer of right-of-use assets to lease receivables	25,904,864	-	-	-
Transfer of investment in equity securities to investments in associates	1,251,733	-	-	-
Transfer of property, plant and equipment to right-of-use assets	3,231,930	-	-	-
Transfer of property, plant and equipment to intangible assets	618,800	-	618,800	-

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

**SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY****Notes to the financial statements****December 31, 2022 and 2021****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, 2022, the Company has a total of 77 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 78 branches. (December 31, 2021 : 76 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, 2022, 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, 2022. 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.

In addition, TFAC issued several announcements regarding the revision of TAS, TFRS as well as TSIC and TFRIC with effective from the accounting period starting on or after January 1, 2023. These revisions are made in order that the related TAS and TFRS become more explicit and appropriate. The Group has not yet adopted these revisions in the preparation of the accompanying financial statements and has no policy to early adopt before effective period. 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 revised TAS and TFRS as well as TSIC and TFRIC.

The Group disclosed information for the year ended December 31, 2021 for being the comparative information in the financial statements for the year ended December 31, 2022 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, 2022 and 2021

**3. SIGNIFICANT ACCOUNTING POLICIES****Basis of consolidation**

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

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

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

**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.

**Lease Receivables**

Leased receivables are carried at the outstanding value of finance leases net of the amount of unearned income from finance leases and net of allowance for expected credit loss (if any).

**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 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 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, 2022 and 2021**

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, 2022 and 2021**

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.

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

**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.

**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.

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

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.

**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)

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

- Lease receivables
- Current investment - deposit at bank
- Investments in debt securities

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

Assets classified and measured at fair value through profit or loss

- Derivative assets (other current assets)
- Investments in debt securities : Structured debenture of Krung Thai Bank Pcl. (See Note 9.)

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. For receivables, the Group categorizes population by focusing on the aging balances whereby the past records were captured for historical credit loss of approximately 1 year.

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

**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.

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.

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

**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).

**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.

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

**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	
		2022	2021
The Siam Cement Public Company Limited	Parent company of SCG Distribution Co., Ltd.	-	-
SCG Distribution Co., Ltd.	Major shareholder	32.94	32.37
SCG Logistics Management Co., Ltd., SCG International Corporation Co., Ltd.,	Subsidiaries of SCG Distribution Co., Ltd.	-	-
SCG Ceramics Public Co., Ltd., The Siam Cement (Lampang) Co., Ltd., The Siam Cement (Kaeng Khoi) Co., Ltd., SCG Cement - Building Materials Co., Ltd., Nawaplastic Industries Co., Ltd., Siam Sanitary Ware Industry 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	100
Global Concrete Co., Ltd.	Co-shareholders and director	-	-
Siam Global Engineering Co., Ltd.	Co-shareholders and director	-	-
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	50	50

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

Company and party	Relationships	Percentage of Holding	
		2022	2021
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.	-	-
PT Caturkarda Depo Bangunan Tbk. (Incorporated in Republic of Indonesia)	Associate of Global House International Co., Ltd.	-	-
Lok Chum Teav Kim Heang, Cambodian	A shareholder of subsidiary	-	-
Malai Sakor Phum Varaman Co., Ltd.	Company of a shareholder of subsidiary in Cambodia	-	-
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
Lease income	Negotiated agreement
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, 2022 and 2021

Significant transactions for the years ended December 31, 2022 and 2021 with related parties were as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>Joint Venture</b>				
Other income	240	240	240	240
Interest income	-	74	-	74
<b>Subsidiary</b>				
Purchase of merchandises	-	-	43,888	-
<b>Related companies</b>				
Revenue from sales of goods	29,897	20,846	29,859	20,811
Other income	9,905	10,329	9,712	10,197
Distribution management income	2,115	7,208	2,115	7,208
Gross amount (lease income) received for lease receivables	2,444	-	-	-
Purchase of merchandises	2,280,021	2,083,823	2,273,872	2,076,786
Volume incentives	99,150	77,804	99,150	77,731
Management fee expense	9,995	9,844	9,995	9,844
Purchase of fixed assets	9,322	191,730	9,322	191,730
Other expense	-	1,095	-	1,095
<b>Related person</b>				
Revenue from sales of goods	2,024	1,396	2,024	1,396
Gross amount (lease fee) paid for lease liabilities	30,928	28,465	-	-
<b>Remuneration of key management</b>				
Short-term benefit				
Salary, bonus and others				
- employment management	71,407	68,623	71,407	68,623
- non-employment management	12,085	10,780	12,085	10,780
Meeting remuneration	2,915	2,840	2,915	2,840
Total short-term benefits	86,407	82,243	86,407	82,243
Post-employment benefits	1,656	1,128	1,656	1,128
Total	88,063	83,371	88,063	83,371

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

Balances as at December 31, 2022 and 2021 with related parties were as follows :

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>Trade and other accounts receivable</b>				
<b>Trade accounts receivable</b>				
Related parties	2,506	1,145	2,498	1,145
Related person	303	-	303	-
	<u>2,809</u>	<u>1,145</u>	<u>2,801</u>	<u>1,145</u>
<b>Other accounts receivable</b>				
Joint venture	240	240	240	240
Subsidiary	-	-	10,217	-
Related parties	24,342	28,142	24,342	28,142
	<u>24,582</u>	<u>28,382</u>	<u>34,799</u>	<u>28,382</u>
Total	<u>27,391</u>	<u>29,527</u>	<u>37,600</u>	<u>29,527</u>

The trade accounts receivable are aged as follows :

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>Current</b>				
Overdue:				
• Not over 3 months	200	-	200	-
Total	<u>2,809</u>	<u>1,145</u>	<u>2,801</u>	<u>1,145</u>

**Trade and other accounts payable**
**Trade accounts payable**

Subsidiary	-	-	608	-
Related parties	54,875	89,057	54,875	85,704
	<u>54,875</u>	<u>89,057</u>	<u>55,483</u>	<u>85,704</u>

**Other accounts payable**

Related parties	376	1,932	376	1,932
Related person	16	-	16	-
	<u>392</u>	<u>1,932</u>	<u>392</u>	<u>1,932</u>
Total	<u>55,267</u>	<u>90,989</u>	<u>55,875</u>	<u>87,636</u>

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

**Agreement with related party**

The subsidiary had entered into two land rental agreement with a related party 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.

The subsidiary made a sublease agreement on a partial of land with a related company for the period of 28 years 2 months, due in March 2047. Related company is committed to pay a monthly rental as stipulated in agreement (totaling U.S. Dollar 2.5 million).

**5. TRADE AND OTHER ACCOUNTS RECEIVABLE - OTHERS**

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Trade accounts receivable	86,536	128,343	83,781	127,902
Less allowance for impairment of expected credit losses	(2,338)	(3,121)	(2,338)	(3,121)
Net	84,198	125,222	81,443	124,781
Other accounts receivable				
• Accrued volume incentives	209,243	184,434	209,243	184,434
• Accrued income from supplier	145,917	83,455	145,808	83,455
• Deposits for purchase of Merchandises	36,922	139,747	31,883	134,969
• Provision for sales returns	25,913	31,329	25,436	30,833
• Prepaid expenses	20,081	14,267	19,433	13,603
• Input value added tax	19,578	4,794	15,432	4,794
• Accrued service income	14,912	19,693	14,912	19,693
• Accrued income for insurance claims	-	21,731	-	21,731
• Value added tax receivables	965	10,575	-	-
• Others	46,266	9,232	44,296	8,211
	519,797	519,257	506,443	501,723
Total	603,995	644,479	587,886	626,504

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

As at December 31, 2022 and 2021, the Group had outstanding balance of trade accounts receivable - others, aged as follows :

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Current	74,766	119,976	72,300	119,535
Overdue:				
• Not over 3 months	7,288	3,877	6,999	3,877
• Over 3 months to 6 months	863	558	863	558
• Over 6 months to 12 months	1,285	958	1,285	958
• Over 12 months	2,334	2,974	2,334	2,974
Total	86,536	128,343	83,781	127,902
<u>Less</u> allowance for impairment of expected credit losses	(2,338)	(3,121)	(2,338)	(3,121)
Net	84,198	125,222	81,443	124,781

## 6. LEASE RECEIVABLES

	In Thousand Baht	
	Consolidated financial statements	
	2022	2021
Lease receivables		
• Due for payments within one year	2,409	-
• Due for payments after one year but within five years	10,599	-
• After 5 years	63,173	-
Total	76,181	-
<u>Less</u> unearned finance income	(46,403)	-
Lease receivables - net	29,778	-
<u>Less</u> current portion	(24)	-
Net	29,754	-

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

**7. MERCHANDISES**

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Merchandises	16,159,515	15,953,488	15,820,438	15,642,567
<u>Less</u> cost reduction to net realizable value	(25,222)	(2,589)	(25,222)	(2,589)
<u>Less</u> allowance for obsolete and slow-moving inventories	(259,553)	(78,325)	(258,439)	(77,808)
<u>Less</u> volume incentives	(213,927)	(211,384)	(213,927)	(211,384)
Net	15,660,813	15,661,190	15,322,850	15,350,786
Goods in-transit	86,089	524,434	83,675	524,434
<b>Total</b>	<b>15,746,902</b>	<b>16,185,624</b>	<b>15,406,525</b>	<b>15,875,220</b>

During the years 2022 and 2021, the Group recorded allowance for obsolete and slow-moving inventories amounting to Baht 181.2 million and 65.1 million, respectively, presented as a part of administrative expenses and recorded the cost reduction of merchandises to net realizable value amounted to Baht 25.2 million and Baht 2.6 million, respectively, presented as a part of cost of goods sold.

**8. CURRENT INVESTMENT - DEPOSIT AT BANK**

As at December 31, 2022 and 2021, the subsidiary in Cambodia has deposit at bank with maturity over 3 months amounted to Baht 42.0 million and 77.7 million, respectively and bear interest ranging from 3.6% to 6.7% per annum and 3.5% to 5.6% per annum, respectively.

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

**9. INVESTMENTS IN DEBT SECURITIES**

As at December 31, 2022 and 2021, the Group had outstanding balance of investments in debt securities, as follows :

	Interest rate (Per annum)	Maturity date	In Thousand Baht	
			2022	2021
Debenture of Muangthai Capital Public Company Limited	3.23%	March 13, 2024	50,000	50,000
Debenture of Sahakol Equipment Public Company Limited	4.90%	November 12, 2024	50,000	50,000
Debenture of Krung Thai Bank Public Company Limited	3.25%	April 12, 2032	10,000	-
Debenture of Ratchathani Leasing Public Company Limited	3.26%	December 15, 2025	50,000	-
Debenture of TPI Polene Public Company Limited	4.10%	June 30, 2027	50,000	-
Structured debenture of Krung Thai Bank Public Company Limited J.P. Morgan 4% VT Mozaic XRP 1% Decrement Index (Level 2 inputs of fair value Hierarchy)		May 19, 2025	10,088	-
Debenture of TPI Polene Public Company Limited	4.25%	November 15, 2026	50,000	-
Debenture of TPI Polene Public Company Limited	4.50%	November 15, 2027	50,000	-
Total			320,088	100,000

**SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**Notes to the financial statements (continued)**  
**December 31, 2022 and 2021**

## 10. INVESTMENTS IN SUBSIDIARIES

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

Company	Ownership interest (%)		Paid-up capital		In Thousand Baht	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Global House (Cambodia) Co., Ltd.	55	55	521,320	521,320	287,765	287,765
Guangxi Global House International Trade Co., Ltd.	100	100	(1)	(1)		
Total			17,080 (2)	17,080 (2)	17,080	17,080
					304,845	304,845

- (1) Paid-up capital amounted to U.S. Dollars 16.0 million.
- (2) Paid-up capital amounted to CNY 3.5 million.

