

CHIC REPUBLIC

Furniture • Home Decor • Mattress

Form 56-1 (One Report) for year 2024

CHIC REPUBLIC PUBLIC COMPANY LIMITED





The First Home Fashion Store in Thailand



Home Fashion Living



The concept of “Home Fashion Living” or “Living is not just to live but to live Fashionably” to emphasise uniqueness in decoration and fashionable in creating a trendiness in furniture as Modtrad Style (Modern Style – Traditional Style). This style is to integrate between modern and classic of various cultures such as Western and Eastern that blend in together to meet with contemporary life in modern time and impart to wood furniture. This store itself covers 10,000 – 15,000 square meter which leads customers to freedom of choice in choosing types of furniture such as Romantic Vintage or Country French Vintage, Modern Chic, American Colonial, English Classic, Industrial Chic, Beach & Garden and even accessories, housewares, pendant lamps, and mattress and bedding.



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Sleep Gallery



The Company is one of the biggest bedding and mattress distribution under its concept, "Sleep Gallery". Chic Republic is partnership with top brands such as Sealy, Tempur, Santas, Omazz, Dunlopillow, Lotus and Serta. Customers can variously choose and mix and match in their own style and with delicate for consumer needs. Moreover, with the uniqueness and excellent service to satisfy all customers and able to choose complete products in one place.

Vision & Mission

Vision

becomes a leader in home fashion focusing on luxury, CHIC, unique, and lifestyle products.

Mission

focuses on creating experience, inspiration, and product and service presentations that are different from competitors to satisfy customers.

THE FIRST HOME FASHION STORE IN THAILAND

Chic Republic Public Company Limited (“the Company” or “CHIC”) operates a One Stop Shopping business selling furniture, home decor, decorative items and mattress and bedding in stand-alone stores under its name “CHIC Republic” under House Brands: “CHIC Republic” and “Rina Hey” and imported furniture under “Ashley”. The Company considers itself as “The First Home Fashion Store in Thailand” that compile of furniture, accessories, housewares, pendant lamps and mattress and bedding that is set as a standard from Europe and America.

Our Brands

**CHIC
REPUBLIC**
Furniture • Home Decor • Mattress



Furniture designed to be unique, luxury, stylish and designed to reinforce uniqueness that is different and modern.

rina *hey*
furniture & decor



Modern furniture is suitable for the new generation who have a lifestyle and live in the city, emphasizing the functionality in limited spaces such as townhouses, condominiums, apartments.

Ashley
FURNITURE HOMESTORE



The no.1 leading furniture brand in the United States, large furniture with American style, emphasizing elegance, high-quality, suitable for large houses.



MESSAGE FROM THE CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER



Dr. Paiboon Sareewiwatthana
Chairman of the Board of Directors



Mr. Kijja Pattamasattayasonthi
Chairman of the Executive Committee /
Chief Executive Officer

Dear Shareholders and Stakeholders

In 2024, the overall economic situation in the country continued to slow down from the previous year, including the real estate sector, which is considered a major factor affecting the Company's operations. In addition, the economic situation in Cambodia is also slowing down, causing the Company to decide to downsize the Cambodian branch at the end of 2024 to stop the losses of the Cambodian branch. For 2025, the Company still sees that the overall economy has not improved significantly. The Board of Directors, executives and employees of the Company intend to perform their duties and closely monitor the Company's performance. The Company continues to focus on product design and development, as well as continuous services to make the Company's products and services stand out and be different, and have the potential to compete, such as Customized Furniture products to meet the needs of furniture made specifically for customers' homes, which will lead to good profit margins. In addition, the Company has opened a new branch, Phuket, which is a province with outstanding potential in the South. It is a consumer market with high purchasing power, including a growth rate in the real estate sector, whether it is a hotel, resort, villa, condominium, which will have a positive effect on sales and profits for the Company.

On behalf of the Board of Directors, executives and employees of the Group would like to thank all shareholders, business partners and stakeholders for their trust and support in the Company's management, and would like to ask for confidence that the Company has the potential to lead the Company to sustainable growth and create the best returns for all stakeholders.

BOARD OF DIRECTORS



Dr. Paiboon Sareewiwatthana

- the Chairman of the Board of Directors
- Independent Director
- the Member of Nomination, Remuneration and Corporate



Mr. Sarawut Charuchinda

- Independent Director /
- Chairman of Audit and Risk Management Committee



Dr. Kusaya Leerahawong

- Independent Director
- Member of Audit and Risk Management Committee
- Chairman of Nomination and Remuneration



Dr. Rom Hiranpruk

- Independent Director
- Member of Audit and Risk Management Committee
- Member of Nomination and Remuneration



**Mr. Kijja
Pattamasattayasonthi**

- Director
- Chairman of Audit and Risk Management Committee
- Chief Executive Officer and Managing Director



**Ms. Kamoltip
Parksuwan**

- Director
- Member of Nomination and Remuneration
- Executive Director



**Miss Piyanuch
Nakayodhin**

- Director
- Member of Audit and Risk Management Committee
- Executive Director



**Miss Sarita
Pattamasattayasonthi**

- Director
- Executive Director

BOARD OF EXECUTIVE



Mr. Kijja Pattamasattayasonthi
Director /
Chairman of Audit and Risk Management Committee /
Chief Executive Officer and Managing Director



Ms. Kamoltip Parksuan

- Director
- Member of Nomination and Remuneration
- Executive Director



Miss Piyanuch Nakayodhin

- Director
- Member of Audit and Risk Management Committee
- Executive Director



**Miss Sarita
Pattamasattayasonthi**

- Director
- Executive Director



**Mr. Thongchai
Dumrongpiriyakul**

- Executive Director



**Miss Sinina
Pattamasattayasonthi**

- Executive Director

Business Operation and Performance

Part

1

GROUP STRUCTURE AND OPERATIONS



1.1 Business Overview

Chic Republic Public Company Limited (the Company) was founded on 26 May 2009 by Mr. Kijja Pattamasattayasonthi with a registered capital of Baht 3 million, operating a business to provide one-stop shopping for furniture, home décor, home accessories, and mattress and bedding in stand-alone stores under its house brands including “CHIC Republic” and “Rina Hey” as well as imported products under the brand, “Ashley”. It is the first and only home fashion store in Thailand that offers unique furniture, furnishing products, home items, and mattress and bedding under its house brands and suppliers’ brands including Sealy, Santas, Omazz, Dunlopillow, Lotus, Serta and IMG. The Company has six branches consisting of six stand-alone branches: Praditmanutham branch, Pattaya branch, Bang Na branch, Ratchapruerk branch, Ramindra branch, and Phuket branch that opened in December 2024. During 2024, the Company began selling customized furniture focusing on modular walk-in closet and show cabinet as an alternative for customers. The Company leases out spaces inside its branches in Thailand to restaurants as it sees opportunities to attract more customers to the Company’s home fashion stores and increase the Company’s revenue.

The Company sees an opportunity to operate a project business that offers installation of furniture, both built-in and loose furniture, and home décor to apartment and condominium projects of the country’s leading developers. The Company realises the possibility to provide products and services to customers who have high purchasing power and demand for quality products with a focus on customised or made-to-order products. The Company is a manufacturer with tailor-made specialisation that can offer products to meet the needs of each customer.

In addition, the Company provides interior design and Turn-key services under the name “Chic Design Studio” which provides interior design and contract work as well as a wide variety of loose furniture and home décor. For example, the service offers furniture, home decoration, and built-in furniture such as kitchen and walk-in closet including made-to-order products, which increases the Company’s revenue and profit margin. Additionally, the Company expanded its business to furniture and home decoration rental and styling service by stylists or interior designers as well as professional property photography in the form of a One-Stop Solution for Furniture & Prop Rental & Styling called “Chic Rent In Style” to respond to the needs of customers looking to rent furniture and home decoration such as property developers, apartment owners, condominium owners, event organisers, interior design studios, and independent designers looking to rent furniture and home decoration to create an advertisement or a PR activity.

The Company operates a space rental business by leasing out spaces in its branches to popular restaurants, supermarket and beauty clinic, which attract more customers to visit the Company’s stores.

The Company sees an opportunity to expand the business. Therefore, the Company invested in a newly subsidiary company was established to operate for management service for accommodations for guests. The subsidiary entered into a License Agreement with a licensor for the right to use the Trademark and booking platform to manage and rent residence in Bangkok and surrounding areas and the Eastern Special Development Zone (EEC) covering three provinces: Chachoengsao, Chonburi and Rayong. However, the licensor terminated the license agreement that effective in February 2025.

1.1.1 Vision, Mission, and Business Goals

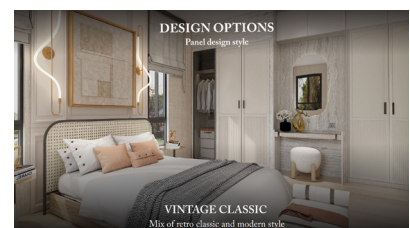
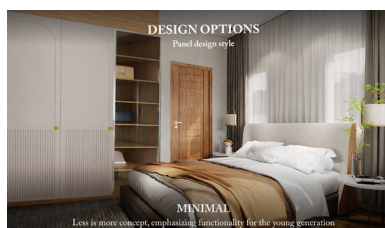
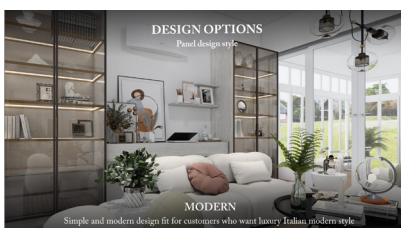
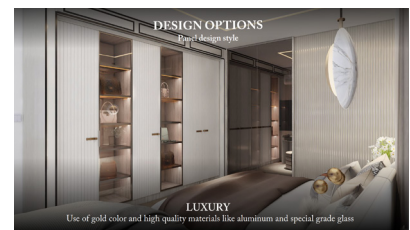
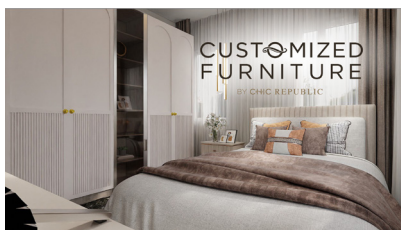




1.1.2 Changes and Developments

Developments during 2023 and 2024 are as follows:

1. During 2023, the Company installed Solar Rooftop on the roof of the building at Bangna branch, Pattaya branch, Ratchpruk branch and Ramindra branch to save energy and reduce greenhouse gases.
2. During 2024, the Company began selling customized furniture focusing on modular walk-in closet and show cabinet as an alternative for customers.



3. In December 2024, the Company opened a new branch in Phuket Province.



1.1.3 Use of Fund from Securities Offering

Using of IPO fund (after changing of objective of using of IPO fund) as at 31 December 2024 as detailed in the following table.

Objective of using of IPO fund	Estimate time to using of IPO fund	IPO Amount Revised Planned Usage Amount on 22 July 2024 (Million Baht)	Actual spending (Million Baht)	Outstanding cash as at 31 December 2024 (Million Baht)
1. Renovation stores and expansion of rent area	Within 2024	11.80	11.80	-
2. Repayment of loans	Within 2022	103.91	103.91	-
3. Underwriting fees and other related expenses	Within 2022	12.61	12.61	-
4. Using of working capital of the Company	During 2022 – 2024	169.48	169.48	-
5. Expansion of new store (Phuket)	Within 2024	26.20	26.20	-
Total		324.00	324.00	-



1.1.4 General Information of the Company

Name of the Company (Thai)	: บริษัท ชิค รีพับลิค จำกัด (มหาชน)
Name of the Company (English)	: Chic Republic Public Company Limited
Ticker Symbol	: CHIC
Corporate Registration Number	: 0107560000389
Registered Share Capital	: 680.00 ล้านบาท
Paid-up Share Capital	: 680.00 ล้านบาท
Par Value per Share	: 0.50 บาท
Type of Business	: One-stop shopping for furniture, home décor, home decoration, and mattress and bedding in stand-alone stores for “CHIC Republic”, “Rina Hey”, and “Ashley” brands.
Head Office Location	: 90 Soi Yothinpattana, Praditmanutham Road, Khlong Chan, Bangkok, Bangkok 10240
Telephone	: 02-514-7111
Facsimile	: 02-514-7114
Website	: www.chicrepublicthai.com

1.2 Business Operation

Overview of Business

The Company operates a One Stop Shopping business selling furniture, home decor, decorative items and mattress and bedding in stand-alone stores under House Brands: “CHIC Republic”, “Rina Hey”, imported furniture under “Ashley” and customized furniture focusing on modular walk-in closet and show cabinet and other brands through our stores and online channels. The Company is Thailand’s first and only home fashion store that offers unique furniture, home decor, mattress and bedding.

In addition, we operate a project business providing furniture installation service and selling home decoration items and loose furniture to condominium projects of Thailand’s leading companies, hotel, hospital, and low-rise projects, including single houses and townhouses, as we saw opportunities to offer our products and services. Our target customers are people with high purchasing power and demand for quality and customized produces, hence, our specialization in the tailor-made production. Such expansion is expected to increase our revenue and gross profit.

The Company offers interior design and turnkey services under the “Chic Design Studio” business unit that capitalizes on its core business, which is a retail business, to generate more revenue. Having operated an interior design and construction business, we saw an opportunity to expand our services for greater variety by providing a one-stop service. We offer interior design and turnkey services, starting from interior design to full interior construction such as built-in furniture (walk-incloset), made-to-order interior decorations and furniture, wallpaper, curtain, M&E work, as well as selecting loose furniture and home decoration items for clients. This will help increase our revenue per bill and profit margin.

In addition, we offer service for furniture rental and home decoration service by a stylist or an interior designer as a one-stop solution for furniture & prop rental & styling under the “Chic Rent In Style” to respond to the needs of customers who would like to rent furniture and home décor such as 1) event organizers rent furniture and home decorations for their events for a short period, 2) interior design companies and/or freelance designers rent furniture and home decorations to decorate a mock up room and take pictures of a fully-furnished room to create an advertisement and PR portfolio, 3) property developers rent furniture and home decorations to create mock up rooms for customer visits, and 4) apartment and condominium owners rent furniture and home decorations to create mock up rooms and take pictures for PR portfolio to attract customers through online channels. We offer quality furniture and home decoration rental and decoration services as well as delivery and installation services at a reasonable price. Moreover, we also offer professional property photography service that provides flexible and affordable options to customers who do not want the hassle of managing furniture and home decorations that can only be used for a few times.

The Company generates service revenue such as revenue from space rentals in each branch to famous restaurants, supermarket and beauty clinic to support our business, attract customers, and increase the number of visitors to each branch.

In addition, in December 2023 the Company sees an opportunity to expand the business. Therefore, the Company invested in a newly subsidiary company was established to operate for management service for accommodations for guests. The subsidiary entered into a License Agreement with a licensor for the right to use the Trademark and booking platform to manage and rent residence in Bangkok and surrounding areas and the Eastern Special Development Zone (EEC) covering three provinces: Chachoengsao, Chonburi and Rayong. However, the licensor terminated the License Agreement in February 2025.

1.2.1 Revenue Structure

Our revenue structure in the financial statements for the years ended 31 December 2022 – 2024 can be summarised as follows:

Item	As at 31 December					
	2022		2023		2024	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from product sales	457.84	59.46	442.00	64.07	439.26	74.14
Revenue from project sales	270.23	35.09	196.63	28.50	97.68	16.49
Revenue from service	32.28	4.19	45.49	6.59	46.25	7.81
Other revenue and financial revenue ¹	9.71	1.26	5.76	0.84	9.26	1.56
Total revenue	770.06	100.00	689.88	100.00	592.45	100.00

Note:

¹ Other revenue such as profit (loss) from exchange rate, revenue from product rental and space rental service, revenue from claim compensation and financial revenue which is interest revenue

Our core revenue comes from sales of products and services that comprise of revenue from product sales, project sales and interior design, and from services. From 2022 – 2024, the Company had revenue from sales of product and services of Baht 760.35 million, Baht 684.12 million, and Baht 583.19 million, respectively, which accounted for 98.74%, 99.17%, and 98.44% of total revenue, respectively.



1.2.2 Product and Service

Home Furnishing and Decoration Business

We operate a one-stop-shopping business: selling furniture, home decorations, decorative items, mattress and bedding in stand-alone stores under the “Home Fashion Living” concept, “Living is not just to live but to live Fashionably”. We are constantly developing our products to set and keep up with new trends and adding our product value by pushing towards online distribution using offline to online and/or online to offline (O2O) strategies. We have expanded our online distribution channels but customers have a choice to try furniture at our stores before making a decision to purchase. Therefore, store distribution helps increase our sales and is our main distribution channel. Moreover, store distribution effectively helps support online distribution as customers often visit the stores and make an order online. On top of that, our products are sold through other online channels including www.chicrepublicthai.com, www.rinahey.com, <https://store.ashleyfurniturehomestore.co.th>, Facebook: Chic Republic, and Line@: @chicrepublic and @rinahey. Additionally, our products are sold on Shopee, Lazada, NocNoc, 24Shopping and TikTok. As online distribution is alternative channel to increase our sales, we see an opportunity for growth from online. Over the past years, sales revenue from online channels have surged due to our ability to reach more customers, especially those outside Bangkok. There have been orders from customers with high purchasing power in other provinces. We recognize the importance of online channels as they enable us to reach out to customers despite the absence of our physical store.

Products distributed through stores and online channels can be divided into two main groups including house brands and products of other brands in term of agreement with vendors.

From the revenue structure, revenue from product sales from 2022-2024 were at Baht 457.84 million, Baht 442.00 million, and Baht 439.26 million, respectively, which accounted for 59.46%, 64.07%, and 74.14% of the total revenue, respectively. Revenue from product sales can be divided as follows:

Revenue from Product Sales

Product Category	As at 31 December					
	2022		2023		2024	
	Million Baht	%	Million Baht	%	Million Baht	%
1. Revenue from Product Sales - House Brand	403.91	88.22	388.04	87.79	388.14	88.36
- เฟอร์นิเจอร์	377.67	82.49	365.98	82.80	355.33	80.89
- Home decor	26.24	5.73	22.06	4.99	32.81	7.47
2. Revenue from agreement with vendors	53.93	11.78	53.96	12.21	51.12	11.64
- Mattress, bedding, and Recliner	40.59	8.87	40.58	9.18	39.97	9.10
- Home decor	13.34	2.91	13.38	3.03	11.15	2.54
Revenue from product sales	457.84	100.00	442.00	100.00	439.26	100.00

• House Brand Products

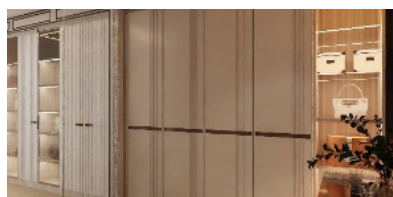
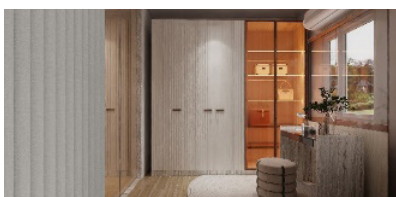
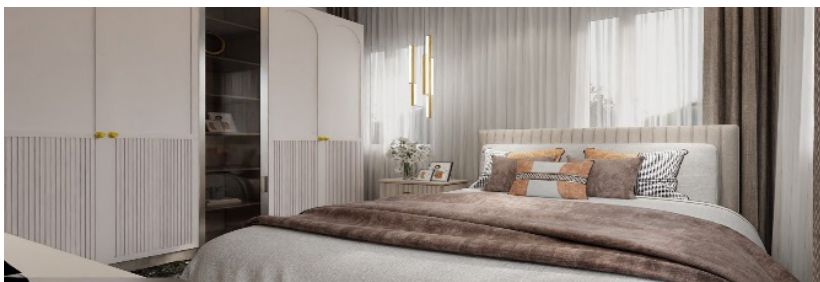
Our house brand products can be divided into three brands consisting of CHIC Republic, Rina Hey, and imported products under the brand “Ashley” with different products and target customers.

1. CHIC Republic – www.chicrepublicthai.com

CHIC Republic is one of our house brands. Most of CHIC Republic furniture is made from real wood with unique and luxury designs and styles that combine craftsmanship with machinery, creating aesthetic value through stylish and different designs including, (1) Romantic Vintage, (2) Modern Chic, (3) Contemporary, and (4) Industrial Chic. Target customers are middle-high-income customers.



In addition, during 2024, the Company began selling customized furniture focusing on modular walk-in closet and show cabinet as an alternative for customers.



2. Rina Hey - www.rinahey.com

Rina Hey is one of our house brands. Most Rina Hey's products are knock-down furniture made from melamine-coated particle boards in the loft, minimal, and modern styles. The furniture is simple, modern, and compact, suitable for limited spaces that can be mixed and matched in various ways. Target customers are first jobbers and young couples who are middle to low income earners (mass market)



3. Ashley – <https://store.ashleyfurniturehomestore.co.th>

The Company has partnered with Ashley Homestores, Ltd., a major and world-class US furniture manufacturer. We have received the rights to open and operate furniture stores under the brand, “Ashley”, in the Company’s branches and the rights to use the trademark in the operations of Ashley Furniture Homestore in Thailand as specified in the terms and conditions of the contract.

Ashley products are imported from abroad and made from real wood or medium density fibreboard with a veneer overlay. Main Ashley products imported by the Company include furniture for living room, dining room, bedroom, and workspaces. We have started importing Ashley mattresses for sale at our stores as well. Ashley furniture reflects modern American lifestyle that comes in luxury and unique American styles, including 1) Urbanology, (2) Vintage Casual, (3) Contemporary Living, (4) New Traditions, (5) Family Space, and (6) Mane + Mason. Target customers are middle to high income earners.



- **Non-house Brand**

Products of other brands are products that we have entered into an agreement with the vendors to sell their branded products in our stores. There are many types of products of other brands, including (1) home décors such as glass, fountain, and lamp, (2) mattress and bedding such as Sealy, Tempur, Santos, Omazz, Dunlopillow, Lotus and Serta (3) reclining sofa such as IMG. We select our vendors from our approved vendor list based on the appropriateness of the brand and customer demand. Most purchases of other brands' products are not paid in advance to suppliers. Suppliers are responsible for providing sales persons and delivery. We receive payment for the product from customers and pay the supplier after deducting the contracted amount as stipulated in the agreement within 30 to 60 days, depending on the terms and conditions agreed with each supplier.

Given existing customer demand for mattress and bedding, we have allocated space especially for mattress and bedding to create a center for mattress and bedding with a variety of products to choose from under the concept "Sleep Gallery" to offer customers a wide range of products and to respond to every customer need.

**Project Business**

We provide furnished furniture to local project owners in term of sales contracts for furniture installation, including built-in furniture, loose furniture, and home décor for different types of projects such as apartments and condominiums and other types of projects to increase diversity, such as hotel, hospital, and low-rise real estate projects such as single houses and townhouses to boost sales and gross profit margin and to expand its distribution channels to target customers, which promote our products including CHIC Republic, Rina Hey, and specially designed products for projects. Target customers are property developers in Thailand. We offer customized products and presents work plan, sample products, and quotation for customer's consideration. We will first present our House Brand products. In case the customer would like to change the material, product size, or other specifications, we will make the requested change. If the customer already has sample product images, we will assign a product designer to design the product according to the customer's request.

In addition, we focus on delivering quality project work in a timely manner, as agreed in the contract to create customer confidence in our company. Customers to whom we have delivered work include Grand Unity Development Company Limited, Pruksa Real Estate Public Company Limited, Origin Property Public Company Limited, Sena Development Public Company Limited, Supalai Public Company Limited, Assetwise Public Company Limited, Menam Development Company Limited, Salaya One Company Limited.

Revenue from furniture sales from our project work as at 31 December 2022-2024 were Baht 270.23 million, Baht 196.63 million, and Baht 97.68 million, respectively, accounted for 35.09%, 28.50%, and 16.49% of total revenue, respectively.

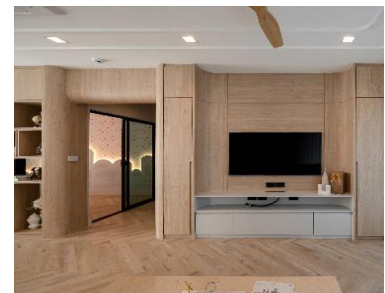
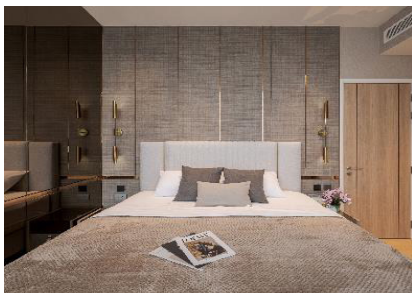


Interior Design Service

We have expanded our service channels and revenue source from our one-stop service under the business unit called “Chic Design Studio” which offers turnkey services including interior design, interior construction work, and selecting loose furniture and home décor for customers looking to decorate or renovate condominium, house, restaurant, café, clinic, and hotel. Our customers can be divided into two main groups including end users and corporate customers. Corporate customers are property developers who hired us to do interior design and construction along with prop styling for mock up rooms to attract potential customers. The turnkey services have created added value for our customers through one-stop service. Moreover, it offers a channel to distribute products to target customers and promote our products among a wider audience. Products sold at our stores include House Brand products: CHIC Republic and Rina Hey, and products that are specifically designed for each project.

We offer our interior design according to each customer’s request that are specifically tailored to our customer. We present the 3D perspective design, work plans, materials, and quotation for customer’s consideration. We will first present our house brand products, which are our standard products, and create products according to customer’s request. In case the customer would like to change the material, product size, or other specifications or already has sample product images, we will assign an product designer to design the product according to the customer’s request (made to order).

We offer a one-stop service through our stores and online channels including Facebook: [m/me/chicdesignstudioofficial](https://www.facebook.com/m/me/chicdesignstudioofficial), Line@: [@chicdesignstudio](https://www.line.me/@chicdesignstudio), and Instagram: [chic.designstudio](https://www.instagram.com/chic.designstudio).

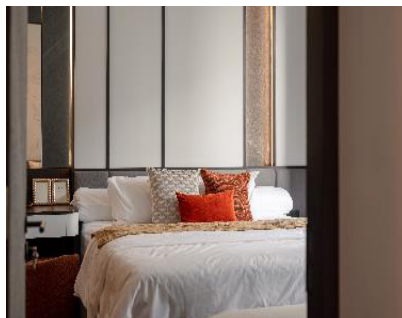


Furniture and Home Decoration Rental and Design Service by Stylist / Interior Designer

We expanded our business to furniture and home decoration rental and design service by stylist/interior designer. Apart from the interior design service which includes interior design and interior construction, we now offer interior styling or prop styling service using our own furniture and props. This expanded our sales and increased average revenue per bill and profit margin because customers bought the products after we decorated the place for them. The furniture and home decoration rental and design service by stylist / interior designer is a one-stop solution for furniture & prop rental & styling under the concept “Chic Rent In Style” to respond to customers looking to rent furniture and home décor; for example, 1) event organizers rent furniture and home decorations for their events for a short period, 2) Interior design companies and/or freelance designers rent furniture and home decorations to decorate a mock up room and take pictures of a fully-furnished room to create an advertisement and PR portfolio, 3) property developers rent furniture and home decorations to create mock up rooms for customer visits, and 4) apartment and condominium owners rent furniture and home decorations to create mock up rooms and take pictures for PR portfolio to attract customers through online channels. We offer quality furniture and home decoration rental and decoration services as well as delivery and installation services at a reasonable price. Apart from that, we also offer professional property photography service that provides flexible and affordable options to customers who do not want the hassle of managing furniture and home decorations that can only be used for a few times.














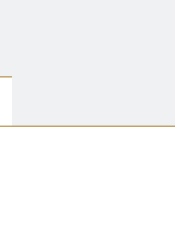
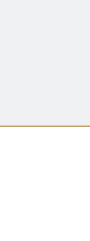





We offer professional service in furniture and home décor rental and styling with focus on selling our house brand furniture along with professional photography service.

The furniture and home decoration rental and styling service by stylist / interior designer are available at our stores and online channels including Facebook: [m/me/chicrentinstyle](#), Line@: [@chicrentinstyle](#), and Instagram: [chic.rentinstyle](#).



Space Rental

We offer space rental at all of our branches' buildings for different types of shops. This is an important strategy to attract customers and offer more services at our stores. The space rental business helps expand our revenue source. We select famous brands that match our style, taste, design, and uniqueness. Revenue from our service as at 31 December 2022-2024 were Baht 32.28 million, Baht 45.49 million, and Baht 46.25 million, respectively, accounted for 4.19%, 6.59%, and 7.81% of our total revenue, respectively. The details of space rental at our branches as at 31 December 2024 are as follows:

No.	Branch	Rented Space (Square Metre)	Percentage of Space Rental (Percent)	Example of Tenants	Picture of restaurant
1	Bang Na	800.00	100.00		  
2	Praditmanutham	180.00	100.00		  
3	Ramindra	537.00	100.00		  
4	Ratchapruek	2,052.90	92.89		  
5	Phuket	349.00	77.65		  
6	Pattaya	-	-	-	

1.2.3 Market and Competition

1.2.3.1 Competitive Strategy

We are committed to become a leader in furniture, home décor, decorative items, mattress and bedding for all customer segments. Our business strategies are as follows:

Product Strategy

We continue to develop and introduce new collections every three to six months, which is more frequent than other competitors, in order to add value and increase competitive advantage in becoming the trendsetter in new design and product trends. We aim at continuously introducing new products which will allow us to avoid price competition with other operators, launching new product collections to become a trendsetter, and offering products that are unique and different from our competitors.