10.2 At the Board of Director meeting of the Company held on October 29, 2021, the directors passed the resolution to expand the business in the Philippines through a joint investment with a company in the Philippines by establishing Global House (Philippines) Co., Ltd. (“GBP”) to operate retail store and business related to the distribution of construction materials and home products. In addition, the joint investment will also establish Global House Philippines Estate Co., Ltd. (“GBP ESTATE”) to operate the business of holding land for development of Global House stores in Philippines. The Company has signed the joint investment agreement on June 17, 2022.

**SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**Notes to the financial statements (continued)**  
**December 31, 2022 and 2021**

### **11. INVESTMENT IN JOINT VENTURE**

The detail of investment in joint venture was as follows :

Company	Ownership interest (%)	In Thousand Baht					
		Paid-up capital		Equity method		Cost method	
		December	December	December	December	December	December
Global House International Co., Ltd. ("GBI")	50	3,282,870	2,685,600	1,824,374	1,507,297	1,641,435	1,342,800

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

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

	In Thousand Baht	
	2022	2021
<u>The consolidated statements of financial position as at December 31,</u>		
Current assets	62,953	188,518
Other non-current financial assets	-	991,463
Investment in associate		
• Souvanny Home Center Plc	831,643	789,516
• Pro 1 Global Co., Ltd.	1,079,979	1,046,445
• PT Caturkarda Depo Bangunan Tbk	1,675,479	-
	<u>3,587,101</u>	<u>1,835,961</u>
Current liabilities	340	383
<u>The consolidated statements of comprehensive income for the year ended December 31,</u>		
Share of profit of associate	285,678	161,241
Other income	669	1,322
Profit for the year	<u>239,086</u>	<u>161,508</u>
Share of profit of joint venture (50%)	119,543	80,754

On November 24, 2021, GBI has investment in shares of PT Caturkarda Depo Bangunan Tbk (“DEPO”) (listed company in the Indonesia Stock Exchange) by purchasing share capital of 865,653,100 shares at Rupiah 482 per share totaling Rupiah 417,244.8 million (equivalent to Baht 979.3 million). GBI has ownership interest of 12.75% in DEPO.

On January 31, 2022, GBI has entered into sale and purchase share contract for joint venture with DEPO, engaging in merchandising of construction material, by purchasing additional share capital from the existing shareholders of 628,146,900 shares at Rupiah 482 per share totaling Rupiah 302,766.8 million (equivalent to Baht 712.4 million). The current ownership interest in DEPO is 22%.

## 12. 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, 2022 and 2021. The latest value of such land, appraised in 2022 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, 2022 and 2021**

**13. 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	
Construction in progress and advance for purchase Assets for development						
Cost						
Balance as at January 1, 2021	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)	-	-
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
Additions	589,464	52,714	141,875	25,153	749,443	-
Transfers - net	51,665	303,328	126,810	-	(481,985)	-
Transfer to right-of-use assets	-	-	-	-	(3,232)	-
Transfer to intangible assets	-	-	-	-	(619)	-
Disposals/write - off	(29)	(4,041)	(45,769)	(12,838)	-	-
Currency translation differences	607	8,655	2,001	221	168	-
Balance as at December 31, 2022	8,203,405	11,906,716	4,141,163	501,584	539,461	18,689
						25,311,018

**SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**Notes to the financial statements (continued)**  
**December 31, 2022 and 2021**

	Consolidated financial statements							
	In Thousand Baht							
						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, 2021	565,712	2,601,924	2,037,078	332,015	-	11,299	5,548,028	
Depreciation charge for the year	119,742	632,123	405,929	48,311	-	467	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	-	11,766	6,708,418	
Depreciation charge for the year	123,343	636,051	382,827	45,809	-	466	1,188,496	
Disposals/write - off	(5)	(3,865)	(43,428)	(12,839)	-	-	(60,137)	
Currency translation differences	190	1,795	960	135	-	-	3,080	
Balance as at December 31, 2022	809,208	3,859,576	2,746,621	412,220	-	12,232	7,839,857	
Net book value								
At December 31, 2021	6,876,018	8,320,465	1,509,984	109,933	275,686	6,923	17,099,009	
At December 31, 2022	7,394,197	8,047,140	1,394,542	89,364	539,461	6,457	17,471,161	

**SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**Notes to the financial statements (continued)**  
**December 31, 2022 and 2021**

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							
Cost											
Balance as at January 1, 2021	7,227,843	10,626,125	3,552,877	442,875	522,111	18,689	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	18,689	23,465,720				
Additions	589,464	52,714	141,046	25,153	696,925	-	1,505,302				
Transfers - net	51,665	303,328	126,762	-	(481,755)	-	-				
Transfer to intangible assets	-	-	-	-	(619)	-	(619)				
Disposals/write - off	(29)	(4,041)	(45,769)	(12,838)	-	-	(62,677)				
Balance as at December 31, 2022	8,185,033	11,644,900	4,079,538	494,908	484,658	18,689	24,907,726				

**SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**Notes to the financial statements (continued)**  
**December 31, 2022 and 2021**

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, 2021	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				
Depreciation charge for the year	121,507	618,651	372,982	44,474	-	466	1,158,080				
Disposals/write - off	(5)	(3,865)	(43,428)	(12,839)	-	-	-	(60,137)			
Balance as at December 31, 2022	801,630	3,787,908	2,707,735	406,795	-	12,232	7,716,300				
Net book value											
At December 31, 2021	6,863,805	8,119,777	1,479,318	107,433	270,107	6,923	16,847,363				
At December 31, 2022	7,383,403	7,856,992	1,371,803	88,113	484,658	6,457	17,191,426				

As at December 31, 2022 and 2021, property, plant and equipment of the Group included costs of leased land improvements, buildings and building improvements of the leased land of Baht 1,559.0 million and Baht 1,529.7 million, respectively. At the same dates, accumulated depreciation amounted to Baht 450.1 million and Baht 347.5 million, respectively. The leased land being presented as right-of-use assets in Note 14.

The gross carrying amounts of fully depreciated fixed assets that are still in use as at December 31, 2022 and 2021 amounted to Baht 3,101.7 million and Baht 2,343.9 million, respectively.

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

**14. RIGHT-OF-USE ASSETS**

	Consolidated financial statement (In Thousand Baht)		
	Building		
	Land	space	Total
Cost			
Balance as at January 1, 2021	1,461,296	-	1,461,296
Additions	13	3,280	3,293
Currency translation differences	65,336	-	65,336
Balance as at December 31, 2021	1,526,645	3,280	1,529,925
Additions	3,840	-	3,840
Transfer from property, plant and equipment	3,232	-	3,232
Transfer to lease receivables	(27,595)	-	(27,595)
Currency translation differences	22,066	(198)	21,868
Balance as at December 31, 2022	1,528,188	3,082	1,531,270
Accumulated amortization			
Balance as at January 1, 2021	190,939	-	190,939
Amortization charge for the year	50,506	246	50,752
Currency translation differences	5,567	-	5,567
Balance as at December 31, 2021	247,012	246	247,258
Amortization charge for the year	50,201	922	51,123
Transfer to lease receivables	(1,690)	-	(1,690)
Currency translation differences	2,606	(15)	2,591
Balance as at December 31, 2022	298,129	1,153	299,282
Net book value			
At December 31, 2021	1,279,633	3,034	1,282,667
At December 31, 2022	1,230,059	1,929	1,231,988

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

	(In Thousand Baht)
	Separate financial statements
	Land
Cost	
Balance as at January 1, 2021	881,156
Additions	13
Balance as at December 31, 2021	881,169
Additions	-
Balance as at December 31, 2022	881,169
Accumulated amortization	
Balance as at January 1, 2021	141,508
Amortization charge for the year	29,276
Balance as at December 31, 2021	170,784
Amortization charge for the year	29,274
Balance as at December 31, 2022	200,058
Net book value	
At December 31, 2021	710,385
At December 31, 2022	681,111

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

**15. INTANGIBLE ASSETS**

	In Thousand Baht		
	Consolidated financial statement		
	Computer software	Other intangible assets	Total
<b>Cost</b>			
Balance as at January 1, 2021	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
Additions	602	-	602
Transfer from property, plant and equipment	619	-	619
Currency translation differences	33	-	33
Balance as at December 31, 2022	41,356	6,729	48,085
 Accumulated amortization			
Balance as at January 1, 2021	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
Amortization charge for the year	3,336	260	3,596
Currency translation differences	21	-	21
Balance as at December 31, 2022	36,511	6,469	42,980
 Net book value			
At December 31, 2021	6,948	520	7,468
At December 31, 2022	4,845	260	5,105

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

	In Thousand Baht		
	Separate financial statements		
	Computer software	intangible assets	Other
Cost			Total
Balance as at January 1, 2021	37,828	6,729	44,557
Additions	1,298	-	1,298
Balance as at December 31, 2021	39,126	6,729	45,855
Additions	1,221	-	1,221
Balance as at December 31, 2022	40,347	6,729	47,076
Accumulated amortization			
Balance as at January 1, 2021	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
Amortization charge for the year	3,134	260	3,394
Balance as at December 31, 2022	35,686	6,469	42,155
Net book value			
At December 31, 2021	6,574	520	7,094
At December 31, 2022	4,661	260	4,921

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

**16. INCOME TAX**

Details of deferred tax assets and deferred tax liabilities as at December 31, 2022 and 2021 were as follows :

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>Deferred tax assets</b>				
Allowance for obsolete and slow-moving inventories	51,688	15,562	51,688	15,562
Volume incentives	42,785	42,277	42,785	42,277
Employee benefits	32,505	28,777	32,505	28,777
Lease agreement	34,036	30,365	20,625	19,871
Provisions	17,640	13,570	17,476	13,409
Other	10,274	7,820	10,213	7,768
Total	188,928	138,371	175,292	127,664
<b>Deferred tax liabilities</b>				
Provision for sales returns	5,087	6,166	5,087	6,167
Taxable depreciation over book depreciation	2,572	4,405	652	721
Other	17	-	17	-
Total	7,676	10,571	5,756	6,888

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

**Income tax expense**

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Income tax expense	877,284	853,286	864,378	851,932
Movement in temporary difference	(52,927)	(69,974)	(49,646)	(67,572)
Net	824,357	783,312	814,732	784,360

**Reconciliation of income tax  
expense**

Profit before income tax	4,330,254	4,142,285	4,163,704	4,029,468
Income tax using the corporate tax rate	866,051	828,457	832,741	805,894
Additional deductible expenses for tax purposes	(40,724)	(32,107)	(30,218)	(32,107)
Share of profit of joint venture	(23,909)	(16,151)	-	-
Others	75,866	73,087	61,855	78,145
Income tax on taxable profit	877,284	853,286	864,378	851,932
Increase in deferred tax assets	(50,557)	(78,502)	(47,628)	(68,076)
Increase (decrease) in deferred tax liabilities	(2,895)	2,299	(1,131)	3,154
Income tax attributable to other comprehensive income	(887)	(2,650)	(887)	(2,650)
Currency translation differences	1,412	8,879	-	-
Income tax presented in statement of comprehensive income	824,357	783,312	814,732	784,360

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

**17. CREDIT FACILITIES**

As at December 31, 2022, 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)	-	13,114,667
Short-term loan	-	7,230,000
Long-term loan	-	6,700,000
Bank overdraft	-	120,000
Letter of credit and trust receipts	-	5,820,000
Forward contract	72,770	4,020,000
Letter of guarantee	-	21,900
<b>Total</b>	<b>72,770</b>	<b>37,026,567</b>

**Short-term loans from financial institutions**

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Trust receipts	477,979	1,816,055	477,979	1,816,055
Short-term loans from financial Institutions	8,997,467	10,250,000	8,997,467	10,250,000
<b>Total</b>	<b>9,475,446</b>	<b>12,066,055</b>	<b>9,475,446</b>	<b>12,066,055</b>

Short-term loans from financial institutions comprise of promissory notes from various local banks and bear interest ranging from 0.80% to 1.58% per annum in 2022 and 0.82% to 1.15% per annum in 2021.

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

**Long-term loans**

As at December 31, 2022 and 2021, the periods to maturity of the long-term loans from two financial institutions were as follows :

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Within one year	1,511,827	1,044,647	1,511,827	1,044,647
After one year but within five years	2,120,373	2,138,790	2,120,373	2,138,790
Total	3,632,200	3,183,437	3,632,200	3,183,437

Details of long-term loans are as follows :

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Loan from the first bank				
• 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	250,000	416,667	250,000	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 THOR plus rate of 0.85% per annum), ending December 2024	212,000	318,000	212,000	318,000

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
• 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 THOR plus rate of 0.85% per annum), ending December 2024	510,550	714,770	510,550	714,770
• Credit line of Baht 1,200 million First withdrawal of Baht 400 million repayable in semi-annual installment of Baht 40 million (interest THOR plus rate of 0.85% per annum), ending December 2024	160,000	240,000	160,000	240,000
• Credit line of Baht 1,200 million Second withdrawal of Baht 300 million repayable in semi-annual installment of Baht 30 million (interest THOR plus rate of 0.85% per annum), ending December 2024	120,000	180,000	120,000	180,000
• 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 THOR plus rate of 0.85% per annum), ending December 2024	250,000	350,000	250,000	350,000
• 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	636,240	964,000	636,240	964,000
• Credit line of Baht 2,000 million Second withdrawal of Baht 727 million repayable in semi-annual installment of Baht 123.6 million and last installment of Baht 232.6 million (interest THOR plus rate of 1% per annum), ending September 2024	603,410	-	603,410	-

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
• Credit line of Baht 1,000 million First withdrawal of Baht 600 million repayable in semi-annual installment of Baht 60 million (interest THOR plus rate of 1% per annum), ending April 2027	540,000	-	540,000	-
• Credit line of Baht 1,000 million Second withdrawal of Baht 400 million repayable in semi-annual installment of Baht 50 million (interest THOR plus rate of 0.9% per annum), ending April 2026	350,000	-	350,000	-
Total long-term loans	3,632,200	3,183,437	3,632,200	3,183,437
Less current portion	(1,511,827)	(1,044,647)	(1,511,827)	(1,044,647)
Net	2,120,373	2,138,790	2,120,373	2,138,790

Loan from banks contain certain restrictions on maintenance of financial ratios.

**18. TRADE AND OTHER ACCOUNTS PAYABLE - OTHERS**

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Trade accounts payable	1,610,183	2,073,354	1,589,058	2,021,006
Other accounts payable				
- Construction payable	206,488	65,238	206,488	65,238
- Retention	84,017	88,706	84,017	88,706
- Accrued expenses	78,612	51,712	76,726	49,926
- Value added tax payable	67,569	16,032	67,562	16,032
- Provision for customer loyalty programmes	54,799	25,234	54,701	25,160
- Advance subsidy income	44,472	23,938	44,472	23,938
- Provision for sales returns	33,406	42,612	32,681	41,883
- Deposit received for goods	14,938	13,186	14,004	12,922
- Others	60,869	51,794	43,338	50,782
	645,170	378,452	623,989	374,587
Total	2,255,353	2,451,806	2,213,047	2,395,593

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

**19. LEASE LIABILITIES**

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>Lease liabilities</b>				
- Due for payments within one year	55,050	53,907	24,435	24,208
- Due for payments after one year but within five years	234,794	225,483	105,363	102,141
- After 5 years	1,410,977	1,443,557	607,123	634,765
Total	1,700,821	1,722,947	736,921	761,114
<u>Less</u> deferred interest	(551,046)	(576,638)	(225,522)	(241,557)
Lease liabilities - net of deferred interest	1,149,775	1,146,309	511,399	519,557
<u>Less</u> current portion	(18,570)	(17,556)	(8,662)	(8,173)
<b>Net</b>	<b>1,131,205</b>	<b>1,128,753</b>	<b>502,737</b>	<b>511,384</b>

The Group had expenses relating to leases recognized as profit or loss for the years end December 31, 2022 and 2021 as follows ;

	In Thousand Baht	
	2022	2021
Interest expense relating to lease liabilities	38,118	35,956
Expense relating to leases with lease term less than 1 year	2,908	3,392

**20. PROVISIONS FOR EMPLOYEE BENEFITS**

	In Thousand Baht		
	Consolidated / Separate financial statements		
	Post- employment benefits	Other long-term benefits	Total
At January 1, 2022	110,536	33,349	143,885
Current service cost	16,570	5,735	22,305
Interest cost	3,051	688	3,739
Remeasurements of other long term benefits	-	1,054	1,054
Expense recognized in profit or loss	19,621	7,477	27,098
Transaction recognized in other comprehensive income			
- Actuarial gain on defined benefit plan	(4,437)	-	(4,437)
Employee benefits paid during the year	(1,558)	(2,465)	(4,023)
<b>At December 31, 2022</b>	<b>124,162</b>	<b>38,361</b>	<b>162,523</b>

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

	In Thousand Baht		
	Consolidated / 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)
<b>At December 31, 2021</b>	<b>110,536</b>	<b>33,349</b>	<b>143,885</b>

Actuarial gain recognized in other comprehensive income arising from :

	In Thousand Baht	
	2022	2021
Change in financial assumptions	(9,220)	(15,901)
Experience adjustments	4,783	2,652
<b>Total</b>	<b>(4,437)</b>	<b>(13,249)</b>

Significant assumptions used in calculation of liability for post-employment benefits are as follows :

Discount rate	2.84%-3.44% per annum in 2022 and 2.14%-2.83% per annum in 2021
Salary increase rate	6.0% per annum in 2022 and 2021
Employee turnover rate	5.73%-34.38% per annum in 2022 and 2021
Mortality rates	Based on Thai Mortality Table

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

**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, 2022		
Discount rate (0.5% change)	(8,446)	9,150
Salary increase rate (1% change)	14,719	(12,733)
Employee turnover rate (20% change)	(27,433)	37,328

**21. SHARE CAPITAL AND DIVIDENDS**
**Share capital**

	In Baht	In Thousand Shares / In Thousand Baht			
		2022		2021	
		Par	Value	Number	Amount
Authorized					
At January 1,					
• ordinary shares	1	4,601,683	4,601,683	4,401,614	4,401,614
Capital decrease	1	(12)	(12)	(4)	(4)
Capital increase	1	200,073	200,073	200,073	200,073
At December 31,					
• ordinary shares	1	4,801,744	4,801,744	4,601,683	4,601,683
Issued and fully paid-up					
At January 1,					
• ordinary shares	1	4,601,671	4,601,671	4,401,610	4,401,610
Stock dividend	1	200,066	200,066	200,061	200,061
At December 31,					
• ordinary shares	1	4,801,737	4,801,737	4,601,671	4,601,671

At the annual general meeting of the shareholders of the Company held on April 8, 2022, the shareholders passed the following resolutions:

- (a) decrease authorized share capital from Baht 4,601,683,147 (4,601,683,147 ordinary shares at Baht 1 par value) to Baht 4,601,671,149 (4,601,671,149 ordinary shares at Baht 1 par value). The Company registered the capital decrease with the Ministry of Commerce on April 21, 2022;
- (b) increase authorized share capital from Baht 4,601,671,149 (4,601,671,149 ordinary shares at Baht 1 par value) to Baht 4,801,743,807 (4,801,743,807 ordinary shares at Baht 1 par value). The 200,072,658 new ordinary shares were reserved for stock dividend. The Company registered the capital increase with the Ministry of Commerce on April 22, 2022.

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

At the annual general meeting of the shareholders of the Company held on April 7, 2021, the shareholders passed the following resolutions :

- (c) 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;
- (d) 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.

**Dividends**

At the annual general meeting of the shareholders of the Company held on April 8, 2022, the shareholders approved the appropriation of dividends of Baht 0.30 per share, amounting to Baht 1,372.7 million, from the net profit of 2021. The dividend distributed to the shareholders comprise of stock dividend on the basis of 23 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 1,172.6 million on May 6, 2022. The Company registered the increase in paid-up share capital with the Ministry of Commerce on May 6, 2022.

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 net 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.