In addition, we pay attention to products that will be selected for sale. The details are as follows:

- (1) **House Brand:** We have established the Merchandiser Department and Product Design Department to find manufacturers, develop and design products from various countries under our house brands with a focus on product presentation and unique patterns and product designs.
- (2) **Non-house Brand :** We select products of well-known brands from domestic and foreign manufacturers to increase the variety of products in terms of styles and designs to meet customer needs.

Pricing Strategy

We determine our product prices according to the product source. Our product prices are reasonable and can create a competitive advantage for the Company. Our pricing strategies are as follows:

(1) House Brands including “CHIC Republic”, “RINA HEY”, and “Ashley”

Most house brand products are ODM products under the “CHIC Republic” and “RINA HEY” brands and imported products under the brand, “Ashley”. We determine a competitive price using the cost-plus method, depending on the product source, which allows us to adjust our price to the costs. Additionally, if we need to increase our prices, we will definitely consider the cost, competitiveness, value, and fairness to buyers.

(2) Non-house Brands

We determine product prices together with the brand owners by comparing the market prices of products with similar characteristics and quality as well as consumer demand. We negotiate for the best price. Moreover, we have clearly established a co-management policy with our suppliers as a requirement for all suppliers to comply with.

However, we adjust our product prices for sales promotion. Our price adjustments will consider all the key factors such as the product costs, which require discussions between executives of the Merchandiser Department and suppliers who are the brand owners.

(3) Project Work

We are a tailor-made or made-to-order manufacturer and produces certain product items for projects. For project work, after a customer picks the design they want, we will present the quotation. Products supplied for project work are house brand products consisting of “CHIC Republic” and “RINA HEY”. As a result, we determine our prices using the cost-plus method, depending on the product source, which allows us to adjust our prices according to the costs. If we need to increase our price, we will apply the same approach as our house brand products sold at our stores.

Distribution Strategy

Our products are currently sold through our (1) stores, (2) project work, and e-Commerce channels as follows:

(1) Stores

We have six operating branches in Thailand. Our branches are located near community areas that are easily accessible by transportation. The average store area is approximately 6,500 to 12,000 square metre to allow for room setting. A number of rooms are displayed in our branches as samples for home decoration ideas and to create inspiration and experience so that customers can select products that fulfil their needs and imagination. Therefore, our store branches must have sufficient space for room setting.

(2) Project work

We started the project work business as we had competent and experienced personnel and saw an opportunity for business expansion. As a result, we set up the Project Work Sales Department to offer house brand products consisting of “CHIC Republic” and “Rina Hey” to meet customer demand for project work. We provide decorations for apartment, condominium, and housing projects, focusing on leading property developers with good reputation and financial strength by verifying the developer’s history and financial statements to ensure certainty of income and cashflow for our company.



(3) e-Commerce

To recognizing changing consumer behavior towards online shopping, we shifted our focus to develop our online sales channels, including www.chicrepublicthai.com, www.rinahey.com, and store.ashleyfurniturehomestore.co.th, in order to expand our distribution channels, offer more choices to customers, and reduce time used for product selection at our stores. Apart from that, we implement online to offline marketing and offline to online (O2O) marketing, which is a marketing combination to increase online and offline market penetration as today's target customers are in the online and offline markets. CHIC Republic and Ashley customers usually visit the stores to buy products while Rina Hey customers purchase through an online channel. The O2O marketing strategy enables us to expand our customer base as target customers who select products through an online channel can buy products at our stores. At the same time, target customers who visit the stores to purchase products can switch to online shopping. Moreover, online sales have consistently increased over the past years. As a result, we have improved our online distribution channels as follows:

Our websites including <https://www.chicrepublicthai.com>, <https://www.rinahey.com>, and <https://store.ashleyfurniturehomestore.co.th> are where customers can purchase products online. Customers can directly order products through the websites where customer order information are automatically connected to our internal management system which allows for efficient operations and reduces complicated work processes in the system. Customers used to only be able to view the products and order through other channels such as Facebook where customer order information are not linked to our back office system. Aside from that, the websites offer products, promotions, and information to help customers select products and services through the brands' online channels.

For e-Marketplace, we offer CHIC Republic and Rina Hey products and promotions through Shopee, Lazada, NocNoc, 24Shopping and TikTok while Ashley products are exclusively offered at NocNoc.

For social media, we sell CHIC Republic and Rina Hey products through Line and Facebook. On top of that, we offer product information and pictures to inspire customers on home decoration via Instagram.

Sales and PR Strategy

(1) Sales Promotion Activities

We implement sales promotion strategies to increase sales and raise brand awareness, including:

- Chic Forever Card that provides special offers for purchases at the stores or websites such as a 5% special discount when purchasing any product at the stores or through websites. The Company can use members' shopping information to understand customer behavior and plan its product development and improvement to better respond to customer demand. Membership signup is free without any additional charge when meeting the minimum spending.
- Cash voucher for customers who meet the minimum spending of the cash voucher campaign. Customers can use cash vouchers on next purchase according to the Company's conditions. Cash voucher can be used with Chic Forever Card to receive special discount for product purchase.
- Partnerships to offer sales promotions such as collaborating with Siam Commercial Bank to offer installments payment.

(2) PR Activities

We organize public relations activities to promote marketing communication between the Company and target customers by studying the behavior of target customers to plan PR activities for target customers and efficiency by applying the following plan:

- Public relations through social media such as CHIC Official Facebook page, Instagram account, and Line account to connect with customers. Social media will offer product information and promotions at each branch to attract customers and promote sales.
- Executive interviews on social media to allow customers to get to know the Company.
- Use influencers to promote our house brand products among target customers and provide an opportunity for customers to get to know the Company.

Service Strategy

We provide additional services to support our furniture sales. Our core services are as follows:

- (1) Home Furnishing and Decoration Service: provide home decoration ideas through room setting in each branch as samples to inspire customers to select products that meet their needs and offer experience in home decoration. We provide interior designers who are experts in providing advice on furnishing and interior design for free. We provide one-on-one trainings for our employees in order to develop product advisors who are knowledgeable and expert of each product category to provide information, advice, and recommendations to customers in choosing the products that match their needs.
- (2) Home Delivery and Installation offered to our customers at our stores and on online channels. The terms and conditions for delivery and installation are in accordance with our policy. For example, when the customer meets the minimum spending, we will provide product delivery and installation service by our expert technicians. If the customer lives in the Bangkok Metropolitan Region, the company will provide the product delivery and installation service for free. If the customer lives outside the Bangkok Metropolitan Region, service fee will be charged according to distance.

Target Customers

We focus on providing services to two main customer segments including:

- (1) Retail customers are individual customers that purchase products for their own use. When selling to retail customers, we only accept cash payments which also include money transfer, cheque, QR code payment, debit card and/or credit card. On top of that, we offer installment payment according to the banks' terms and conditions.
- (2) Project customers are those that own construction projects such as housing projects, condominiums, design and decoration companies, and restaurants. We sell furniture, home décor, and decorative items to property developers according to the requirements and needs of each project. When selling to project customers, we offer two payment options including:
 - (1) Cash payments which also includes money transfer, cheque, QR payment, debit card and/or credit card. On top of that, we offer installment payment according to the banks' terms and conditions.
 - (2) Trade Credit: We offer and approve trade credit balance and term for each customer according to their creditworthiness assessed from their financial status and supporting evidence from banks, service amount and value, and payment history.

Most of our sales revenue comes from cash payment while most of trade credit comes from project sales. We provide credit term to customers and have a policy for selecting project customers by considering their financial stability and reputation, which allows us to avoid significant payment problem that may affect our operations.

1.2.4 Industry and Competition

Overview of the Thai Economy

Overview of the economy in 2024: Thailand's Gross Domestic Product (GDP) expanded by 2.5 percent, slowing down from a 2.0 percent expansion in 2023. The main factors driving the Thai economy in 2023 were private consumption and government consumption expanding, government investment expanding while private investment decreased, and exports expanding (source: Office of the National Economic and Social Development Council (as of 17 February 2025)).

Overview of the Real Estate Industry

The furniture industry group has assessed the trend in 2024 to shrink by -10 percent (YoY) from the slowing domestic demand, which is pressured by some consumers deciding to postpone buying new furniture to replace old furniture, and the real estate market where new sales have not recovered, affecting the furniture market for decorating homes. Meanwhile, the impact of low-quality and cheap products entering the ASEAN market without any preventive measures and the collection of import taxes on furniture from abroad that are too low, including entrepreneurs still facing high production costs and more intense competition in the same product category in both domestic and international markets. However, there may still be more purchase orders from trading partners such as the United States, Europe, and China, including potential markets such as the GCC, which are investing in large infrastructure. In addition, some trading partners still want Thai furniture products that are of international standard. The factors of concern that will affect the industry are: 1) Entrepreneurs still face high production costs, both in terms of increasing electricity costs from high electricity production costs, increasing minimum wages at an excessively high rate, along with the problem of a shortage of foreign workers, high financial costs from increasing interest rates, increasing raw material prices from raw material shortages, and high costs of machinery/automation systems. Entrepreneurs are still unable to invest, including the high volatility of the baht, etc. 2) Domestic consumption has slowed down due to the cost of living and household debt, and there may be fewer tourists than expected, affecting purchasing power in the home decoration furniture market. 3) The impact of low-quality and cheap products entering the ASEAN market without any preventive measures and the collection of import taxes on furniture from abroad that are too low, affecting Thailand's border trade with neighboring countries. There is also more intense competition in the same product category in both domestic and international markets. 4) If the geopolitical conflicts and the wars in Russia-Ukraine, Israel-Hamas continue, it may affect energy prices and world trade more. In addition, there are also problems with non-tariff trade barriers (NTM/NTB) and the relocation of production bases from Thailand to competitors such as Vietnam and Indonesia.

However, there are still supporting factors that are expected to promote the industry, including 1) There may still be more purchase orders from trading partners, the United States, Europe, and China, especially for products exported to the United States, such as office steel furniture, steel shelves, wooden furniture, wooden chairs, and wooden dining tables. And wooden lawn chairs, etc. Including potential markets such as the GCC Gulf region, which is investing in large-scale infrastructure such as Saudi Vision 2030, the development of NEOM in Saudi Arabia, etc. 2) Oil prices and freight rates tend to be stable, making logistics costs still competitive and entrepreneurs are still investing more in renewable energy because it is cheaper, especially solar cells. For the recommendations of the industry group 1) Set product standards to prevent substandard products from entering the Thai market and 2) Accelerate the promotion of the export of finished products with added value and reduce the export of raw materials or semi-raw materials (source: Economic and Academic Division, Federation of Thai Industries, Ministry of Commerce, 16 January 2025).

Furniture Industry

Real estate market direction in 2025 - For the direction of the housing market in 2025, the Real Estate Information and Appraisal Center predicts that it will gradually recover, partly from the low base in the previous year. It is expected that there will be a total of 67,598 new units for sale, an increase of 10.0% YoY. Similarly, the number of units sold is expected to increase at a similar level, with the number of units sold at 64,657 units. There are still pressures from high household debt, global economic uncertainty from geopolitical conflicts, rising business costs, and strictness of financial institutions in granting loans. Meanwhile, important supporting factors come from the downward trend in interest rates, the gradual recovery of the economy, and government support measures that are expected to help stimulate the real estate market in the future, such as the extension of the measure to reduce transfer fees and mortgage fees, and the policy to encourage more foreigners to buy houses in Thailand. (Source: Real Estate Information and Appraisal Center, Agency for Real Estate Affairs Co., Ltd. (AREA), Land and Houses Bank Business Research, Land and Houses Bank Public Company Limited, 23 January 2025).

1.2.4.5 Competition

When comparing the potential as a furniture business operator, there are three main competitors that registered in the Stock Exchange of Thailand consisting of:

1. Index Living Mall Public Company Limited
2. Modernform Public Company Limited
3. East Coast Furnitech Public Company Limited

If you consider the target customers of such players. It will be found that the target group is not the same customer group as the Company. The Company's target customers are classified as middle to upper-class customers, so they are not direct competitors to the Company.

1.2.5 Product and Service Procurement

1.2.5.1 Home Furnishing and Decoration Business through stores and online channels

For product selection, we focus on providing a variety of products to respond to the needs of a wide range of customers. Product selection is a key strategy that affects our operations and is our focus.

Product Procurement from External Sellers and Manufacturers

(1) House Brand Products

We offer house brand products by buying products from a seller or hiring a manufacturer to make the products. We use Original Design Manufacturing (ODM) to acquire products that are our exclusive designs and those that are designed by domestic and overseas manufacturers under its house brands including "CHIC Republic" and "RINA HEY" and imported products under the brand, "Ashley", consisting of furniture, home décor, and decorative items. The house brand product procurement process is as follows:

We study customer needs and trends in the furniture, home décor, and decorative item market for product selection. We seek products from domestic and overseas manufacturers and obtain information from domestic product fairs such as the Bangkok International Gift Fair and Bangkok International Houseware Fair (BIG & BIH), Baan Lae Suan (Home and Garden) Fair, and Thailand International Furniture Fair (TIFF). We also visit product fairs in other countries such as Interior Design Fair and conduct research on websites and foreign interior design magazines. Moreover, we select manufacturers by looking at online product catalogs of domestic and international manufacturers through websites that provide product information.

After studying customer needs and trends in the furniture, home décor, and decorative item market, we select the list of products designed by the manufacturer or creates our own design by holding meetings with the product designers to present products to our executives and the Merchandiser Department for consideration. The Merchandiser Department searches for the appropriate manufacturer domestically and internationally from our approved vendor list. The Merchandiser Department then sends the product design that has been approved to the selected domestic or foreign manufacturer for manufacturing.

We select a domestic or foreign manufacturer by comparing at least two to three manufacturers according to the following criteria: (1) production costs, (2) payment terms, (3) time to manufacture, (4) minimum order size, and (5) reliability. We then select the best manufacturer to start negotiating production costs and the prototype for consideration. If the product meets all the criteria, we will order the manufacturing of the product.

In terms of quality control, we check the product quality (1) before delivery at the factory or departure port. If a product is damaged or the design does not meet the agreed specifications, we will exchange or return the product prior to delivery, and (2) upon arrival at the warehouse, we will count the number of the products and randomly select the products for quality inspection before receiving the products into our warehouse. The number of products selected for quality inspection depends on the product characteristics. If a product is damaged or the design does not meet the agreed specifications, we will return the damaged product to the manufacturer or request for a replacement.