**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.

**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.

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

**24. OTHER INCOME**

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Subsidy income	223,021	161,283	221,135	159,546
Distribution management income	100,006	103,442	100,006	103,442
Other service income	77,797	86,504	77,779	86,464
Gain on exchange rate	51,313	109,167	50,868	109,167
Insurance claim income	13,911	-	13,911	-
Interest income	15,587	5,184	8,980	4,893
Other	36,270	35,257	30,378	29,875
Total	517,905	500,837	503,057	493,387

**25. EXPENSES BY NATURE**

Significant expenses by nature are as follows :

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Changes in merchandises	(192,188)	(1,467,938)	(172,605)	(1,476,659)
Purchase of merchandises	26,505,927	26,621,159	26,091,696	26,287,621
Employee costs	2,325,496	2,110,325	2,292,326	2,083,684
Depreciation and amortization	1,245,876	1,264,175	1,190,748	1,213,161
Utility expenses	375,392	318,280	361,185	308,072
Marketing, advertising and sale				
promotion expenses	235,907	189,095	232,974	186,769
Finance costs	192,883	180,420	171,572	160,740
Management remuneration	88,063	83,371	88,063	83,371

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

**26. OTHER COMPREHENSIVE INCOME**

	Consolidated financial statement (In Thousand Baht)		
	2022		
	Amount	Tax expense	Net
<u>Items that will not be reclassified subsequently to profit or loss</u>			
Actuarial gain on defined benefit plan	4,437	(887)	3,550
Share of other comprehensive income of joint venture	(3,741)	-	(3,741)
<u>Items that will be reclassified subsequently to profit or loss</u>			
Currency translation differences	19,346	-	19,346
Share of other comprehensive income of joint venture	(97,360)	-	(97,360)
Other comprehensive gain for the year	(77,318)	(887)	(78,205)
	Consolidated financial statement (In Thousand Baht)		
	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
	Separate financial statements (In Thousand Baht)		
	2022		
	Amount	Tax expense	Net
<u>Item that will not be reclassified subsequently to profit or loss</u>			
Actuarial gain on defined benefit plan	4,437	(887)	3,550
Other comprehensive gain for the year	4,437	(887)	3,550

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

	Separate financial statements (In Thousand Baht)		
	2021		
	Amount	Tax expense	Net
<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

**27. EARNINGS PER SHARE**

Earnings per share for the years ended December 31, 2022 and 2021 are determined by dividing the profit for the year by the weighted average number of ordinary shares outstanding during the period, 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 6, 2022. 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	
	2022	2021	2022	2021
Profit attributable to equity holder of the parent	3,486,867	3,343,575	3,348,972	3,245,108
Weighted average number of ordinary shares outstanding	4,801,737	4,801,737	4,801,737	4,801,737
Earnings per share (Baht)	0.7262	0.6963	0.6975	0.6758

**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 2022 and 2021 amounting to approximately Baht 51.9 million and Baht 46.3 million, respectively, were recorded as part of distribution costs amounting to approximately Baht 43.1 million and Baht 38.7 million in 2022 and 2021, respectively, and administrative expenses amounting to approximately Baht 8.8 million and Baht 7.6 million in 2022 and 2021, respectively, in the statements of comprehensive income.

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

**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, 2022 and 2021 were as follows :

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Thailand	34,584,517	32,842,463	34,584,517	32,842,463
Kingdom of Cambodia	684,922	655,113	165,263	167,519
Republic of the Union of Myanmar	897	228	-	228
Total	35,270,336	33,497,804	34,749,780	33,010,210

Information on key customers (customers whose transactions exceeding 10% of total balance of transactions) for the years ended December 31, 2022 and 2021.

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 2022 and 2021.

**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 Group periodically monitors and assesses 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, 2022 and 2021

**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 Group mitigates this risk by using the forward exchange contracts (buy) in the appropriate timing and situations.

As at December 31, 2022 and 2021, the Group had buy and sell forward exchange contracts as follows :

	In Thousand			
	Foreign Currency		Fixed Baht	
	2022	2021	2022	2021
Forward exchange contracts - buying				
• CNY	-	200,000	-	1,056,985
Forward exchange contract - selling				
• U.S. Dollar	11,546	-	403,004	-

In addition, the fair values of forward exchange contracts outstanding as at December 31, 2022 and 2021 were as follows :

	In Thousand Baht	
	2022	2021
Forward exchange contract - buying		
• CNY	-	1,045,195
Forward exchange contract - selling		
• U.S. Dollar	398,752	-

As at December 31, 2022 and 2021, the Group had significant outstanding non-hedged foreign currency assets amounting to U.S Dollars 0.5 million and U.S Dollars 1.6 million, respectively, and had significant outstanding non-hedged foreign currency liabilities amounting to U.S. Dollars 3.5 million and CNY 0.6 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 mitigates this risk by using the interest rate swap for long-term loan. In addition, deposits at banks, lease receivables, current investment - deposit at bank, investments in debt instruments, short-term loans and financial lease bear interest at the floating market interest rates or fixed rates that approximate the market interest rates.

## SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## Notes to the financial statements (continued)

December 31, 2022 and 2021

**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 accounts receivables, lease receivables, current investment - deposit at bank, investments in debt securities, trade and other account payables, short-term and long-term loans and lease liabilities had carrying amounts approximate their fair values due 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).

**31. CAPTIAL 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, 2022 and 2021, the Group's debt-to-equity ratio were 0.77 : 1 and 0.98 : 1, respectively, and the Company's debt-to-equity ratio were 0.76 : 1 and 0.97 : 1, respectively.

**32. COMMITMENTS**

As at December 31, 2022, the Group had :

- (a) commitment to construction agreements for building and machinery with three local companies amounting to Baht 573.9 million, and
- (b) unused letters of credit totaling approximately CNY 6.9 million (equivalent to Baht 36.6 million) and Baht 17.8 million.

**33. EVENT AFTER THE REPORTING PERIOD**

At the Board of Directors' meeting held on February 10, 2023, the Board of Directors passed the following resolutions :

- (1) to pay the dividend for the 2022 operations totaling Baht 1,422.74 million to the shareholders. The dividend comprise stock dividends on the basis of 24 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 1,222.66 million. The dividend payment will be further proposed to the Annual General Meeting of the Company's shareholders for approval in April 2023.
- (2) decrease authorized share capital from Baht 4,801,743,807 (4,801,743,807 ordinary shares at Baht 1 par value) to Baht 4,801,736,733 (4,801,736,733 ordinary shares at Baht 1 par value).
- (3) increase authorized share capital from Baht 4,801,736,733 (4,801,736,733 ordinary shares at Baht 1 par value) to Baht 5,001,809,096 (5,001,809,096 ordinary shares at Baht 1 par value). The 200.7 million new ordinary shares were reserved for stock dividend as mentioned in (1).

**34. APPROVAL OF FINANCIAL STATEMENTS**

These financial statements have been approved for issue by the Company's Board of Directors on February 10, 2023.

# SAVE ENERGY, LOVE THE EARTH



# ATTACHMENTS



# **Attachment 1**

**Information of Directors, Management, Controlling Person,  
Financial Controller, Accounting Controller, and Company Secretary**

**1. Mr. Apisit Rujikeatkamjorn**
**Age** 77 Years **Nationality** Thai

**Position** Chairman

**Appointed as the Director on** 26 February 2008


Term of Office			Education / Training	
1 <sup>st</sup> Term 26 February 2008 - 28 April 2011			<ul style="list-style-type: none"> <li>Master of Engineering, Lamar University, Texas, USA</li> </ul>	
2 <sup>nd</sup> Term 28 April 2011 - 4 April 2013			<ul style="list-style-type: none"> <li>Bachelor of Engineering Program in Civil Engineering, Khon Kaen University</li> </ul>	
3 <sup>rd</sup> Term 4 April 2013 - 22 April 2015				
4 <sup>th</sup> Term 22 April 2015 - 30 April 2018				
5 <sup>th</sup> Term 30 April 2018 - 7 April 2021				
6 <sup>th</sup> Term 7 April 2021 - Present				
Training by the Thai Institute of Directors Association (IOD)			The Brief Working Experience in 5 years	
<ul style="list-style-type: none"> <li>Director Accreditation Program 21 / 2004 and 27 / 2004</li> <li>Finance for Non - Finance Director 24 / 2005</li> <li>Understanding the Fundamental of Financial Statements Program (UFS) 5 / 2006</li> <li>Audit Committee Program 22 / 2008</li> <li>The Role of Chairman Program 26 / 2011</li> <li>Director Certification Program 166 / 2012</li> </ul>			<p>2008 - Present • Chairman, Siam Global House PCL.</p> <p>2012 - Present • Chairman, Sea Oil, PCL</p> <p>2014 - Present • Chairman, Asia Green Energy PCL. • Chairman, Asia Bio Mass PCL.</p> <p>2015 - Present • Chairman, D.T.C Enterprise Co., LTD</p> <p>2017 - Present • Chairman, LAO Agro Tech Public Company Limited. • Chairman, Global House (Cambodia) Co., Ltd</p>	
<b>Training in 2022</b> - None -			<b>Shareholding (%)</b> Held personally : - None - Held by spouse or minor children : - None -	
<b>Director position listed company:</b> 5 Companies			<b>Family Relationship among Directors and Executives</b> Mr. Isara Rujikeatkamjorn's father.	
<b>Director position other non-listed company:</b> 2 Companies				

**2. Mr. Witoon Suriyawanakul**
**Age 64 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 <sup>st</sup> Term 4 April 2008 - 30 April 2009	<ul style="list-style-type: none"> <li>Honorary Doctoral Degree of Economics, Rajabhat Maha Sarakham University</li> </ul>	
2 <sup>nd</sup> Term 30 April 2009 - 18 April 2012	<ul style="list-style-type: none"> <li>Honorary Doctoral Degree of Business Administration, Rajabhat Roi Et University</li> </ul>	
3 <sup>rd</sup> Term 18 April 2012 - 9 April 2014	<ul style="list-style-type: none"> <li>Master of business Administration, Khon Kaen University</li> </ul>	
4 <sup>th</sup> Term 9 April 2014 - 28 April 2016	<ul style="list-style-type: none"> <li>Bachelor of Engineering Program in Civil Engineering, Khon Kaen University</li> </ul>	
5 <sup>th</sup> Term 10 May 2017 - 24 April 2020		
6 <sup>th</sup> 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	<ul style="list-style-type: none"> <li>Director, Inter Concrete Industry Co., Ltd</li> <li>Director, Siam Global Asset Co., Ltd</li> </ul>
	2008 - Mar2016	<ul style="list-style-type: none"> <li>Director / Executive Director / Nomination &amp; Remuneration Committee / CEO, Siam Global House PCL</li> </ul>
	2015 - Present	<ul style="list-style-type: none"> <li>Chairman, Global House International Co., Ltd</li> </ul>
	2017 - Present	<ul style="list-style-type: none"> <li>Director / Executive Director / Nomination &amp; Remuneration Committee / CEO, Siam Global House PCL</li> </ul>
	2017 – Present	<ul style="list-style-type: none"> <li>Director, Global House Cambodia Co., Ltd</li> </ul>
	2021 - Present	<ul style="list-style-type: none"> <li>Executive Director, Guangxi Global House International Trade Co., Ltd.</li> </ul>
<b>Training in 2022</b>	<b>Shareholding (%) : 0.59%</b> Held personally : 0.59% Held by spouse or minor children : - None -	
<b>Director position listed company:</b> 1 Company	<b>Family Relationship among Directors and Executives</b> Mrs. Warunee Suriyawanakul's husband	
<b>Director position other non-listed company:</b> 5 Companies	Mr. Anavat Suriyawankul's brother Mr. Kriangkai Suriyawanakul's father	