(2) Non-house Brand Products

When seeking non-house brand products, we will study the trends in the furniture, home décor, and decorative item market. We seek products from domestic and overseas manufacturers by obtaining information from domestic and international product fairs to select the brand owners from our approved vendor list. Non-house brand products can be divided into two categories including: (1) outright purchase. Most of the products bought outright are home décor. We select the product from the brand's catalog by taking into account the trends in customer demand. Outright products are stored in the warehouse of each branch. In the ordering process, we will count the current quantity of products and compare it to sales in the previous three months to forecast customer demand, and (2) consignment. Most of the consignments are mattress and bedding from Omazz, Tempur, Sealy and Serta, which are not stored in our warehouse. The brand owners will deliver the products and services after customer makes a purchase at our stores. We receive a part of the gross profit, rebate fee, marketing fee, and other payments as agreed with each supplier. If the product is imported from a foreign brand owner, we make payments in US dollar.

Product Inspection, Storage, and Distribution

We hire DHL Supply Chain (Thailand) Company Limited ("DHL") to manage our furniture warehouse located at DHL Bang Na Logistics Campus, Samut Prakan province ("Distribution Center" or "DC") using the warehouse management operation system (WMOS) to ensure efficient warehouse management and reduce storage costs. DHL acts as the center for receiving products from manufacturers with quantity and quality inspection of all fragile items and randomly inspects other product items together with our staff before receiving the products into the warehouse. If a product is damaged or its quality or design does not meet the agreed requirements, we will send a claim or return the product to the manufacturer, whichever is agreed upon. DHL also picks the products from the warehouse when receiving a picking order from the Company. The quantity and quality of the product is inspected by DHL and the Company's staff again before delivering to customers and the Company's branches. DHL regularly performs two types of inventory counting including cycle count which is performed daily with rotating product codes and at least 1 time for physical inventory count to minimise the discrepancy of the inventory. If there is a discrepancy of inventory as a result of the difference in the counts, we will find out the root cause and adjust the item to be equal to the actual quantity. The difference in inventory count is recorded as shortage or excess inventory in administrative expenses.

Home décor are stored in each branch's warehouse with the Company's staff checking the quantity and quality of every fragile product item and randomly inspecting other product items before receiving them into the warehouse. When DHL receives a picking order from the Company, DHL staff will randomly pick a product from the warehouse to check the quantity and quality of the product together with the Company's staff before delivering to customers and our branches.

We created a guideline for managing slow-moving products to consider and plan our production or order. We control the quantity ordered to ensure that it matches sales and conducts marketing activities to achieve sales according to our marketing plan in order to enhance the efficiency of warehouse space management. We have set the accounting policy for impairment of inventory. The Cost Accounting Department prepares a report that analyses stock aging at the end of every quarter to determine Allowance for Inventory and Allowance for Inventory Ratio. We categorise our stock according to time including normal-moving stock, slow-moving stock, dead-moving stock, and out of date goods.

However, we do not stock mattresses of other brands. Mattress delivery is made by the supplier as agreed in the standard consignment contract between the Company and the supplier.

Delivery and installation are made by the Company to send the products to customers and our branches. As at 31 December 2024, we have 17 delivery vehicles in total. For delivery made by our vehicles, long-term leased vehicles, and hired delivery vehicles, we provide a team of expert, experienced, and well-trained technicians for installation to ensure quality and standardized installation. For hired delivery vehicles, the vehicle owners will provide at least two assembly and installation technicians per vehicle as specified in the agreement.

Quality Control

We perform quality control to ensure that the sellers or manufacturers meet our qualifications and are able to maintain the quality of production to meet our standards. We conduct a manufacturer assessment twice a year following our assessment principles such as quality assessment, service and advice assessment, and timeliness assessment. Moreover, in the production process, we have clearly agreed on the specifications such as product quality, size, color, and packaging with the manufacturers which must meet our standards.

However, we have hired inspectors to inspect the quality of imported products to ensure they meet the our specifications. The inspector conducts an inspection at the manufacturing plant before the products are delivered to the Company. The pro-forma invoices are inspected to examine the details of the purchase orders such as the price, quantity, manufacturing date, transfer payment terms, and delivery terms. If the manufacturer passes the quality inspection, the inspector will issue a certificate of inspection for the manufacturer as a document to guarantee the product quality by a reliable entity. Furthermore, we perform product inspection before product delivery at the departure port and another inspection upon arrival at our warehouse. The inspections are conducted using the Acceptance Quality Control (AQL) method; for example, the design and quality must meet our specifications. We will receive the products into our warehouse once the products meet the AQL standard. If the products do not meet the AQL standard, we will send a claim or return them to the manufacturer, whichever is agreed upon.

Information Technology System

Information technology system is highly important to managing retail business as it needs to be fast and accurate to increase efficiency of service, inventory management, and information management. The Company is currently using Navision, an Enterprise Resource Planning or ERP solution, which is connected to various processes and operations through a single online system, allowing the Company to control work efficiently and make quick analyses and decisions.

Project Business

Project Work Acquisition

We provide loose furniture, built-in furniture installation service, and home décor items to projects. We obtain project work in two ways: (1) bidding and (2) direct contact with the project owner. Our sales persons contact existing project customers and conduct a survey to evaluate whether the customer is likely to start a new construction project in order to participate in the project's bidding process.



After we decide to join the bidding or negotiation with the project owner, the customer will create a briefing on furniture design. We then assign the Product Design Department to study the products according to the the customer's request. Some project customers may send the design they want to the Company to create Bill of Quantity (BOQ) and scope of work and propose the quotation to the project owner for consideration. After the project owner accepts our proposal, the project owner will issue a letter of intent (LOI) in advance to establish the project owner's intention to do business with the Company. The Company will select products from the list of products designed by suppliers. The selected supplier will be responsible for delivering and installing the products for the project. Apart from that, we will assign a foreman for the project to inspect products delivered by the manufacturer, control the use of materials, and monitor the work of the contractor according to the requirements in order to ensure our quality and standards. The project business involves installing built-in and loose furniture. We enter into a contract with the project customer since the beginning of the project. Our work will be delivered last and is an extended work of the project's main contractor. As a result, after entering into a contract, we must wait for the main contractor to deliver the completed construction work. Once the project allows us to install the furniture, we will notify the manufacturer to deliver the products at the site. The foreman of the project receives and inspects the products. After that, the company will begin its installation plan and deliver the work according to the plan. Normally, it takes approximately four to eight months to complete our installations after the main contractor completed their work. Time used will depend on the type of work and number of floors that need to be delivered.

However, in delivering each project work, we will need to deliver the product category, type, and quantity as specified in each purchase order of the buyer. The buyer will determine the number of units that needs to be delivered according to the conditions specified in the contract. Nevertheless, we will attach a project work delivery document for the project representative or controller to check the correctness of the item and the quantity of the product. When the project representative or controller completes the examination following the information specified in the project work delivery document, the person needs to sign the delivery document to be use for collection of project works. The Company will use the signed project work together with receipt and invoice to charge and collect money from the owner.

Space Rental Business

Tenant Acquisition

We obtain tenants from stores that match our store image and support our business with the aim of attracting customers and providing services to visiting customers. We select tenants by conducting a space rental need survey with existing tenants and potential tenants. After selecting the tenants, the Company will start negotiating the rental fee and other terms and conditions of the space rental contract with the tenants covering project design and renovation. Expenses from renovation and utilities used during renovation, such as electricity and water, will be borne by the tenant. When the lease term expires, the tenant must take any action to restore the leased premises to their original condition before handing over the leased premises back to the lessor.

Rental Space Management

We manage our rental space by providing necessary facilities and common utilities such as air conditioning system, electricity system, water system, fire prevention system, and other utilities. We regularly maintain and improve utility and building systems to ensure safety and good condition on a monthly basis.

1.2.5.2 Important Laws Related to Our Operations

Our business a stand-alone furniture retail store selling furniture, home décor, decorative items, and mattress and bedding. As a result, we must comply with the Building Control Act B.E.2522 (1979) (and its amendments) and obtain the construction permit (Or 1) and building certification (Or 6).

We offer our products through online channels to respond to the changing consumer behavior towards online shopping. We have created websites for online distribution including www.chicrepublicthai.com, www.rinahey.com, and <https://store.ashleyfurniturehomestore.co.th>. As a result, we had to register online business operations with the Department of Business Development, Ministry of Commerce following the Notification of the Ministry of Commerce Re: Requiring Business Operators to Register Businesses (No. 11) B.E. 2553 (2010). Apart from that, we must comply with the Direct Sale and Direct Marketing Act B.E. 2545 (2002) which states that sales through an electronic means via the Internet must be registered as direct sales operation with the Office of the Consumer Protection Board (“OCPB”) so that a government agency can ensure that our business operations, advertisement, or news release does not cause damage to consumers and receive complaints from consumers who have been negatively affected by our direct marketing business.

1.2.6 Assets used in business

As at 31 December 2024, the Company and its subsidiaries had the net book value of assets used in operations amounting to Baht 1,540.40 million or represented 82.44% total assets as shown in Attachment 4 “Assets used in Business”.

1.2.7 Backlog

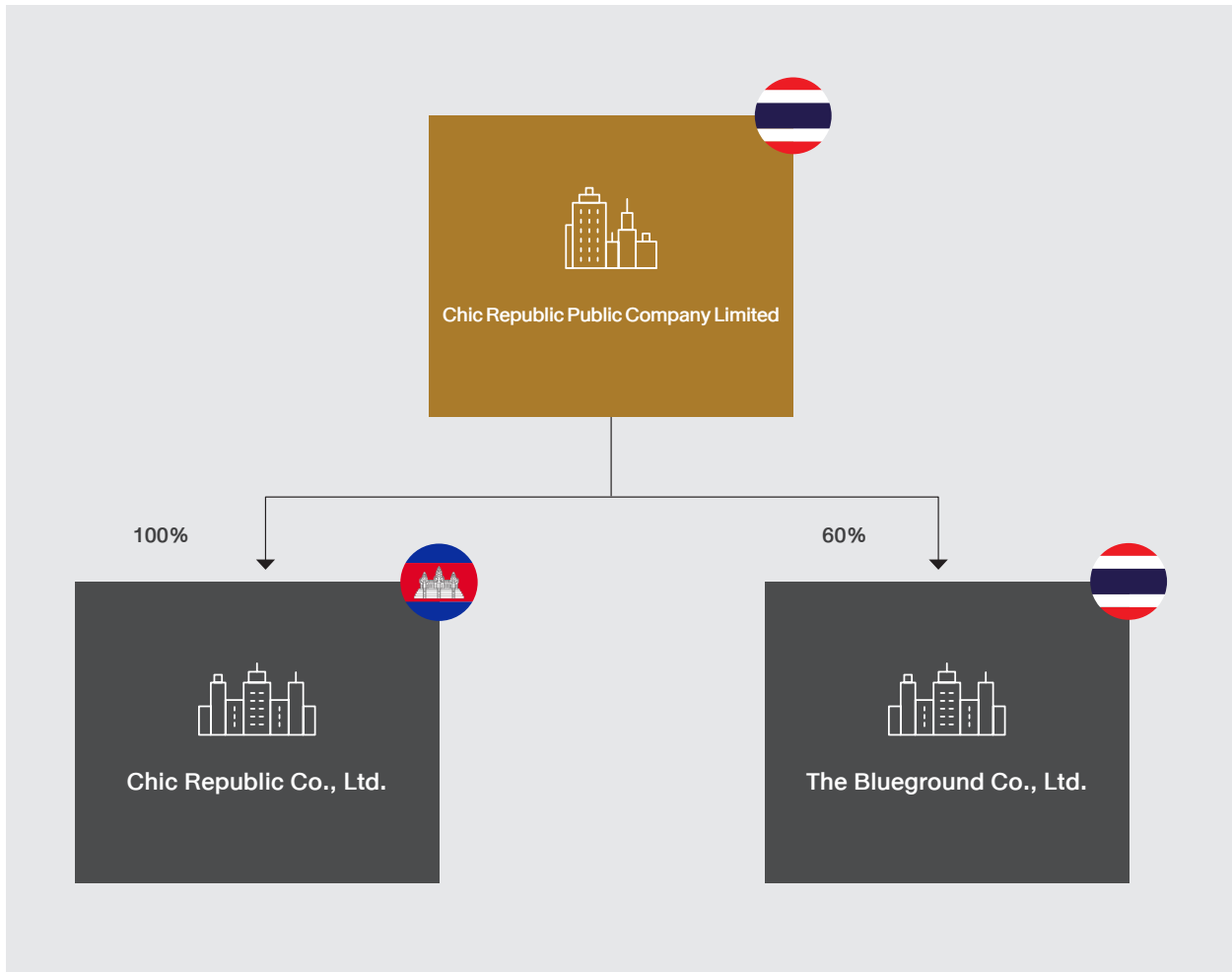
As at 31 December 2024, we have a backlog comprising 13 project works, totaling Baht 164.08 million (project value according to the contract after addition or deducting work (if applicable) and VAT exclusive) which has been recognized revenue until 31 December 2024 in the amount of Baht 62.28 million and not recognized revenue in the amount of Baht 101.80 million. The Company expected to recognize revenue in full in 2026 which is in line with the completion date in the agreement).

In addition, during 2025, the management expected to bid new projects and expected a 50% chance of winning the biddings.

1.3 Shareholding structure of the Group

1.3.1 Shareholding structure of the group

As at 31 December 2024, the Company's shareholding structure is as follows.



Chic Republic Co., Ltd. is the Company's subsidiary that operates for sales of furniture and home decoration. For the Cambodian branch was registered for the company established in Cambodia with registered share capital of 20,000,000 Cambodian Riel on 28 March 2018. In 2024, the Group downsized its Cambodia branch.

The Blueground Co., Ltd, (Formerly named "Chic Stay Co., Ltd.") is the Company's subsidiary that operates for management service and rent residence that was registered in Thailand with registered share capital of Baht 6,500,000 on 20 December 2023. The licensor notified to terminate the license agreement in February 2025.

1.3.2 Relationship with the Group of major shareholders

- None -

1.3.3 Shareholders

Major Shareholders

Name list of the top shareholders (information according to Shareholders' Registration on 30 December 2024)

No.	Major Shareholders	Number of Shares (Shares)	% Shares
1.	Mr. Kijja Pattamasattayasonthi	490,619,980	36.08
2.	Ms. Kamoltip Parksuvan	195,076,000	14.34
3.	Mr. Apirum Panyapol	115,068,800	8.46
4.	Miss Sarita Pattamasattayasonthi	104,152,000	7.66
5.	Miss Sinina Pattamasattayasonthi	104,152,000	7.66
6.	UOB KAY HIAN PRIVATE LIMITED	53,820,400	3.96
7.	Mrs. Sanlaya Charuchinda	50,000,000	3.68
8.	Miss Phitsinee Sereewiwatthana	50,000,000	3.68
9.	Mr. Wichit Rattanasirivilai	25,816,500	1.90
10.	Mr. Suchart Wangsawangkul	16,561,400	1.22
11.	Mr. Montree Changthongsiri	8,000,000	0.59
12.	Thai NVDR Company Limited	7,697,232	0.57

1.4 Number of registered share capital and paid-up share capital

The Company's registered share capital is Baht 680.00 million. The paid-up share capital is Baht 680.00 million.

1.5 Issuance of other securities

- None -

1.6 Dividend payment policy

The Company establishes the dividend payment policy by considering the Company's separate financial statements for not less than 40% of net profit after legal reserve (if any). It shall not exceed retained earnings that appeared in separate financial statements. However, the said dividend payment shall not significantly affect the Company's investment plan and normal operations, depend on the Company's cash flows and other necessities and appropriateness and comply with the Company's available conditions with the financial institutions.

In considering the subsidiary's dividend payment, it will be subject to the consideration and approval power of the Board of Directors and the Shareholders' Meeting of the subsidiary. The subsidiary establishes the dividend payment policy by considering the subsidiary's separate financial statements for not less than 40% of net profit after the deduction of legal reserve (if any) and not exceeding retained earnings appeared in the subsidiary's separate financial statements. However, the said dividend payment shall not significantly affect the subsidiary's investment plan and normal operations, depend on cash flows and other necessities and appropriateness in the future and comply with the available conditions with the financial institutions.

There is no dividend payments during the year 2024.

RISK MANAGEMENT

Chic Republic Public Company Limited has foreseen the importance of corporate's risk management that can help the Company to achieve its objectives or goals, good governance, as well as sustainable growth. In this regard, the Company has established its policies, structures, and risk management procedures in order to be used as guidelines for the operations of all departments.

2.1 Risk Management Policies

1. The Company has set its risk management as the responsibility of all employees. All employees must be aware of the risks that exist within their own departments. In addition, the Company has also placed importance on risk management in various areas as a tool to identify and assess all risks. It is included setting the appropriate and sufficient management measures.
2. The Company has set up its risk management process in order to meet good standards in accordance with international practices so that it could achieve effective corporate-level risk management as well as meet the Company's vision, mission, objectives and strategies.
3. The Company has determined that all employees have their duty to follow the risk management system and risk management tools, both at the corporate level and the operational level, as provided by the Audit and Risk Management Committee.
4. The Company has set up a risk report that may affect its business plan, as well as also set up high-level strategy of the Company to the Audit and Risk Management Committee and the Board of Directors. It aims to acknowledge and find prompt management approaches.
5. The Company has promoted risk management as the Company's culture that can lead to the creation of the Company's value, by encouraging all employees to realize the importance of sustainable risk management.

2.2 Risk management plans

The Company is committed to operating under the principles of good governance by applying the principles of Enterprise Risk Management or ERM, according to guidelines of the risk management framework by the Committee of Sponsoring Organization of the Treadway Commission or COSO, which meets international standards of risk management. The Company also provides company risk management through analyzing and assessing the impact of external factors, such as the business environment, and competitive situation in the industry from various factors involved. In addition, the Company also considers internal factors such as strategies and business objectives, business operation processes, and supporting units within the organization in order to manage the overall risk in the Company. In this regard, the Board of Directors, Executives, and Employees at all levels have applied it appropriately and realized their responsibilities in accordance with the risk management policy so that the Company will have the most effective risk management.

2.3 Risks in business operations

2.3.1 Risk from economic volatility and dependency on the real estate sector

The Company has operated the business of selling furniture, home decoration, housewares, mattress and bedding, as well as project work, interior design service and space rental business. Therefore, furniture sales volume and project sales and interior design service revenue are related to investment level in the real estate sector and the growth of the real estate sector. The business operation may definitely be affected by economic conditions such as private consumption expenditure, private investment, public investment, importing and exporting products, household debt levels, etc.

However, the Company has closely monitored the economic situation, as well as formulated marketing strategies and promoting sales, both online and offline, so that it could meet customer needs and stimulate customer spending. In addition, the Company has continuously developed and introduced New Collection with a frequency of every 4-6 months so that it can make value added, increase product variety and increase the competitive advantage for the Company. Furthermore, the Company has added more service channels to customers, apart from selling furniture and home furnishing products, in order to meet the needs of customers. The Company offers a one-stop service for interior design and decoration as a channel for Value Added to customers and also a channel for increasing sales value for the Company. Regarding the space rental business, the Company considers the process of selecting tenants operating businesses to match the Company's concept. The Company concept is included style, taste, design and uniqueness, customer background, and viability of the store's survival. In addition, the Company has held regular meetings with tenants to realize the situation and the possibility of providing assistance to tenants effectively. The Company also monitors and studies the economic situation to prepare for the risks that may occur from the fluctuation of the economy and the tendency of the real estate sector in the future.

2.3.2 Risk from the Company's branch expansion which is not as planned

The Company aims to continuously grow in the retail furniture business, home furnishings, housewares, and mattress and bedding, as well as project work business and rental space business. Therefore, branch expansion is one of the factors that will drive the Company to achieve its growth target. The Company will focus on expanding stores with an average sales area of approximately 6,500 - 8,000 square meters per store and an investment cost of about Baht 150 - 250 million per branch. The Company will jointly determine the payback period of the branches in the future, desired return profit, and the estimated profitable period in the first month at the Board of Directors' meeting. However, if considering the historical data, the payback period of branches is approximately 5 - 8 years, and the first profit period is approximately 8 - 20 months, depending on the size of the branch and the amount of investment of each branch. However, the Company will try to select areas to expand branches with higher potential than other areas. The Company, therefore, needs to raise funds for investment in opening new branches if the new branch does not succeed as planned, which is due to uncontrollable factors; the domestic economy, the world economy, and consumer behavior. Other factors are, for example, company's inability to obtain adequate funds for branch expansion and the revenue from the sale of products set by the Company. These factors may delay the opening of new stores than planned, the cost higher than the budget, performance of investment unable to meet set goals. Importantly, these factors may affect the results of operations financial status of the Company, and future business opportunities.

Before investing in branch expansion, the Company has set investment guidelines for branch expansion and has studied the feasibility of branch expansion investment by selecting the location of potential stores that is suitable for opening furniture and home decoration stores. Furthermore, the Company also studies the trend of residential growth, competitor surveys, sales analysis, risk of investing in branch expansion, and plans to support potential risks. In addition, each branch expansion investment must be reviewed by the Board of Directors in order to approve the branch expansion investment plan and the budget for branch expansion before making the decision of investment.

2.3.3 Risk from competitive environment

Currently, the furniture and home decoration business is a highly competitive business because there are both large and small entrepreneurs, including online sales channels. Most entrepreneurs sell similar products, which leads to competition in the search for a variety of products, price competition, and more competition in marketing and sales promotion activities. In addition, large entrepreneurs have continuously expanded their branches. Therefore, the Company may be affected in terms of market share, which may affect the Company's operating results, financial status, and future business opportunities.

However, the Company has managed such risks by preparing and having a competitive advantage because the Company has a Merchandiser department that develops and selects a variety of products, emphasizing product design with uniqueness and continuously developing new products to comprehensively meet customer needs and present a variety of products, including shopping experience. In addition, the Company has developed online distribution channels (E-Commerce) to connect with the distribution channels through the storefront, allowing customers to have more channels to choose products. Customers can choose to buy products both online and at the storefront. In addition, the Company has a strategy to provide rental space for shops by dividing the rental space within the Company's branches and considering selecting restaurants that have the same style, concept and taste as the Company, which is an important strategy to attract more customers to use the services in the branches.

2.3.4 Risk from consumer behavior change

Currently, consumer behavior is rapidly changing, and the demands are becoming more complex. The Company must understand changing needs of consumers, as well as the new channels that can effectively reach customers. However, if the Company is unable to analyze market trends change in consumer behavior, the Company is unable to efficiently respond to change of consumer needs. As a result, the Company cannot keep up with consumers. The Company may have a risk of not being able to sell the products as its planned. This result may have a negative impact on the business operations, and it will finally impact on the operations and financial position of the Company.

However, the Company has managed such risk by focusing on being the trend leader in the furniture distribution business and home decoration items. The Company will have a team to regularly keep up with the movement of trends in the furniture sales business, and home decoration items. The Company keep up the trend through various channels such as the Internet, magazines, domestically and internationally trade fairs, product details in Catalog. In addition, the Company has a policy to introduce new products as “New Collection” every 3 – 6 months so that it can reduce number of obsolete products, and also reduce the price competition with other competitors. However, for slow moving products, the Company will prepare various sales promotion strategies for customers. It is for example promotions and discounts. This strategy is to motivate customers to buy such products. The price discount depends on the marketing promotion plan in each period. Moreover, the Company has developed distribution channels for products by increasing distribution channels through online channels via the brand's website and via social media. This plan is to increase revenue and product access channels to support the changes of consumer behavior.

2.3.5 Risk from being unable to renew the land lease agreements and area lease agreements

In procuring land for the Company's business operations, the Company mainly considers the location that is appropriate and has potential for business operations. Thus, it is necessary for the Company to lease the land instead of buying the land to its own. The Company has also entered into long-term land lease agreements with private companies, and with individuals who are not related to the Company. This land lease is to be used as a location for a branch of the Company's store. Some land lease agreements have specified conditions for renewal of the contract upon expiration of the lease term. However, there are some land lease contracts that do not specify the conditions for renewing the contract upon the expiration of the lease term. Thus, it may pose a risk of not being able to renew the land lease agreement. In this regard, if there is a case that the Company's land lease contract cannot be renewed, the Company may have to stop operations in some branches. This may affect the performance and reputation of the Company significantly.

Even though the Company may be a risk of being unable to renew the land lease agreement, all land lease agreements of the Company are long-term leases. Most lease agreements' duration is about 30 years, and the rental period is clearly specified. Most land lease agreements of the Company are not expired at the same time. In some contracts, the conditions of duration in land lease agreements can be extended. As of 31 December 2024, all of the Company's land and area leases will expire between 2032 and 2056, resulting in a relatively long remaining lease term for the Company. In addition, the Company has been studying and developing plans to expand new branch, such as the Udon Thani branch, for which the Company has already procured space. During 2024, the Company expanded to Phuket Province and opened for operation in December 2024 in order to maintain the growth rate of revenue and overall profit without being significantly affected. The management will consider the renewal plan for the land and area leases for current branches in the future, depending on the current situation, the Company's status, and the returns along with risks, with the Company's maximum benefits as the main focus.

2.3.6 Risk from the land lease for branch expansion that has not yet been constructed

The Company has a project to expand its new branch in Udon Thani Province. The amount of investment is not more than Baht 120 million. It is because the Company can foresee the potential and growth of Udon Thani Province, which is one of the main cities in the Northeast region. Therefore, the Company entered into a long-term lease agreement for a period of 30 years, from 16 October 2017 to 15 October 2047. The lessor agrees not to charge the leased area in the 1st year of the lease agreement. The lease expenses are paid on the contract date. This amount includes the first year's leased area. The lessor starts to charge the leased area in the 2nd year until the 30th year. In this regard, the Company has paid the monthly rental fee until now. However, the Udon Thani branch has not been open the store because the construction has not yet begun.

However, during the year 2022, the Company has adjusted its store expansion plan by reducing the size of the sales area and common area. The Company will use some of the Udorn Thani branch areas as the Company's distribution center to distribute products to customers in the Northeast region. Thus, the Company has negotiated with the landowner to reduce the leased area. In April 2022, the Company signed an additional memorandum to reduce the leased area. However, from the current economic situation in Laos, which is expected to be part of the purchasing power of the Udorn Thani branch. As a result, the Company delay the expansion of the Udorn Thani branch for now.

2.3.7 Risk of inability to maintain customer information, and the improper use of customer information, or unauthorized access to customer information

The Company may face risks related to compliance with laws, rules, and regulations which is related to personal data collection, data use, data disclosure, and data security. The Company is also required to comply with any requests from regulatory or governmental authorities in connection with such personal information.

The Personal Data Protection Act B.E. 2562 (2019) ("the Act") has been announced in the Royal Gazette, and it has been entered into force since 27 May 2019. The Company must comply with the Personal Data Protection Act. The government agencies related to this act has focus on data security governance and data protection. If the Company is unable to comply with law and regulation related to the protection of personal information. It may lead to take any legal action by government agencies or any other person against the Company. For such legal action against the Company, it will have a significantly negative impact on reputation, performance, and business opportunities of the Company.

However, the Company pays attention to the security of the personal data of customers. In this regard, the Company has established a personal data protection policy in order to prevent personal data from loss, unauthorized access, and also alteration or disclosure of personal data. Furthermore, the Company has prepared a consent form for the collection and disclosure of personal information from customers. The Company has also established Personal Data Protection Working Group and organized training to executives and employees about personal data protection. In addition, the Company has the policy to limit the access to customer personal information for employees who have a need to access customer personal information. There is a notification to the customer who owns the personal information in accordance with the law.

2.3.8 Risk from relying on main executive director of the Company

The success of the Company depends on the Company's ability to recruit, develop. It also depends on the ability to retain the Company's main executive director and retain the employees who have knowledge, competence and expertise in the retail furniture business, home decoration, accessories, and mattress and bedding. Mr. Kijja Pattamasattayasonthi who is the founder of the Company. Currently, he holds the position of Director and Executive of the Company, and holds the position of Managing Director, Acting Deputy Managing Director, and Acting Chief of Merchandiser and Project Sales. Mr. Kijja Pattamasattayasonthi is an expert in retailing furniture for over 30 years. If the group of Board Committees and competent employees are unable or unwilling to continue working in their respective positions, the Company may not be able to find suitable persons to do the job. This situation may have a negative impact on business operations, performance, and financial status of the Company.

The Company realizes the importance of motivating and maintaining human resources. Thus, the Company places importance on the development of personnel capabilities by providing human resource development policy. Such policy is to promote seminars and training in order to develop the necessary skills and competencies for employees. The Company has a policy to develop a succession plan for important positions, and to continuously recruit new employees so that the Company has enough personnel to be consistent with the operational plan. In addition, the Company has been listed in the Stock Exchange of Thailand. Thus, it will increase opportunities for the Company in recruiting employees who has skill and knowledge to work for the Company in the future.