### 3. Mr. Kriangkai Suriyawanakul

**Age** 34 Years **Nationality** Thai

**Position** Director / Sustainability and Corporate Governance Committee

/ Executive Director / Vice CEO

**Appointed as the Director** 30 October 2021



Term of Office	Education / Training	
1 <sup>st</sup> Term 30 October 2021 - Present		<ul style="list-style-type: none"> <li>Master of Logistics and Supply chain Management, The University of Nottingham (First Class Honor)</li> <li>Bachelor of Engineering, Thammasat University</li> <li>Bachelor of Engineering Engineering, the University of Nottingham (First Class Honor)</li> </ul>
<b>Training by the Thai Institute of Directors Association (IOD)</b>		<b>The Brief Working Experience in 5 years</b>
• Director Accreditation Program 188 / 2021	2017 - Jan2021	<ul style="list-style-type: none"> <li>Assistant CEO Supply Chain Siam Global House PCL.</li> </ul>
	2017 - Present	<ul style="list-style-type: none"> <li>Director, Global House Cambodia Co., Ltd</li> </ul>
	2021 - Present	<ul style="list-style-type: none"> <li>Vice CEO of Siam Global House PCL.</li> </ul>
	2021 - Present	<ul style="list-style-type: none"> <li>Director / Executive Director of Siam Global House PCL.</li> </ul>
	Apr2022 - Present	<ul style="list-style-type: none"> <li>Director, Sustainability and Corporate Governance Committee of Siam Global House PCL.</li> </ul>
<b>Training in 2022</b>	<b>Shareholding (%) :</b> 11.14% Held personally : 11.14% Held by spouse or minor children : 0.00%	
<b>Director position listed company :</b> 1 Company	<b>Family Relationship among Directors and Executives</b> Mr. Witoon - Mrs. Warunee Suriyawanakul's son	
<b>Director position other non-listed company :</b> 1 Company		

#### 4. Mr. Nithi Patarachoke

Age 59 Years Nationality Thai

**Position** Director / Executive Director

**Appointed as the Director** 23 November 2012



Term of Office	Education / Training	
1 <sup>st</sup> Term 23 September 2012 - 22 April 2015	<ul style="list-style-type: none"> <li>Master of finance and Operations Management University of Chicago, USA</li> </ul>	
2 <sup>nd</sup> Term 22 April 2015 - 30 April 2018	<ul style="list-style-type: none"> <li>Bachelor of Engineering Chulalongkorn University</li> </ul>	
3 <sup>rd</sup> Term 30 April 2018 - 7 April 2021	<ul style="list-style-type: none"> <li>Advanced Management Program (AMP) Harvard University, USA</li> </ul>	
4 <sup>th</sup> Term 7 April 2021 - Present		
<b>Training by the Thai Institute of Directors Association (IOD)</b>	<b>The Brief Working Experience in 5 years</b>	
• Director Accreditation Program 140 / 2017	2012 - Present	• Director / Executive Director Siam Global House PCL
<b>Training in 2022</b>	2013 - Present	• Managing Director, SCG Cement-Building Materials Co., Ltd and Vice Chairman, Thailand
- None -	2013 - 2022	• Vice President of Thailand Management Association
<b>Shareholding (%):</b>	2015 - Present	• Director, Global House International Co., Ltd
Held personally : - None -	2018 - 2020	• Director, Federation of Thai Industries
Held by spouse or minor children : - None -	2018 - 2021	• President – Cement and Building Materials Business / Vice President – Living Solution and Housing Products Business, The Siam Cement PCL
<b>Director position listed company:</b>	2018 - Present	• Chairman of the Board of Director / Chairman of the Executive Committee/Member of the Nomination, and the Remuneration and Corporate Governance Committee, SCG Ceramics PCL
5 Companies		
<b>Director position other non-listed company :</b>	2019-Present	• Chairman of the Board of Director and Chairman of the Executive Committee, Quality Construction Products PCL • Director, SCG Foundation
2 Companies		
<b>Family Relationship among Directors and Executives</b>	2019-2020	• President Commissioner, PT Keramika Indonesia Assosiasi Tbk* • President Commissioner, PT Kokoh Inti Arebama Tbk Indonesia*
- None -	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	Secretary-General, Thailand-Vietnam Friendship Association
	Present	President of Thailand Management Association/ Governance Director of Bank of Thailand/ Managing Director – Cement and Building Materials Business, The Siam Cement PCL
	<b>Remarks</b> * Listed Company in Indonesia	

**5. Mr. Paramate Nisagornsen**
**Age 55 Years Nationality Thai**
**Position Director**
**Appointed as the Director 9 November 2018**


Term of Office	Education / Training	
1 <sup>st</sup> Term 9 September 2018 - 24 April 2020		
2 <sup>nd</sup> Term 24 April 2020 - Present		<ul style="list-style-type: none"> <li>Master of Science in Management, Massachusetts Institute of Technology, USA</li> <li>Bachelor of Engineering (Electrical Engineering), King Mongkut's University of Technology North Bangkok</li> <li>Certificate of Advanced Management Program (AMP) Harvard Business School, USA</li> </ul>
Training by the Thai Institute of Directors Association (IOD)		The Brief Working Experience in 5 years
<ul style="list-style-type: none"> <li>Director Accreditation Program 258 / 2018</li> </ul> <p>Training in 2022 - None -</p> <p>Director position listed company : 2 Companies</p> <p>Director position other non-listed company : 3 Companies</p> <p>Shareholding (%) Held personally : - None - Held by spouse or minor children : - None-</p> <p>Family Relationship among Directors and Executives -None</p>		<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                       • Director, Global House International Co., Ltd</p> <p>2018 - Present    • Director, SCG Cement-Building Materials Co., Ltd / 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>
		<b>Remarks * Listed Company in Indonesia</b>

**6. Mr. Wiroat Rattanachaisit**
**Age** 52 Years **Nationality** Thai

**Position** Director

**Appointed as the Director** 23 November 2022


Term of Office	Education / Training	
1 <sup>st</sup> Term 23 November 2022 - Present	<ul style="list-style-type: none"> <li>Bachelor Degree Faculty of Business Administration, University of the Thai Chamber of Commerce</li> </ul>	
<b>Training by the Thai Institute of Directors Association (IOD)</b>	<b>The Brief Working Experience in 5 years</b>	
<ul style="list-style-type: none"> <li>Director Accreditation Program 163 / 2019</li> <li>Ethical Leadership Program 25 / 2022</li> <li>Director Certification Program (DCP) 329 / 2022</li> </ul>	<p>2018                   • Managing Director-Distribution and E - channel, SCG Cement - Building Materials Co., Ltd</p> <p>2019                   • Head of Distribution and Retail Business, SCG Cement-Building Materials Co., Ltd</p> <p>2020 - 2022         • Country Director-Indonesia, SCG Cement-Building Materials Co., Ltd</p> <p>2020 - Present      • Commissioner and Director for the foreign Company where SCG has invested; that is; Indonesia, Philippines, and Cambodia.</p> <p>Present               • Vice President-Regional CBM Business, SCG Cement-Building Materials Co., Ltd./</p> <p>                        • Vice President-Housing Products and Solution Business</p> <p>                        • Director, Siam Global House Public Co., Ltd.</p>	
<b>Training in 2022</b>	<b>Shareholding (%)</b> Held personally : - None - Held by spouse or minor children : - None -	
<b>Director position listed company :</b> 1 Company <b>Director position other non-listed company :</b> 1 Company	<b>Family Relationship among Directors and Executives</b> - None -	

**7. Mr. Pairoj Juarprathoom**
**Age** 65 Years **Nationality** Thai

**Position** Director / Independent Director

/ Chairman of Audit &amp; Risk Management Committee

**Appointed as the Director** 23 April 2019


Term of Office	Education / Training												
1 <sup>st</sup> Term 23 April 2019 - 8 April 2022	<ul style="list-style-type: none"> <li>Master Degree Graduate School of Public Administration, National Institute of Development Administration (NIDA)</li> </ul>												
2 <sup>nd</sup> Term 8 April 2022 - Present	<ul style="list-style-type: none"> <li>Bachelor Degree Faculty of Commerce and Accountancy, Chulalongkorn University</li> <li>Bachelor Degree School of Law, Sukhothai Thammathirat University</li> <li>Advance Executive Program6, Office of the Civil Service Commission (OCSC)</li> <li>Advance Certificate Course of Good Governance for Medical Executive6, The Medical Council of Thailand and King Prajadhipok's Institute</li> </ul>												
Training by the Thai Institute of Directors Association (IOD)	The Brief Working Experience in 5 years												
<ul style="list-style-type: none"> <li>Director Accreditation Program 161 / 2019</li> </ul>	<table border="0"> <tr> <td>2015 - 2016</td><td>• Director Regional Revenue Office 9</td></tr> <tr> <td>2016 - 2017</td><td>• Director Regional Revenue Office 5</td></tr> <tr> <td>2017</td><td>• Deputy Director-General of the Revenue Department</td></tr> <tr> <td>2018</td><td>• Plan and Policy Analyst, Advisory Level</td></tr> <tr> <td>2019 - Present</td><td>• Director / Independent Director / Chairman of Audit &amp; Risk Management Committee, Siam Global House PCL</td></tr> <tr> <td>2019 - Present</td><td>• Director / Independent Director / Chairman of Audit Committee, KTB General Services and security Co., Ltd</td></tr> </table>	2015 - 2016	• Director Regional Revenue Office 9	2016 - 2017	• Director Regional Revenue Office 5	2017	• Deputy Director-General of the Revenue Department	2018	• Plan and Policy Analyst, Advisory Level	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
2015 - 2016	• Director Regional Revenue Office 9												
2016 - 2017	• Director Regional Revenue Office 5												
2017	• Deputy Director-General of the Revenue Department												
2018	• Plan and Policy Analyst, Advisory Level												
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 2022	Shareholding (%)												
<ul style="list-style-type: none"> <li>The Seminar “Annual Audit Committee Conference Krungthai Group 2022 : AACC 2022”</li> <li>The Seminar talk Easy listening: Accounting tips that AC should not miss by the Securities and Exchange Commission.</li> </ul>	<p>Held personally : - None -</p> <p>Held by spouse or minor children : - None -</p>												
Director position listed company:	Family Relationship among Directors and Executives												
1 Company	- None -												
Director position other non-listed company:													
1 Company													

**8. Dr. Boonchai Pitugdamrongkija**
**Age 68 Years Nationality Thai**
**Position** Director / Independent Director / Chairman of the Sustainability and Corporate Governance Committee / Audit & Risk Management Committee