2.3.9 Risk from Climate Change

The Company is aware of the impact of climate change, which may have a risk that the business may be affected by laws or taxes related to carbon dioxide emissions, and the impact of physical changes such as disasters, an increase in the average global temperature, or more severe floods, which may affect the cost of products that may increase from investing in the development or research of more environmentally friendly products to reduce carbon dioxide emissions. For the Company, the Company has set an environmental management policy to reduce greenhouse gas emissions, support the use of renewable energy, and improve the efficiency of energy use and related activities to achieve maximum efficiency, including waste management and waste from the Company's value chain. The Company has installed solar rooftops at Bangna, Ratchaphruek, Pattaya, Ram Intra, and Phuket branches, and plans to install solar rooftops at new branches in the future to save energy, save costs, and help reduce carbon dioxide emissions.

2.4 Financial risks

2.4.1 Risk from financial institutions' loan indebtedness

The Company has loaned from financial institutions, both short-term and long-term loans, for branch expansion and/or to use as working capital for business operations. As shown in the consolidation financial statements of the Company and its subsidiary for the year ended 31 December 2024, the Company has short-term loans amounting to Baht 118.22 million and long-term loans amounting to Baht 204.87 million. The Company, therefore, has an obligation to pay interest, and repay loans to financial institutions and also comply with conditions as specified in the loan agreements.

The loan agreements from some financial institutions require the Company to maintain the financial ratio as follows; (1) Debt to Equity Ratio must be maintained at the rate between 0.00 - 2.00, and not over than 2.75 depending on the loan agreements. Liabilities that are used in the calculation of Debt to Equity Ratio is the total liabilities in the separate financial statements, and excluding lease liabilities under operating leases, or liabilities arising from other types of long-term lease agreements. As at 31 December 2024, according to the calculation method of financial institutions, the Company's Debt to Equity Ratio is about 0.66 times, and (2) For the Interest Bearing Debt to Equity Ratio, it must be maintained at the rate of not over than 1.25 times. It is calculated from total interest bearing debt divided by the shareholders' equity. As at 31 December 2024, the Company has an Interest Bearing Debt to Equity Ratio at 0.39 times. The Company maintained the ratio in accordance with the conditions of all loan agreements.

However, if the Company fails to comply with the terms or conditions specified in the loan agreements, the loan creditor is able to demand the Company to pay all outstanding payments, including the interest at the default rate. This can significantly affect the financial status and performance of the Company. In this regard, the Company try to maintain the status and condition as specified in every loan agreement. The Company has regularly followed up by supervising the financial structure. The finance manager has monitored the Company's financial ratios on a monthly basis to ensure that the Company is not breaching the terms specified in the loan agreement. It is also to ensure that the Company and its subsidiary will have sufficient cash flow for interest and loan repayment. In the past, the Company has always followed the conditions specified in the loan agreement. The Company has used the financial funding to partially repay the loans so that it can improve the capital structure to be more suitable and flexible.

2.4.2 Risk from fluctuations in foreign exchange rates

The Company has imported some products from foreign countries. Thus, it causes the Company to pay for imported products in foreign currencies. The Company has revenue from sales to overseas subsidiary, which is paid in US dollars. Revenue from sales in foreign currencies mainly comes from sales at store in Cambodia. Regarding the fluctuation of exchange rates, it may cause negative impact on the cost of goods sold, and the overall performance of the Company.

However, the Company has a policy to manage the risk from exchange rate fluctuations by entering it into the forward contracts. The purpose is to manage the risk from exchange rate fluctuations in certain period of time. In addition, the Company has closely followed up the news and direction of the exchange rate in various currencies. The finance manager will assess the situation and find a way to mitigate those potential risks. In the past, the impact of exchange rates fluctuations has not been considered significant to the overall performance of the Company.



2.5 Other risks

2.5.1 Risk from major shareholders controlling over the voting in the shareholders' meeting

As at 31 December 2024, Pattamasattayasonthi family consisting of Mr. Kijja Pattamasattayasonthi, Ms. Kamoltip Parksuvan, Miss Sinina Pattamasattayasonthi, Miss Sarita Pattamasattayasonthi, and Ms. Sujitra Pattamasattayasonthi is collectively referred to as the "Pattamasattayasonthi family". Such persons are shareholders in the Company which hold 65.74% of the paid-up capital of the Company. As a result, the Pattamasattayasonthi family can control almost all resolutions of the shareholders' meeting. It is for example the appointment of the Company's director, or resolution of shareholders' votes. In addition, such persons can control the setting of policies, and operations of the Company. They can control by appointing representatives to serve as directors of the Company. However, they cannot control any matters required by law, the Company's Articles of Association, the votes of not less than three-fourths of the shareholders' meeting, amending the Company's Articles of Association, capital increase, and capital decrease, etc. Therefore, other shareholders of the Company may be at risk of not being able to collect votes to oppose the agenda which is proposed by the persons from Pattamasattayasonthi family.

In order to operate business with transparency and balance of power, the Company therefore has set up a management structure with appropriate checks and balances. There are various committees such as Audit and Risk Management Committee, Good Governance for Nomination and Remuneration Committee, and Executive Committee. Those committees are composed of third parties who are independent in operations, and are knowledgeable and capable. Importantly, those committees have clearly defined the scope of work and delegation of authority.

In addition, the Company has set measures for transactions connected to major shareholders, authority persons, executive director, and persons who cause any conflict in the Company. The Company has appointed 4 independent persons from outsider to join the board of directors. These persons, 3 of 4, serve as members of the Company's Audit and Risk Management Committee in order to audit and balance decision making. Their duty is also proving opinions or approving various matters before presenting in the shareholders' meeting.

DRIVING BUSINESS FOR SUSTAINABILITY

3.1 Sustainability Management Policies and Goals

The Company is focusing on conducting business and creating sustainable growth for the business while considering the impact on stakeholders along the Company's business value chain in economic, social, and environmental dimensions. The following sustainability management policies and practices have been established by the Company:

1. To prioritize creating and producing high-quality goods and services at reasonable prices, as well as promoting healthy and environmentally friendly living.
2. To prioritize creating technology and innovation that have the potential to be used in business operations, services, and communication channels to connect and respond to the needs of stakeholders with the Company efficiently, quickly, timely, in time, and easily accessible, while emphasizing the importance of personal information security for those involved.
3. To focus on developing business procedures that are friendly to the community and society in order to improve the quality of life and create long-term business growth.
4. To focus on environmentally friendly business operations, including the efficient use of resources and personnel, as well as waste management from the organization's value chain, to ensure that it does not have an environmental impact.
5. To prioritize human rights and ensure that the Company's business is not directly or indirectly involved in violations of individual rights and freedoms, such as not encouraging sexual harassment and violence, combating child labor, and providing equal relations with employees.
6. To focus on developing employees' potential and knowledge, including their ability to pay attention to safety, occupational safety and health, and the working environment, and to provide opportunities for employees to participate in expressing their opinions for the organization's development.
7. To focus on anti-corruption by establishing anti-corruption policies and practices for business framework operations that are transparent and ethical in accordance with good corporate governance principles.





3.2 Managing the impact on business value chain stakeholders.

3.2.1 Business value chain and stakeholder analysis

The Company prioritizes business sustainability by analyzing that the Company's business has relationships with various stakeholders, including the value chain of each activity of the Company's business operation, to develop and elevate the ability to respond to the appropriate needs of expectations for survival and business growth. The Company has analyzed the information and identified the stakeholders, including the communication channels, by determining the channels for listening to opinions and suggestions, both formal and informal, as well as encouraging engagement with stakeholders, to appropriately respond to stakeholders' needs and expectations, as follows:






Management of the impact on stakeholders in the business value chain

The Company's business operation is to sell furniture, home furnishings, mattresses, and bedding, which is a service related to the real estate business, as follows:

Value Chain	Procedure	Stakeholders
 <p>To sell furniture, home furnishings, mattress and bedding, and project work, as well as interior design.</p>	<ul style="list-style-type: none"> - To import and purchase environmentally friendly products, such as imported wood furniture and wood from cultivated forests that are constantly reforested. The production color painting is water-based painting, etc. - To import furniture from factories that care about the environment by providing employees with a good, safe working environment, adequate working time, and an appropriate employment rate. Furthermore, the manufacturer uses water-based paints in their manufacturing rather than other potentially hazardous and risky chemicals that may be harmful to workers and the environment. It can also ensure the manufacturer's factory's wood and materials are completely traceable and legal. - To collaborate with developers to select materials to produce furniture that meets CRAB (California Air Resource Board) standards for low levels of dangerous chemicals substances such as Formaldehyde and Volatile Organic Compounds or VOCs, as well as environmentally friendly installations in accordance with WELL Building Standard, a global health building standard. - To create a product from recycled materials. - To sell quality products and regularly inspect workpieces to ensure they meet standards. - To keep the sales area in the store's front of the branch clean (Store standard) as well as the area assigned to install and/or assemble products at the site clean in order to meet customer satisfaction standards. 	<ul style="list-style-type: none"> - Customer - Manufacturer - Real Estate Project Owner - Employee
 <p>Space Rental Service</p>	<ul style="list-style-type: none"> - To provide space rental and common services, including maintaining the cleanliness of common areas to meet customer satisfaction. 	<ul style="list-style-type: none"> - Tenants/Rental shops - Employee

Stakeholders' analysis in the business value chain

Stakeholders	Expectancy	Guidelines	Contact Channels
Customer 	<ul style="list-style-type: none"> • Socially and environmentally responsible products • Fair products price • Product Quality and Safety • Availability to serve the service including before sale, during sale and after sale. • On-time delivery • Security of personal information 	<ul style="list-style-type: none"> • To import and purchase products that use environmentally friendly materials such as imported wood furniture, wood from cultivated forests that are constantly reforested. The paint used in the production is water-based color painting etc. • To develop new products using recycled materials • To promote on sale and promotion that meet the needs of customers. • To sell products that meet the standards and comply with public relations. • To sell quality products and check the workpieces to meet standards regularly. • To maintain cleanliness of the sales area in the store's front of the branch (store standard) and the area assigned to install and/or assemble the products at the work site or delivery place to meet the standards to meet customer satisfaction. • To provide equal services • To provide care both before and after sale service • To maintain the security of customer's personal information in accordance with the international standards. • To listen to and respond to complaints. 	<ul style="list-style-type: none"> • Customer satisfaction survey • Offline and online communication • Meeting with customers to present new products as well providing opportunities to hear feedback and needs directly from customers. • Call Center at telephone no. 02-514-7111 ext. 7132 • Complain channel via website: www.chicrepublicthai.com.
employee 	<ul style="list-style-type: none"> • To treat employees based on human rights. • Fair remuneration and in accordance with economic conditions • To follow labor ethics. • Safety of life and property • Knowledge Development • Career opportunities and advancement • Development of knowledge and ability both directly related to the professional career, as well as knowledge to be used for continuous living. • Work-life balance 	<ul style="list-style-type: none"> • To pay attention to employees at all levels and treat them equally. • Stability and career growth opportunities • To receive fair returns including benefits at a good level, able to compete with the labor market, and develop the potential of employees. • To have a good and safe workplace environment. • To receive training in skills related to responsible work and development to have growth opportunities in the organization. • Participation in the organization in expressing opinions. • To respect for human rights and fundamental rights, including not disclosing confidential information of employees to unrelated persons. 	<ul style="list-style-type: none"> • Fair remuneration and benefits • Equitable and fair performance evaluation • Organizing training courses related to responsible work. • Providing information to employees • Satisfaction Survey • Line Meetings • Complaints Unit Human Resources Department • Direct complaints to management • Hotline

Stakeholders	Expectancy	Guidelines	Contact Channels
Shareholders / Investors 	<ul style="list-style-type: none"> • Business growth, good performance and sustainability in business operations • Good Corporate Governance • Transparent Management • Effective Risk Management • Caring for Rights and Equality 	<ul style="list-style-type: none"> • To recognize and value the fundamental rights of shareholders. • Promoting and facilitating the exercise of shareholders' rights • Dissemination of reports and disclosure of information that is transparent, accurate, complete, and sufficient to make decisions. • To conduct business in accordance with good governance principles. • To focus on generate long-term continuous returns. • To create maximum benefits for shareholders. 	<ul style="list-style-type: none"> • Quarterly and annual performance reporting • Shareholders' Meeting • Disclosure of information through the system of the Stock Exchange of Thailand and the Company's website • Press releases through various media. • Contact Investor Relations • Tel: 02-514-7111 ext. 7118 • Email: ir@chicrepublicthai.com • Website: www.chicrepublicthai.com
Trading partners and creditors 	<ul style="list-style-type: none"> • Fair and transparent business practices • On-time and accurate payments • Growing together and supporting business operations • Jointly develop products and services to raise the quality and standards. 	<ul style="list-style-type: none"> • To treat trading partners and creditors equally. • To have a clear, fair, and transparent procurement process. • On-time and accurate payments • To share knowledge and make improvements to develop products and services. • To comply with trade terms and conditions. • Free and fair-trade competition, and emphasis on production standards. • Ethical operation • To promote the use of labor that takes into account human rights principles. 	<ul style="list-style-type: none"> • Business Ethics Policy and Business Partnership Terms • To visits and audits
Creditors – Financial Institutions 	<ul style="list-style-type: none"> • Punctual repayment • Compliance with the requirements of the loan agreement 	<ul style="list-style-type: none"> • To pay the debt on a timely basis and comply with the specified conditions. • To be responsible for maintaining financial ratios that do not exceed the terms of the loan agreement. 	<ul style="list-style-type: none"> • Contact Finance Department Tel. 02-514-7111 ext. 7113
Community, Society and Environment 	<ul style="list-style-type: none"> • Responsible Business Operations 	<ul style="list-style-type: none"> • To focus on safety and environmental impacts. • To listen to community feedback and suggestions. 	<ul style="list-style-type: none"> • Contact via Store Manager • Call Center Tel. 02-514-7111 ext. 7132 • Website: www.chicrepublicthai.com
Government and other organizations 	<ul style="list-style-type: none"> • Compliance with the law • Participation in various projects 	<ul style="list-style-type: none"> • To support and strictly comply with regulations. • To cooperate in the activities of government agencies as appropriate. 	<ul style="list-style-type: none"> • Contact via General Affair Department • Website: www.chicrepublicthai.com

3.3 Management of sustainability in the environmental dimension

3.3.1 Environment policies and practices

The Company conducts business in an environmentally friendly manner, recognizing the efficient use of resources and energy to reduce energy and waste consumption, waste and disposal creation, and pollution. This includes reducing greenhouse gas emissions and instilling in employees the importance of being environmentally conscious by sorting waste, cleanliness within the office or sales area and surrounding area, reusing waste materials, or passing them on to environmental conservation or recycling projects.

Activities to achieve environmental management goals - Energy conservation and environmentally friendly material selection

The Company has established guidelines for saving electricity and water that all employees must follow, such as:

- Turn off the air conditioner and turn off the light during periods when employees or executives are not in the office for a long time or after the use of the meeting room is completed.
- Set the opening and closing time of the system work of each branch and the process of opening the system work to avoid power surges.
- Adjust the temperature in the office so that it does not fall below 25 degrees Celsius.
- Choose electrical equipment that has energy-saving properties, such as the use of LED lamps, etc.
- Encourage employees to reduce energy consumption, such as allowing employees to use stairs instead of elevators.
- Sort waste before disposal so that it can be recycled, reusable.
- Control water consumption by adjusting the water flow level to suit the application.
- Educate and train employees and raise awareness for all employees to realize the importance of energy saving and environmental conservation.
- Using renewable energy by installing solar on the roof of the branch building (Solar Rooftop).



3.3.2 Environmental Performance

The Company has not used natural resources as a direct factor in the production of goods. However, the Company's operational activities may directly or indirectly contribute to energy impacts so that the Company continuously campaigns and instills in employees a consciousness and responsibility for the environment to reduce unnecessary use of resources and energy consumption as well as to help reduce greenhouse gas emission.

1. Energy Consumption

The Company uses energy in the sales segment, service providing, and offices consisting of 2 parts as follows:

- Electricity from the Metropolitan Electricity Authority and the Provincial Electricity Authority for offices and sales areas of each branch including the warehouse.
- Gasoline includes Diesel, Benzine for use in the transportation of goods and office vehicles of the Company.

In 2023, the Company has the amount of electricity and gasoline consumption which the details are as follows:

Resource Category	2023		2024		Consumption difference (%)
	Power Consumption On Peak + Off Peak (Unit)	Amount (Million Baht)	Power Consumption On Peak + Off Peak (Unit)	Amount (Million Baht)	
Electric energy	6,522,951	26.95	7,101,527	23.10	8.87
Resource Category	Gasoline Consumption (Litre)	Amount (Million Baht)	Gasoline Consumption (Litre)	Amount (Million Baht)	Consumption difference (%)
Diesel	83,001	2.67	94,511	3.03	
Benzine	6,963	0.25	7,714	0.28	
Total	89,964	2.92	102,224	3.31	13.63

According to the above table of resource consumption, the Company's electricity consumption in 2024 increased from 2023 by 8.87% because during 2024 the Company renovated Ramindra Branch during the night and repairment for air-conditioning system. In addition, the Company opened a new store (Phuket Branch) resulting more electricity to be used and the variable electricity tariff (FT) also increased. However, the Company used renewable energy from solar in 2024 by installing solar rooftops on the roofs of branch buildings, the Company saved costs in the amount of Baht 10.24 million from the amount of electricity used from solar rooftops in the amount of 2,049,391 units. The amount of fuel energy consumption in 2024 increased from 2023 by 13.63% due to increased fuel rates combined with more transportation of products to customers in other provinces. In addition, the Company has opened a new branch (Phuket branch), so the products are transported from the warehouse in Bangkok to be displayed and distributed to customers at the Phuket branch, including Phuket as a delivery hub for customers in the South, resulting in a large number of products being transported during the branch set-up period in the fourth quarter of 2024.

The Company has the policy to reduce energy consumption, such as using electronic mail (E-Mail) instead of paper, reusing paper, taking the stairs instead of the elevator, and using energy-saving bulbs (LED bulbs) as much as possible. In addition, the Company use renewable energy from solar by installing solar rooftops on the roofs of Ratchapruet, Bangna, Ramindra, Pattaya, and Phuket branches, which uses for sale area in each branch, which will help to save expenses.

2. Water Consumption

The Company focuses on effectively using water resources, which has resulted in the greatest benefits. The water produced by the Metropolitan Water Authority is used in the office and branches, wash the parking lot, water plants, and rental shops. However, the Company attempted to reduce water quantity usage by requiring the maintenance team to inspect the water drain and appropriately set the water flow that is used for washing each time.

The Company has consumed the water in the following quantity.

Resource Category	2023		2024		Consumption difference (%)
	Water consumption (Litre)	Amount (Million Baht)	Water consumption (Litre)	Amount (Million Baht)	
Water supply	54,229,000	0.88	55,348,000	0.93	2.06

According to the above table of resource consumption, the Company used water supply in 2024 increased from 2023 by 2.06% because during 2024, the Company installed a Solar Rooftop and cleaned the Solar Rooftop panels at all 4 branches: Bangna branch, Pattaya branch, Ramindra branch and Ratchaphruek branch. In December 2024, the Company has opened a new branch (Phuket Branch), water was used for big cleaning during the branch set up period, and one more branch was added, resulting in an increase in water usage.

3. Waste management, rejects and unused materials

The Company properly handles waste or unused materials caused by goods transportation and raises employee awareness by:

- The campaign involves sorting waste before disposal in order to make use of unused materials and properly manage each type of waste.
 - General waste: the local municipal authorities will bring the waste to be disposed of or reused in accordance with sanitation principles.
 - Organic waste, including leftovers, etc. It will be collected every day by the local municipal authorities.
- The campaign promoting the elimination of consumables used in packaging and transportation of manufacturing and office materials such as
 - Plastic core - after using all clear plastic, it must collect the plastic core and sell it to the partner company for reuse.
 - Paper Carton and Corrugated Carton - carefully unpack the packaging and keep the box in good condition, not torn or dirty, if it can be reused; if it cannot be reused, it must be collected and sold as scrap or waste.
 - A4 Paper - the campaign to encourage the use of two-sided paper before eliminating it.
 - Plastic bottles and cups - the campaign for sorting one is for selling, and the other is for submitting to the recycling project.
- In 2024, the Company spent Baht 836,379.00 on consumable materials to pack products and transportation, including the sales of plastic cores amounted Baht 2,923.38 and waste paper amounted Baht 50,545.03.



Resource category	2023 (Amount: Baht)		2024 (Amount: Baht)	
	Purchasing of consumables	Selling of consumables	Purchasing of consumables	Selling of consumables
Plastic and sales of plastic core	636,808.00	3,613.08	593,704.00	2,923.38
Clear Plastic / bubble	62,400.00	-	57,925.00	-
Corrugated carton / Paper carton	71,500.00	-	100,000.00	-
A4 Paper	74,780.00	-	84,750.00	-
Sales of Scrap / Plastic bottle / Can		36,034.40	836,379.00	50,545.03

4. Greenhouse gas emission

The Company prioritizes the management of reducing greenhouse gas emissions, which was discovered by discovering that the activities of the business with greenhouse gas emissions are the use of electricity from the sales process and from offices, such as the use of electricity, the use of air conditioners, the use of water supply, and the use of gasoline for transporting the products to the customers, as well as the Company's vehicle use. As a result, the Company has pursued a variety of energy-control measures to reduce greenhouse gas emissions. Therefore, there are activities to reduce greenhouse gases by using alternative energy - using Solar Rooftop, which will save electricity costs in the part that uses electricity from Solar Rooftop in place of using normal electricity. During 2024, the Company installed solar cells (Solar Cell) on the roofs of 5 branches, with an installed production capacity of 2,102.275 kWp. and in 2024, it can reduce greenhouse gases in a total amount of 1,918,782 kilograms of carbon dioxide, equivalent to reducing 784,147 kilograms of coal and equivalent to planting 103,925 trees.

Although implementing such a project does not have an obvious numerical effect, low-value energy, and lower energy costs, it will help to grow and rebuild personal habits, bringing them back into the family's daily life and enabling the individual to be a good member of society.

3.4 Management of sustainability in the social dimension

3.4.1 Social Policies and Practices

The Company is committed to conducting its business with transparency, including social significance and respect for human rights, and always adheres to the Company's commitment to sustainable business growth by offering quality products, having integrity in the profession, and being responsible for the development of society simultaneously by defining the following policies and practices in the field of society:

Respect for Human Rights

The Company understands the importance of upholding human rights by treating everyone with quality and fairness and by not discriminating against sex, race, religion, or any other factor that would lead to separation and inequality. Moreover, the Company encourages employees to advance based on their knowledge and abilities without excluding other aspects.

Fair treat to workers

Employment

The Company's employment policies are fair and equal, and it does not discriminate based on educational institution, source of employment, or other characteristics. Nonetheless, in accordance with the agreed-upon rate and standard of remuneration and the employee's qualifications and level of education, skills, and abilities for each position, the Company hires employees fairly and properly.

The Company continues to consider the opportunities for the advancement of its employees by encouraging them to receive training to increase their knowledge and abilities to perform their duties effectively, and by considering promoting the Company's job employment without impeding or discriminating against any employee.



Convenience and safety in the workplace

The Company provides a secure workplace in compliance with general requirements and provides employees with basic benefits.

The Company provides accident insurance benefits to employees who are susceptible to accidents the work, such as the foremen in charge of installation on the work site, the delivery officer, and the installation officer, among others.

Responsibilities to Customers and Partners

The Company is committed to providing customers with satisfaction and confidence; thus, the Company has built a customer management system before, during, and after sales to preserve good long-term relationships. The Company, therefore, established the aforementioned guidelines.

- To provide fair pricing, reasonable pricing, and value to all customers by evaluating fair trade conditions and without discrimination.
- To provide excellent products and services that satisfy consumers with safe products, do not harm customer health, and are trustworthy.
- To present the information openly, accurately, and without distortion.
- The customer's information must be kept confidential and not used for the benefit of the Company or related parties. The customer's information may not be disclosed without prior consent from the customer or the Company's authorized representative unless disclosure is required for clarification or legal actions.
- To contact customers with kindness, efficiency, and reliability, and to respond quickly to their needs to ensure the greatest level of customer satisfaction.
- To provide a route for customers to submit product or company-related suggestions, complaints, or grievances, as well as requests for support and guidance.

The Company organizes for customer relations employees to contact clients after delivery products to the customer to inquire about satisfaction and report the results to management for use in service development, service enhancement, and other relevant purposes.

Treatment to partners

The policy of the Company is to treat its partners equally and fairly by taking any action that must consider the Company's reputation and legality. This involves honoring contractual obligations with partners and considering company equity and mutual benefits with partners. In addition to providing priority to the procurement process or acquisition of goods and services with transparency and justice and guidelines are described as follows:

- The Company executes procurement according to stated criteria efficiently and effectively, taking into account the quality, price, quantity, service delivery, and delivery speed of goods and services, as well as social and environmental responsibility.
- The Company performs its procurement in a transparent, fair, and accountable manner while adhering to all applicable regulations.
- The Company respects all partners with fairness, equity, and the same criteria for vendor selection.
- To provide possibilities for new and existing partners to participate in job opportunities or develop new goods to develop new skills and technology through a transparent, fair, and accountable partner selection process.
- To supply partners with reliable information and reports.
- To prevent unfair business practices, the Company is forbidden from accepting assets or other benefits from business partners or other individuals who have responsibilities or conduct business with the Company. In the event of receiving a gift on the occasion of a significant ceremony or event, such as the New Year's celebration, the gift is typically sent to the General Affair Department for the mutual benefit of all employees.
- To encourage business partners to help in the prevention and fight against corruption by not paying any kind of bribes to government authorities or workers of the Company to benefit from improper work in all situations.
- To strictly comply with the contract or agreed-upon conditions, and in the event of non-compliance with any of the conditions, to immediately alert the partner so that they can jointly consider solutions based on their business relationship.
- To have clear and timely deadlines for payment of products and wages.
- To supervise and help partners in conducting business without commercial exploitation alongside the Company's activity.
- There are channels for partners to complain about bullying or unjust treatment, including the ability to complain to the CEO.
- To provide confidentiality measures for the trading partners by ensuring that the partners' information or secrets are not used for their benefit or the benefit of those related to them, and by not disclosing the partners' information without the partners' prior consent unless the information must be disclosed to the relevant third parties for clarification or legal action.

The Company makes vendors evaluation at least once a year and presents the results to management to enhance the quality of the products, services, and others as required.

Participation in community and social development

The Company operates its business in accordance with its responsibilities to the community and society, focusing on reducing environmental impacts and avoiding activities that may harm the quality of life in the surrounding areas.

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

Management Discussion and Analysis (MD&A) as following details:

Consolidated Statement of Comprehensive Income	31 December 2024 Million Baht	31 December 2023 Million Baht	Change	
			Million Baht	%
Merchandise sales revenue	439.26	442.00	(2.74)	(0.62)
Project-based revenue	97.68	196.63	(98.95)	(50.32)
Service revenue	46.25	45.49	0.76	1.67
Other revenue	9.26	5.77	3.49	60.48
Total revenues	592.45	689.88	(97.43)	(14.12)
Costs of sales and service	218.88	315.93	(97.05)	(30.72)
Gross profit	364.31	368.19	(3.88)	(1.05)
Selling expenses and administrative expenses	373.62	322.12	51.50	15.99
EBIT	(0.05)	51.83	(51.88)	(100.10)
Profit for the year	(28.50)	14.22	(42.72)	(300.42)
Earnings per share (Baht)	(0.020)	0.011	(0.03)	(300.42)

Total revenues for year 2024 amounting to Baht 592.45 million, decreased by Baht 97.43 million compared to 2023 due mainly from the following revenues:

- Merchandise sales revenue from store sales decreased but revenue from sales through online has increased.
- Project-based revenue decreased by Baht 98.95 million due to the number of projects and delivery value delivered during the year.
- Service income increased from rental revenue, utilities revenue with increased in sales and new rental tenants during the year.
- Other income increased from the subsidiary – Cambodia early terminated the lease agreement, resulted to recognize a gain from lease change amounting to Baht 5.08 million.

Cost of sales and service for year 2024 amounting to Baht 218.88 million, decreased by Baht 97.05 million compared to 2023, consistent with the decrease in sales revenue.

Gross profit for year 2024 amounting to Baht 364.31 million, decreased by Baht 3.88 million compared to 2023 which is in the same direction as decreased revenues.

Selling and administrative expenses for year 2024 amounting to Baht 373.62 million, increased by Baht 51.50 million compared to 2023, mainly due to an increase in employee expenses of Baht 14.24 million from an increased number of employees and opened the new store – Phuket Branch. In addition, promotional expenses increased due to spending in marketing activities through various media including create content and LIVE to create brand awareness and build sales both offline and online, including spending public relations expenses for grand opening day at Phuket Branch. Electricity costs have decreased from the use of electricity produced by solar energy. The subsidiary entered into the early termination agreement, resulting to recognized impairment loss amounted Baht 12.75 and the Group recognized an impairment loss on non-refundable deposit amounted Baht 1.73 million.



Financial costs for year 2024 amounting to Baht 26.14 million, decreased by Baht 0.06 million compared to 2023, mainly due to interest expenses from loans decreased due to repayment of short-term and long-term loans including payment of liabilities under lease. In addition, interest expenses from lease agreements increased from lease agreements (Phuket and Theparak Warehouse).