**Appointed as the Director** 23 April 2019


Term of Office	Education / Training										
1 <sup>st</sup> Term 23 April 2019 - 8 April 2022 2 <sup>nd</sup> Term 8 April 2022 - Present	<ul style="list-style-type: none"> <li>• Doctor of Manage Degree Graduate School (Business Management), Suan Dusit University</li> <li>• Master Degree Faculty of Economics, Thammasat University</li> <li>• Bachelor Degree Faculty of Economics and Business Administration, Kasetsart University</li> <li>• Capital Market Academy (CMA.16), Stock Exchange of Thailand</li> <li>• Towards High Potential Leaders Project, Office of the Civil Service Commission</li> <li>• Leading Change for Executive of Excise Department 2<sup>nd</sup> Generation, NIDA</li> <li>• GSB Middle Management Leadership Program2007, Nanyang Technological University</li> <li>• Advance Executive Program 45, Office of the Civil Service Commission (OCSC)</li> <li>• Strategy for Improving Directors Effectiveness, Kellogg School of Management</li> <li>• Middle Management Professional Development, Revenue Canada</li> <li>• Program Tax Analysis and Revenue Forecasting, Harvard University</li> </ul>										
Training by the Thai Institute of Directors Association (IOD)	The Brief Working Experience in 5 years										
<ul style="list-style-type: none"> <li>• Director Certification Program 155 / 2012</li> </ul>	<table border="0"> <tr> <td data-bbox="636 1282 873 1327">2009 - 2010</td><td data-bbox="873 1282 1475 1327">• Deputy Director, General of the Excise department</td></tr> <tr> <td data-bbox="636 1327 873 1372">2011 - 2014</td><td data-bbox="873 1327 1475 1372">• Advisor of Excise Tax Strategic Plan</td></tr> <tr> <td data-bbox="636 1372 873 1462">2019 - Present</td><td data-bbox="873 1372 1475 1462">• Director / Independent Director / Audit &amp; Risk Management Committee, Siam Global House PCL</td></tr> <tr> <td data-bbox="636 1462 873 1551">2020 – Present</td><td data-bbox="873 1462 1475 1551">• Independent Director / Audit Committee, Precise Corporation PCL</td></tr> <tr> <td data-bbox="636 1551 873 1675">Apr2022 - Present</td><td data-bbox="873 1551 1475 1675">• Chairman of the Sustainability and Corporate Governance Committee of Siam Global House 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	Apr2022 - Present	• Chairman of the Sustainability and Corporate Governance Committee of Siam Global House 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										
Apr2022 - Present	• Chairman of the Sustainability and Corporate Governance Committee of Siam Global House PCL.										
<b>Training in 2022</b> <ul style="list-style-type: none"> <li>• The Seminar talk Easy listening : Accounting tips that AC should not miss by the Securities and Exchange Commission.</li> </ul>	<b>Shareholding (%) :</b> Held personally : - None - Held by spouse or minor children : - None -										
<b>Director position listed company :</b> 1 Company <b>Director position other non - listed company:</b> 1 Company	<b>Family Relationship among Directors and Executives</b> - None -										

**9. Dr. Vongsak Swasdipanich**
**Age 71 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 <sup>st</sup> Term 11 May 2016 - 24 April 2017	<ul style="list-style-type: none"> <li>• D.Litt.PA, St Clements University, UK</li> </ul>	
2 <sup>nd</sup> Term 24 April 2017 - Present	<ul style="list-style-type: none"> <li>• MPA Public Affairs, Kentucky State University USA</li> <li>• Bachelor of Art (Political Science), Chiang Mai University</li> <li>• Thailand National Defence College (NDC44)</li> <li>• Executives Planned High Level of NIDA</li> <li>• Executives of Interior level 8 &amp; level 9, Dumrongrachanupharp Institute, Ministry of the Interior</li> <li>• The Leader of Bangkok Course 3</li> </ul>	
Training by the Thai Institute of Directors Association (IOD)	The Brief Working Experience in 5 years	
<ul style="list-style-type: none"> <li>• Director Accreditation Program 134 / 2017</li> </ul>	2008 - 2011	<ul style="list-style-type: none"> <li>• Director- General of Department of Provincial Administration</li> </ul>
	2011 - 2013	<ul style="list-style-type: none"> <li>• Director of Vice-Minister</li> </ul>
	2016 - Present	<ul style="list-style-type: none"> <li>• Director / Independent Director / Audit &amp; Risk Management Committee / Nomination &amp; Remuneration Committee, Siam Global House PCL.</li> </ul>
	2020 – Present	<ul style="list-style-type: none"> <li>• Chairman of the Advisory Committee, Chairman of the House of Representatives Governing Committee.</li> </ul>
	2022 - 2024	<ul style="list-style-type: none"> <li>• Chairman of the Corporate Promotion Committee for Roi Et Rajabhat University, the Council Committee for Roi Et Rajabhat University.</li> </ul>
<b>Training in 2022</b>	<b>Shareholding (%) :</b> Held personally : - None - Held by spouse or minor children : - None -	
<b>Director position listed company:</b> 1 Company	<b>Family Relationship among Directors and Executives</b> - None -	
<b>Director position other non-listed company:</b> - None -		

**10. Pol.Gen.Kawee Supanun**
**Age 64 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 <sup>st</sup> Term 23 April 2019 - 8 April 2022	<ul style="list-style-type: none"> <li>• Ph.D. (Industrial Business Administration), King Mongkut's institute of Technology Ladkrabang</li> </ul>	
2 <sup>nd</sup> Term 8 April 2022 - Present	<ul style="list-style-type: none"> <li>• Master's Degree (Environment) Faculty of Social Sciences, Mahidol University</li> <li>• Bachelor Degree of Public Administration, Royal Police Cadet Academy, class 33</li> <li>• Superintendent Course 25</li> <li>• Air Command and Staff College Course 37</li> <li>• Critical Incident Management, USA</li> <li>• Advanced Police Management Course 18</li> <li>• Thailand National Defense College Course 51</li> </ul>	
Training by the Thai Institute of Directors Association (IOD)	The Brief Working Experience in 5 years	
<ul style="list-style-type: none"> <li>• Director Accreditation Program 129 / 2016</li> </ul>	2012 - 2013	<ul style="list-style-type: none"> <li>• Commissioner of Provincial Police Region 4</li> </ul>
	2013 - 2014	<ul style="list-style-type: none"> <li>• Commissioner of Provincial Police Region 2</li> </ul>
	2014 - 2016	<ul style="list-style-type: none"> <li>• Assistant commission - General of Royal Thai Police</li> </ul>
	2016 - 2018	<ul style="list-style-type: none"> <li>• Advisor (Level 10) Royal Thai Police</li> </ul>
	2019 - Present	<ul style="list-style-type: none"> <li>• Director / Independent Director / Chairman of Nomination &amp; Remuneration Committee, Siam Global House PCL</li> </ul>
Training in 2022	Shareholding (%) :	
- None -	Held personally : - None - Held by spouse or minor children : - None -	
Director position listed company :	Family Relationship among Directors and Executives	
1 Company	<ul style="list-style-type: none"> <li>- None -</li> </ul>	
Director position other non-listed company :		
- None -	<ul style="list-style-type: none"> <li>- None -</li> </ul>	

## Profile of Executive



**Mrs. Warunee Suriyawanakul**

**Age** 62 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** 62 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 (%)**: 4.54%

Held personally: 0.21%

Held by spouse or minor children: 4.33%

### 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

## Profile of Executive



**Mr. Yutthana Suriyawanakul**

**Age** 51 Years **Nationality** Thai

**Position** Vice - CEO Investor Relations

**Appointment Date** 23 November 2012

**Shareholding (%) :** 0.00%

Held personally : 0.00%

Held by spouse or minor children : - None -

### 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
2022 - Present	Vice CEO-Investor Relations, Siam Global House PCL

### 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

### Family Relationship among Directors and Executives

Mr. Witoon Suriyawanakul's nephew



**Ms. Chutikan Srisaengchan**

**Age** 53 Years **Nationality** Thai

**Position** Executive Director / Director of the Sustainability and Corporate Governance Committee / Vice CEO Accounting & Financial

**Appointment Date** 23 November 2012

### Education

- Master of Business Administration, Khon Kaen University
- Bachelor of Accountancy, Thammasat University

### Training by the Thai Institute of Directors Association (IOD)

- Director Accreditation Program 68/2008

### Training in 2022

- Tax Research and Update 2022
- TFRS Research for NPAEs.
- Employee Benefit Actuarial Valuation

### The Brief Working Experience in 5 years

2008 - Oct2021	Director, Siam Global House PCL
2012 - Present	Executive Director/Vice CEO Accounting & Financial, Siam Global House PCL
Apr2022 - Present	Director of the Sustainability and Corporate Governance Committee, Siam Global House PCL.

### Shareholding (%) : 0.03%

Held personally : 0.03%

Held by spouse or minor children : - None -

### Family Relationship among Directors and Executives

- None -

## Profile of Executive



**Mr. Phiphop Vasanaarchasakul**

**Age** 52 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 -

### The Brief Working Experience in 5 years

2014 - Nov 2017	Assistance of Vice CEO Business Development, Siam Global House PCL
2017 - Present	Vice CEO Business Development, Siam Global House PCL
2017 - Present	Director, Global House International Co., Ltd



**Mr. Khemchat Sungkakam**

**Age** 40 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%

### 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

### Family Relationship among Directors and Executives

Ms. Wiphawee Hongsamsipjed's husband

**Profile of Executive****Mr. Isara Rujikeatkamjorn****Age 43 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 (%) : 0.22%**

Held personally : 0.22%

Held by spouse or minor children : - None -

**The Brief Working Experience in 5 years**

2017 - Sep 2018 Assistant CEO of Siam Global House PCL

2018 - Present Vice CEO of Siam Global House PCL

2018 - Present Director of Global House International Co., Ltd

**Mr. Pongkorn Suriyawanakul****Age 41 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 -

**The Brief Working Experience in 5 years**

2017 - Present Assistant CEO – Engineering, Siam Global House PCL

**Family Relationship among Directors and Executives**

Mr. Apisit Rujikeatkamjorn's son

**Family Relationship among Directors and Executives**

Mr. Witoon Suriyawanakul's nephew

**Profile of Executive****Mr. Pongpol Tiapairatkulkit****Age** 43 Years **Nationality** Thai**Position** Assistant CEO**Appointment Date** 1 January 2023**Education**

- Master of Public and Private Management, School of Public Administration, National Institute of Development Administration
- Bachelor of Public Administration, Political Science, Kasetsart University

**Shareholding (%) : 0.00%**

Held personally : 0.00%

Held by spouse or minor children : - None -

**The Brief Working Experience in 5 years**

2017 - 2021	HR Director / SCG Distribution Co., Ltd.
2022 – Present	Assistant to CEO / Siam Global House PCL
	Data Protection Officer / Siam Global House PCL

**Training**

- PDPA in Action
- ESG Leadership Program
- Advanced Retail Management

**Mr. Thapanat Asawachulamanee****Age** 39 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 -

**The Brief Working Experience in 5 years**

Dec 2017 - Present	Assistant CEO Innovation & System Development, Siam Global House
--------------------	--

**Family Relationship among Directors and Executives**

- None -

**Profile of Executive****Ms. Wiphawee Hongsamsipjed****Age** 40 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 spouse or minor children : - 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

**Family Relationship among Directors 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 Internation- al 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	Phatarachoke	Director		Director
5.	Mr. Paramate	Nisagornsen	Director		Director
6.	Mr. Wiroat	Rattanachaisit	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. Pongkorn	Suriyawanakul	Assistant CEO		
19.	Mr. Pongpol	Tiapairatkulkit	Assistant CEO		
20.	Mr. Thapanat	Asawachulamanee	Assistant CEO		
21.	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 53 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 2<sup>nd</sup> 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
- Tax Research and Update 2022
- TFRS Research for NPAEs.
- Employee Benefit Actuarial Valuation

### The person supervising accounting

**Mrs. Supat Sutti (Age 42 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 50 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
- S01 - S05 : Corporate Sustainability Strategy

#### Shareholding (%)

- 0.00% (Held personally: 0.00%, Held by spouse or minor children : - None -)

**Family Relationship among Directors 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

1. 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
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.