Net Profit for year decreased from its performance operation due mainly to

- Sales revenue and cost of goods sold were decreased. Meanwhile, service income and service costs increased.
- Selling and administrative expenses increased.
- Both subsidiaries had early termination of lease agreement and license agreement resulted to recognized impairment loss, which is one-time transaction as follows:
 - A subsidiary – Cambodia branch entered into an early termination of rental agreement resulted
 - The Group recorded an impairment loss and gain from lease change amounting to Baht 7.67 million in the consolidated financial statements as at 31 December 2024.
 - The Company recorded an allowance for doubtful accounts for account receivable, loans to the subsidiary including accrued interest income and impairment loss on investment in subsidiary and written-off deferred income tax asset, totalling Baht 50.24 million in the company financial statements as at 31 December 2024.
 - A subsidiary – The Blueground Co., Ltd. terminated the license agreement as requested by the licensor therefore the Company recorded a full amount of impairment loss on investment in subsidiary in the company financial statements as at 31 December 2024.

Analysis of Consolidated Statement of Financial Position

Consolidated Statement of Financial Position	Consolidated Statements of Financial Position as at			
	31 December 2024	31 December 2023	Change	
	Million Baht	Million Baht	Million Baht	%
Total assets	1,868.50	1,614.87	253.63	15.7
Total liabilities	1,048.68	765.57	283.11	37.0
Total shareholders' equity	819.83	849.30	(29.47)	(3.5)

Total assets at the consolidated financial position as at 31 December 2024 amounting to Baht 1,868.50 million, increased by Baht 253.63 million from 31 December 2023 are mainly from:

- Cash and cash equivalents decreased by Baht 13.20 million are mainly from cash from operating activities and received loan from bank and has invested in construction and decoration costs for new store (Phuket Branch) including purchase of equipment, computers and software used in operations. In addition to repayment of loans from banks and rental payment under lease agreements.
- Trade and other receivables decreased by Baht 77.05 million are mainly from cash received from receivables from project-based works and accrued income decreased from billing to customers.
- Inventories increased by Baht 17.96 million are mainly from furniture and decoration with new product models, including customized furniture that started selling in August 2024 and inventories at Phuket branch that opened in December 2024.
- Other current assets decreased from impairment loss on non-refundable deposit amounting to Baht 1.73 million.
- Investment properties increased Baht 3.42 million from recognition of rent space to tenants at Phuket branch and renovation of other store area to rent space to tenants.
- Building and equipment increased by Baht 163.28 million came from construction and decoration costs for Phuket Branch, stores renovation and acquisition of office equipment and computer program and software amounting to Baht 230.51 million and recognition of depreciation amounting to Baht 57.50 million and the subsidiary recognized an impairment loss on building improvement – Cambodia amounting to Baht 10.07 million.
- Right-of-use assets increased by Baht 150.26 million are mainly from recognition of lease agreements at Phuket Branch and new warehouse amounting to Baht 150.49 million and lease of vehicles that use at Phuket and recognition of amortization for the year amounting to Baht 38.30 million. Right-of-use assets decreased from early termination of lease agreement of the subsidiary amounting to Baht 10.74 million.

Total liabilities at the consolidated financial position as at 31 December 2024 amounting to Baht 1,048.68 million, increased by Baht 283.11 million from 31 December 2023 are mainly from :

- Trade and other payables increased by Baht 38.44 million due mainly from trade and other payables from construction costs
 - Trade and other payables increased by Baht 20.77 million due mainly from payables from construction costs at Phuket Branch amounting to Baht 19.90 million.
 - Accrued expenses decreased by Baht 1.18 million from settlement of costs related to project-based works whilst accrued expenses for construction costs at Phuket Branch increased by Baht 21.42 million.
 - Retention payable increased from construction and decoration work at Phuket Branch and
 - Deposits received from customers increased.
- Short-term loans amounting to Baht 118.22 million increased by Baht 20.57 million due to the Company received loans during the year.
- Long-term loans amounting to Baht 204.87 million increased by Baht 92.04 million due to the Company received long-term loans amounting to Baht 156.60 million. Repayments of long-term loans during the year amounting to Baht 64.62 million.

- Lease liabilities amounting to Baht 511.15 million increased by Baht 139.68 million due to
 - Recognition of lease liability from lease agreements at Phuket Branch and Theparak Warehouse and lease for vehicles uses at Phuket totaling of Baht 199.46 million.
 - Payments made for lease liabilities during the year amounting to Baht 44.17.
 - Lease liabilities decreased from lease change amounting to Baht 15.82 million.

Total shareholders' equity at the consolidated financial position as at 31 December 2024 amounting to Baht 819.83 million, decreased by Baht 29.47 million from 31 December 2023 resulting from a decrease in operating results for the year of Baht 28.49 million and the non-controlling interests of the subsidiary decreased by Baht 1.83 million from the recognition of loss sharing from the operating results of the subsidiary.

Financial Ratio

Financial Ratio	Unit	31 December 2024	31 December 2023
Liquidity Ratio			
Liquidity Ratio	เท่า	0.78	1.06
Profitability Ratio			
Gross margin	%	62.47	53.82
Net profit	%	(4.80)	2.06
Return on Assets	%	(1.64)	0.86
Return on Equity	%	(3.41)	1.69
Leverage Ratio			
Debt to Equity ratio	เท่า	1.28	0.90
Interest Coverage Ratio	เท่า	3.81	5.69

As at 31 December 2024 the Company's liquidity ratio decreased from the previous year due mainly to capital expenditures from the construction of buildings and decoration of the new branch (Phuket Branch). Although the gross profit margin increased, the proportion of selling and distribution expenses to total revenue increased, resulting in a decrease in the profitability ratio. The debt to equity ratio increased due to the drawdown of loans during the year in addition to the repayment of loans according to the loan agreements.

Factors that may affect Chic's financial status or performance in the future

The Company viewed that the following factors that could affect its financial position or business operations in the future

Fluctuation of foreign currencies

The Company imported certain products from overseas resulting to the Company settled the products cost by foreign currencies including the Company has export sales to a subsidiary in Cambodia by US Dollars settlements. The Company has export sales, mainly from revenues sales through Cambodia Branch into foreign currency. The fluctuation of exchange rate is negative, may affect to its cost of sales and operating results.

However, the Company has risk management policy in term of fluctuation of foreign currencies by entering into forward contracts to mitigate risk from fluctuation of foreign currencies in certain period. In addition, the Company closely monitors news and trends of foreign currencies by the Finance Manager to assess the situation and find ways to hedge against potential risks. In the past, the impact of exchange rates was not significant to the Company's operating results.

GENERAL INFORMATION AND OTHER IMPORTANT INFORMATION

5.1 General Information

Company	: บริษัท ชิค รีพับลิค จำกัด (มหาชน)
Company Name	: CHIC Republic Public Company Limited
Registration No.	: 0107560000389
Registered Share Capital	: Baht 680.00 Million
Fully paid-up Share Capital	: Baht 680.00 Million
Par Value per Share	: Baht 0.50
Registered Security Market	: MAI
Symbol	: CHIC
Type of Business	: To operate a One Stop Shopping business selling furniture, home decor, decorative items and mattress and bedding in stand-alone stores under House Brands: "CHIC Republic" and "Rina Hey" and imported furniture under "Ashley"
Address	: 90 Soi Yothinpatana, Praditmanutham Road, Klongjan, Bangkok 10240
Telephone	: 02-514-7111
Facsimile	: 02-514-7114
Website	: www.chicrepublicthai.com

Company Name	: CHIC Republic Co., Ltd.
Registered country	: Cambodia
Registration No.	: 00032301
Fully paid-up Share Capital	: 20.00 Million Riel
Percentage of holding	: 100.00% of fully paid-up share capital
Type of Business	: To operate a One Stop Shopping business selling furniture, home decor, decorative items and mattress and bedding in stand-alone stores under House Brands: "CHIC Republic" and "Rina Hey"
Address	: Unit 01, Room No. 1, 16 th Floor of Garden in The Air Tower (GIA), Street Sopheap Mongkul (Koh Pitch), Village 14, Sangkat Tonle Bassac, Khan Chamkarmon, Phnom Penh, Cambodia

Subsidiary Name	: บริษัท เดอะ บลูกราวด์ จำกัด (เดิมชื่อ “บริษัท ชิค สเตย์ จำกัด”)
Company Name	: The Blueground Co., Ltd. (Formerly named “Chic Stay Co., Ltd.”)
Registration No.	: 0105566235734
Fully paid-up Share Capital	: Baht 6,500,000.00
Percentage of holding	: 60.00% of fully paid-up share capital
Type of Business	: To provide for management service and rent residence
Address	: 29 Vanessa Building, 24 th Floor, Room 2419, Soi Chidlom, Ploenchit Road, Lumpini, Phatumwan, Bangkok 10330

There are 6 branches in Thailand as follows:

No	Branch	Province	Location
1	Praditmanutham Branch	Bangkok	90 Soi Yothinpatana, Praditmanutham Road, Klongjan, Bangkapi, Bangkok 10240
2	Bangna Branch	Bangkok	983 Bangna-Trad Rd., Bangna, Bangna, Bangkok 10260
3	Ramintra Branch	Bangkok	739/1 Ramintra Rd., Khan na yao, Khan na yao, Bangkok 10230
4	Rajchapruet Branch	Nonthaburi	6/15 Moo.2 Rajchapruet Road, Tambon Om Kret, Amphoe Pak Kret, Nonthaburi 11120
5	Pattaya Branch	Chonburi	244/31 Moo.11 Sukhumvit Rd, Nongprue, Banglamung, Chonburi 20150
6	Phuket Branch	Phuket	90 Moo 5, Kohkeaw, Muang Amphur, Phuket 83000





5.2 Referral Information

Auditor	EY Office Limited 33 rd Floor, Lake Rajada Office Complex 193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110 Telephone: 02-264-0777 Facsimile: 02-264-0789-90
Registrar	Thailand Securities Depository Company Limited The Stock Exchange of Thailand Tower B, 93 Ratchadaphisek Road, Din Daeng, Bangkok 10400 Telephone: 02-009-9000 Facsimile: 02-009-9991

5.3 Legal disputes

As at 31 December 2024, the Company has no legal disputes which may adversely affect the Company by more than 5% of its shareholders' equity, and there are no disputes that may significantly affect the Company's business operations.

FUTURE
PROJECT

- None

Corporate Governance

Part

2

CORPORATE GOVERNANCE POLICY

6.1 Overview of Corporate Governance Policy and Guidelines

Chic Republic Public Company Limited has realized the importance of corporate governance as it is important to promote the operations of the Company and its subsidiary for efficiency and sustainable growth, leading to the utmost benefit to all stakeholders including employees, investors, shareholders, and other stakeholders; therefore, the Board of Directors has approved to have a better corporate governance policy, based on the principles of Corporate Governance Code 2017 for listed companies developed by the Securities and Exchange Commission (SEC), as a guideline for CHIC's corporate governance. The said policy covers key principles starting from structure, roles, duties and responsibilities of the Board of Directors, to the management principles of all executives which are transparent, clear and verifiable, as a guideline for organizational management, ensuring that any operation of the Company and its subsidiaries is fair and takes into account the best interests of all shareholders and stakeholders.

The Company's corporate governance policy consists of 8 principles as below summary:

Principle 1: The Board of Directors has recognized its roles and responsibilities as the organizational leader who creates the sustainable values for the business.

- (1) The Board of Directors works with the management to establish the objectives and goals, strategies, operational policies, and the allocation of key resources to achieve objectives and goals, and also monitor, evaluate and supervise.
- (2) The Board of Directors works with the management to create sustainable values for the businesses, that is, being competitive and having good performance, taking into account the long-term impact, business operations with ethics, respect of rights, and responsibility to shareholders and stakeholders, benefits for society, and development or reduction of negative impacts on the environment. It also enables the Company to adapt itself under changing factors.
- (3) The Board of Directors ensures that all directors and executives perform their duties with responsibility, cautiousness and honesty to the organization and ensures that the operation is in accordance with the laws, regulations and resolutions of the shareholders' meetings.
- (4) The Board of Directors clearly defines the scope of duties and responsibilities assigned to the President and the management, and monitor them to perform duties as assigned.

Principle 2: The Board of Directors determines the objectives and main goals for sustainable business.

- (1) The Board of Directors determines the objectives and main goals for sustainable business in line with the creation of values for business, stakeholders, and society as a whole.
- (2) The Board of Directors oversees and provides the annual strategies and/or medium-term strategies consistent with the achievement of objectives and main goals of the business, and appropriately and safely applies innovations and technologies.

Principle 3: Strengthening the effectiveness of the Board of Directors

- (1) The Board of Directors establishes and reviews the structure of the Board of Directors, in terms of size, composition and proportion of independent directors that are suitable for the organization.
- (2) The Board of Directors selects appropriate person to be the Chairman of the Board and to ensure that the Board of Directors' operations are conducive to the exercise of independent discretions.
- (3) The Board of Directors ensures that the nomination and selection process of directors is transparent and clear so that the Board of Directors will be qualified in accordance with specified composition.
- (4) The Board of Directors proposes all shareholders to approve the remuneration of directors by considering the structure and rates of remuneration that are suitable for both short-term and long-term responsibilities and incentives.

- (5) The Board of Directors ensures that all directors are responsible for performing their duties and allocate sufficient time.
- (6) The Board of Directors ensures that there are framework and mechanism for supervising the policies and operations of subsidiaries and other businesses significantly invested by the Company at an appropriate level for those businesses with corresponding and correct understanding.
- (7) The Board of Directors conducts an annual assessment for the performance of the Board, sub-committees, and individual directors, and also applied the assessment results to further develop the performance of duties of all directors.
- (8) The Board of Directors encourages all directors to have knowledge and understanding of their roles and responsibilities, nature of business, and laws related to business operations, and to regularly strengthen their skills and knowledge for duty performance of directors.
- (9) The Board of Directors ensures that the Board of Directors' operations run smoothly, can access required information, and has the Company Secretary who has knowledge and experience necessary and appropriate to support the performance of the Board of Directors.

Principle 4: The Board of Directors and Executive Nomination and Development & Personnel Management

- (1) The Board of Directors nominates the President and top executives and enhance their knowledge, skills, experiences, and characteristics necessary to drive the organization towards its goals.
- (2) The Board of Directors determines the appropriate structure of remuneration and evaluation.
- (3) The Board of Directors understands the structure and relationship of shareholders that may affect the management and operations of business.
- (4) The Board of Directors oversees the management and development of personnel to have appropriate knowledge, skills, experience and motivation.

Principle 5: The Board of