# **Attachment 2**

**Detail of the Directors of Subsidiaries and Joint Venture**

## 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	Suriyawananakul	Director	Executive Director Chairman
3.	Mr. Kriangkai	Suriyawananakul	Director	
4.	Mrs. Warunee	Suriyawananakul		Director
5.	Mr. Anawat	Suriyawananakul		Director
6.	Mr. Nithi	Phatarachoke		Director
7.	Mr. Paramate	Nisagornsen		Director
8.	Mr. Piphop	Vasanaarchasakal		Director
9.	Mr. Isara	Rujikeatkamjorn		Director
10.	Lok Chumteav KIM HEANG		Director	
11.	Mr. IN KUOT		Director	

# **Attachment 3**

**Information of the Head of Internal Audit**

### Attachment 3 Information of the Head of Internal Audit

**Ms. Siriwan Na-Nan (Age 50 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**

- Jul2010 - 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**

## 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 2022 as below;

Item	Amount (Million Baht)
Land and Land Improvement – Cost price	8,203,405
Building and Equipment – Cost price	16,066,568
Building constructions and equipment in process	539,461
Vehicles	501,584
Right-of-use assets	1,531,270
Intangible assets	48,085
<b>Total</b>	<b>26,890,373</b>
<b>Less</b> Accumulated depreciation	7,839,857
Accumulated Amortization	342,262
<b>Net Land Building and material (Included Software and right to use land)</b>	<b>18,708,254</b>

**Remark :** The asset details mentioned above, can see from notes to financial statements no. 13, 14, 15 and the company have unused land in operations following to Notes No. 12 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.	2587 - 2592
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, Non-thaburi(Muang Thong) Maha Saraham, Ban Pai, Nong Khai, Nakhon Ratchasima, Sakhon Nakhon, Nakhon Phanom, Chaiyaphum, Surin, Phitsanulok, Lamphun, Mukdahan, Pachaukirikan, Lumpang, Phare, Nan, Chiang Rai, Sukhothai, Ubonratchathani, Kampangphet, 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, Phayakkham Phisai, Kabin Buri, Samui, Kuchinarai, Phan, Wiang Pa Pao, Hat Yai, Jana, Phichit Phon Charoen, Ranong, Phon Thong, Loeng Nok Tha, Pattani, Lat Yao, Chumphon, Phimai, Narathiwat (Yi-ngo) and Kranuan.	3,535 Rai 0 Ngan 37 Square wa.	-

**The important Intangible Assets for business operation**

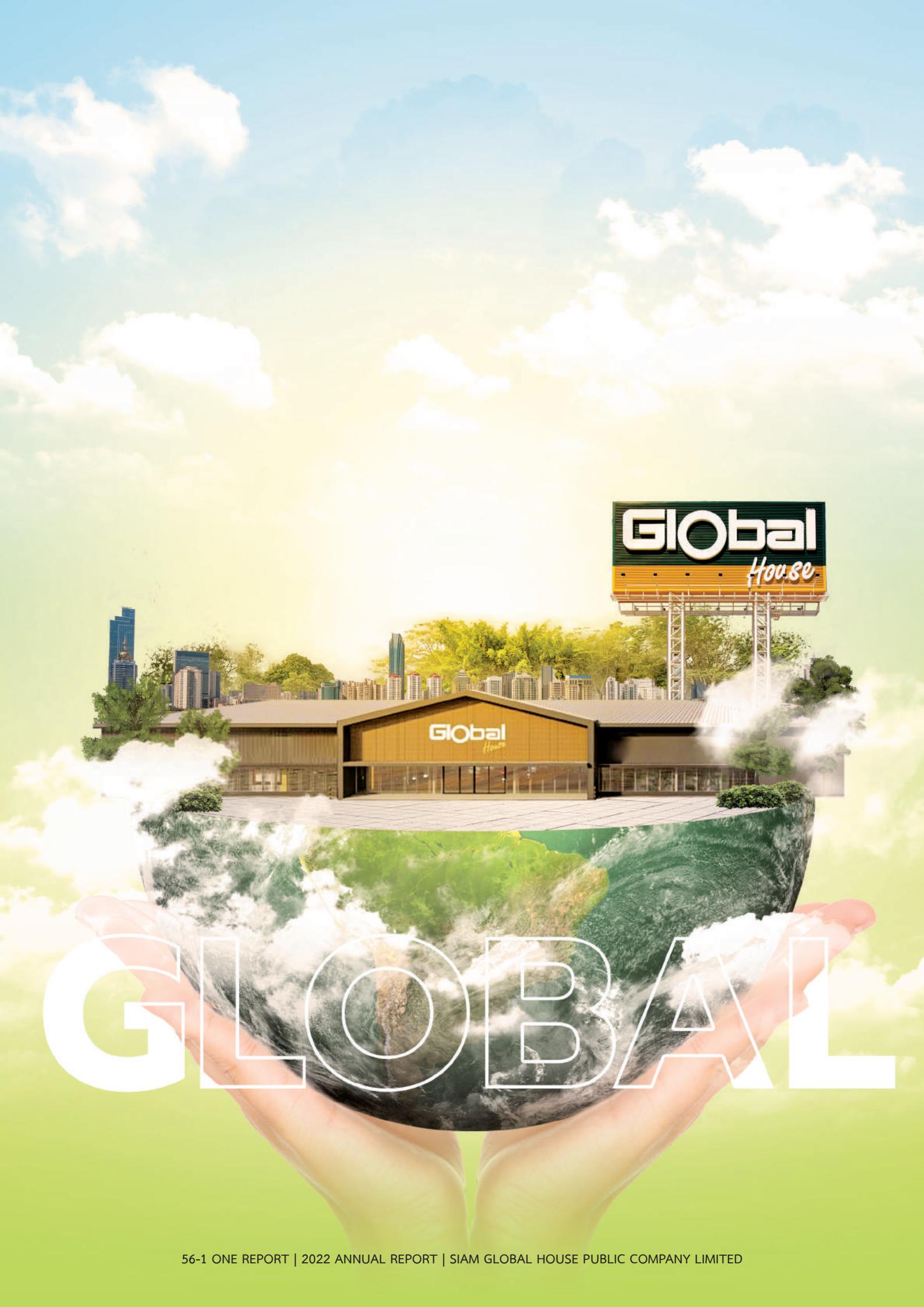
As at 31 December 2020, 2021, 2022, the company has intangible assets equal to Baht 11,527,515.00, Baht 7,467,516.00 and Baht 5,105,064.00 respectively. The intangible assets mentioned, that is Computer program and Trademark which sum up to be a part of main assets for business operation and land unused 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 2022, 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**

## 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](http://www.globalhouse.co.th)

- Corporate Governance Manual, Business Ethics and Code of Conduct
- Anti - Corruption
- The Audit and Risk Management Committee Charter
- The Nomination and Remuneration Committee Charter

## The Nomination and Remuneration Committee Report

Dear Shareholders,

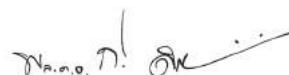
The Nomination and Remuneration Committee performs their duties assigned by the Board of Directors, which is set out in the Charter of the Nomination and Remuneration Committee. By taking responsibility to nominate suitable persons to serve as directors and the duty to determine the remuneration for directors and sub-committees to be at an appropriate level for presenting to the Board of directors' meeting. The Nomination and Remuneration Committee comprised of 3 directors ;

- |    |                          |   |
|----|--------------------------|---|
| 1. | Pol.Gen.Kawee Supanun    | Chairman of the Nomination and Remuneration Committee |
| 2. | Dr. Vongsak Swasdipanich | Member of the Nomination and Remuneration Committee   |
| 3. | Mr. Witoon Suriyawanakul | Member of the Nomination and Remuneration Committee   |

In 2022, the Nomination and Remuneration Committee held 2 meetings and all directors have attended every meeting to consider important matters which can be summarized as follows ;

1. Consider the nomination of qualified persons to serve as directors and propose to the Board of Directors for approval before presenting to the 2022 Annual General Meeting of Shareholders in order to consider the appointment of directors replacing those who would retire by rotation for the year 2022. The company gives shareholders an opportunity to propose name of qualified candidates for director position from October 15, 2021 to January 15, 2022, and there were none of the proposals for candidates to be elected as the company's directors. Therefore, the Nomination and Remuneration Committee has proposed the appointment of all directors due out of 2022 term to take a post of directors for another tenure.
2. Consider to determine the remuneration rate of the Board of Directors and sub-committees of the Company fairly and appropriately, by linking with the company's overall performance and comparing with companies in the same industry. In 2022, the Nomination and Remuneration Committee has considered and approved the remuneration of directors by not exceeding Baht 15,000,000.00, which consists of the monthly remuneration, attendance fee of the Board of director, attendance fee of Sub - Committee and Bonus. To propose to the Annual General Meeting of shareholders for approval, by the AGM's shareholder's meeting resolved to approve the proposal. Anyway, further information has been disclosed in subject "Corporate Governance Key Performance Report" under "Remuneration of individual committees".
3. Consider to Review the self - assessment form of directors and sub-committees, as a whole and on individual basis, along with conducting an evaluation of the performance for the year 2022 and report the evaluation results to the Board of Directors. In order to improve operational efficiency and disclose the evaluation results in the Annual Report, with the evaluation results of both a whole and individual are in the criteria. "Excellent".

The Nomination and Remuneration Committee has performed its assigned duties carefully and transparently in accordance with the good corporate governance principles in order to build confidence among shareholders and all stakeholders.



(Pol.Gen.Kawee Supanun)  
Chairman of Nomination and Remuneration Committee

**Report of the sustainability and Corporate Governance Committee**

Dear Shareholders

The sustainability and Corporate Governance Committee was appointed by the resolutions of Board of Directors' meeting No. 2 / 2022, in order to support the Board of Directors in managing the sustainability and corporate governance of the Company and establishing the ESG operational policy (Environmental, Social and Governance). To ensure the business operations with transparency, fairness, and building reliability to all stakeholders. The sustainability and Corporate Governance Committee comprised of 3 directors as follows;

1. Dr. Boonchai Pitugdamrongkija Chairman of the Sustainability and Corporate Governance Committee
2. Mr. Kriangkai Suriyawanakul Member of the Sustainability and Corporate Governance Committee
3. Ms. Chutikan Srisaengchan Member of the Sustainability and Corporate Governance Committee

In 2022, the sustainability and Corporate Governance Committee held 2 meetings, and all directors have attended every meeting to consider important matters which can be summarized as follows ;

1. Consider and acknowledge the report on compliance with the Personal Data Protection Act B.E. 2562 (2019), which came into full effect on 1 June 2022. The company has announced the appointment of the Personal Data Controller and Processing working group and the Personal Data Protection Officer (DPO) as required by law, along with communicating to employees in the organization through Share Point (Intranet) channels, as well as the declaration of personal data policy and Data Subject Rights Request Form through the Company's website.
2. Consider to approve the Charter of the Sustainability and Corporate Governance Committee and present for approval to the Board of Directors' Meeting No. 3 / 2022 to enable directors to perform their duties as assigned by the Board of Directors effectively.
3. Acknowledge the report on compliance with the operations plan on sustainability development of the Company as follows ;
  - Declaration of intent to join Thai Private Sector Collective Action Coalition Against Corruption: CAC in 2022, as well as encouraging and pushing on the Company's business partners to participate in such projects.
  - Acknowledge the assessment result of On-site ESG Audit suppliers in order to manage the sustainable supply chain.
  - Acknowledge the performance of Environmental and community working group on preparation of waste sorting project of stores and a survey of community and social concerns about the impact of the Company's operations.
4. Acknowledge the operations on Carbon Footprint of organization: CFO as well as providing a carbon footprint of organizations assessment review agency that registered with the Thailand Greenhouse Gas Management Organization (TGO), to disclose corporate greenhouse gas emissions in Form 56-1 One Report.
5. Consider and acknowledge the performance on sustainability and corporate governance of the company from external agency.
  - Acknowledge the score of The Annual General Shareholders' Meeting (AGM) Assessment Project for the year 2022, conducted by the Thai Investors association. The Company received 100 marks (full marks) for the 4<sup>th</sup> consecutive year.
  - Acknowledge the Corporate Governance Report of Thai Listed Companies: CGR result for the year 2022, conducted by the Thai Institute of Directors (IOD). The Company received "Excellent CG" score for 2<sup>nd</sup> consecutive year.
  - Acknowledge that the company has been selected to be included in Thailand Sustainability Investment (THSI) for the year 2022, under the Service Industry group for the 2<sup>nd</sup> consecutive year, conducted by the Stock Exchange of Thailand (SET).
  - Acknowledge that the Company received SET Awards 2022 in the category of Rising Star Sustainability Awards, organized by the Stock Exchange of Thailand (SET).

The Sustainability and Corporate Governance Committee have fully performed its duties in accordance with the Charter, and believe that the Company operates its business under the corporate governance principles with transparency, intent to develop and improve the operations on sustainability and corporate governance. That will be the important factors to support the efficient operations, trusted by all stakeholders and to be the foundation of sustainable growth.



(Dr. Boonchai Pitugdamrongkija)

The Chairman of the Sustainability and  
Corporate Governance Committee

# **Attachment 6**

**Audit and Risk Management Committee Report**

Dear Shareholders,

The Audit and Risk Management Committee consist of 3 Independent directors, who is a qualified financial accounting, risk management, economics, law and corporate management. All directors are fully qualified as specified in the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), the Audit and Risk Management Committee consist of :

- |    |                               |   |
|----|-------------------------------|---|
| 1. | Mr. Pairoj Juarprathoom       | Chairman of the audit & risk management committee |
| 2. | Dr. Boonchai Pitugdamrongkija | Member of the audit & risk management Committee   |
| 3. | Dr. Vongsak Swasdipanich      | Member of the audit & risk management Committee   |

In 2022, the Audit and Risk Management Committee held 4 meeting, which all directors have attended every meeting by the management of accounting and financial of the Company and the auditors have jointed the meeting on the relevant agenda, to propose the beneficial information and opinions. The Audit and Risk Management Committee reports the results of the meeting to the Board of Directors every time with the important matters in the performance that can be summarized as follows ;

#### **1. Reviewing the Financial Reports**

The Audit and Risk Management Committee reviewed the quarterly financial statements and financial statements for the year 2022 both in the separate and consolidated financial statements, together with the management and the head of accounting and financial before presenting to the Board of Directors. To ensure that the Company's financial statements accurately disclose material information, complete in accordance with financial reporting standards. The auditor has given an unqualified opinion on the company's financial report.

#### **2. Meeting with auditors without the management team.**

The Audit and Risk Management Committee provides an agenda specifically for the auditor without the management team, in accordance with good corporate governance practices. To enable the auditor to discuss and report information independently regarding the receipt of information, cooperation from the company and matters that should be improved. By 2022, the Audit and Risk Management Committee held 4 meetings with auditors without the management team.

#### **3. Reviewing the internal control system**

The Audit and Risk Management Committee has reviewed the company for having a sufficiently and appropriate internal control system, risk prevention in the working system, having a good corporate governance, and giving the importance to corruption investigation and compliance with anti-corruption measures. By considering from the audit of internal audit department and auditors as well as giving more useful recommendations for improving the efficiency of the internal control system of the Company. The Audit and Risk Management committee has given the opinions that the company's internal control system is efficient, appropriated and sufficient to conduct business and no corruption was found.

#### **4. Monitoring the Risk Management**

The Audit and Risk Management Committee gives the importance to the risk management of the Company by monitoring the situations that may affect the Company's operations and continuously acknowledge the report of risk management. This includes establishing a risk management framework to cover strategic risks, operational risks, financial risks, laws and regulations risks, sustainability risks and emerging risks. The Audit and Risk Management committee has given the opinions that the Company has appropriate risk management sufficient for the Company's operations, have an ongoing risk management plan as well as review the risks in accordance with the changing environment and situation.

**5. Reviewing the related transactions or transactions that may have conflicts of interest**

The Audit and Risk Management Committee has reviewed the related transactions that may have conflicts of interest to be correct according to the Announcement of the Securities and Exchange Commission of Thailand (SEC) and the Stock Exchange of Thailand (SET). In 2022, the related transactions of the company were a normal trade transaction, reasonable, and there is a sufficient and correct disclosure in accordance with the securities and exchange laws and regulations of the Stock Exchange of Thailand.

**6. Good Corporate Governance and compliance to the Code of Conduct.**

The Audit and Risk Management committee has encouraged the good corporate governance, transparency, and accountability following to the good corporate governance practices of the Stock Exchange of Thailand and Code of Conduct, by assigning the Internal Audit department to conduct the audit to ensure that the Company has complied appropriately and consistently. Besides, the committee also gives the importance to the complaints and whistleblowing procedures regarding corruption. The Committee has not received any complaints about corruption and violations on code of conduct in last year.

**7. Controlling the Anti-Corruption**

The Audit and Risk Management committee has acknowledged the declaration of intent to participate in Thai Private Sector Collective Action Coalition against Corruption: CAC in 2022, as well as encouraging and pushing the partners to join in such project.

**8. Controlling the Internal Audit operations.**

The Audit and Risk Management committee has controlled the operations scope, independence in auditing of Internal Audit department, pushed on human resources development to improve the operational efficiency. As well as considering the approval of Annual Internal Audit Plan, that has conducted the Risk Base Audit in line with strategies and risks of the Company, along with considering the audit issues and provided useful recommendations for the optimization of the internal audit system, as well as regularly following up on the audit results.

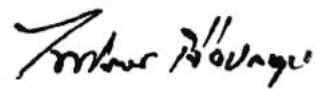
**9. Charter of the Audit and Risk Management Committee and Self-Assessment**

The Audit and Risk Management committee has considered and reviewed the charter of the Audit and Risk Management committee in accordance with duties and good practices following the criteria of CGR: Corporate Governance Report of Thai Listed Companies. Along with conducting the performance assessment of the Audit and Risk Management committee as a whole and individuals for the year 2022 according to the Self-Assessment of directors' form by the Stock Exchange of Thailand (SET).

**10. Consider and approve the appointment of auditors and determination of the audit fee for the year 2022**

The Audit & Risk Management Committee has considered to select auditors and audit fee for the year 2022 by considering from the performance, quality, operational scope, independence in auditing and auditors' ethics. The committee has resolved for the Board of Directors to propose to the Annual General Meeting of Shareholders to approve and appoint Mr. Methee Ratanasrimetha, CPA No.3425 and/or Miss. Varaporn Vareesawedsuvan, CPA No. 5087 and/or Mr. Akadet Pliensakul CPA No. 5389 and/or Miss. Kornthip Wanichwisedkul, CPA No. 6497 from M.R. & ASSOCIATES CO., LTD. And the Annual General Meeting of Shareholders has resolved to approve the appointment of auditors for the year 2022 as proposed by the Board of Directors and approve the audit fee in amount of Baht 3,900,000 (excludes other expenses).

In conclusion, The Audit & Risk Management Committee has fully performed their duties according to the charter of the Audit & Risk Management Committee with their knowledge and independence, and has opinions that the Company has complied with the good corporate governance principles, having risk management, and the internal control system is efficient sufficient and suitable for business operations, financial reporting is accurate in essential matters, comply with financial reporting standards, as well as controlling to comply with laws and regulations related to business operations correctly.



(Mr.Pairoj Juarprathoom)

Chairman of Audit and Risk Management Committee

# **Attachment No. 7**

**Certification for the Carbon Footprint of Organizations.**

**Certificate Number:**  
TGO CFO FY23-126



**THAILAND GREENHOUSE GAS  
MANAGEMENT ORGANIZATION  
(Public Organization)**



## **CERTIFICATE**

Awarded to

Siam Global House Public Company Limited

Company address verified: 232 Moo 19 T.Robmung A.Muang Roi Et 45000

Thailand Greenhouse Gas Management Organization certifies that the quantity of Greenhouse Gas of the above organization has been verified by Center of Excellence on environmental strategy for green business,Kasetsart University and found to be in accordance with the requirements of the standard detailed below.

### **Standard**

### **TGO Guidance of the Carbon Footprint for Organization**

Verification Period: [01/01/2565 - 31/12/2565]

Total Greenhouse Gas Emission (Scope 1&2): 48,323 tonCO<sub>2</sub>e/year

Direct GHG emissions	14,529 tonCO <sub>2</sub> e/year
Energy Indirect GHG emissions	33,794 tonCO <sub>2</sub> e/year
Other Indirect GHG emissions	9,911 tonCO <sub>2</sub> e/year

The agreed level of assurance is: Limited, at materiality of 5%

Registration Date: 28 February 2023

Mr.Kiatchai Maitriwong

Executive Director

Thailand Greenhouse Gas Management Organization (Public Organization)



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# 2022 ANNUAL REPORT

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED

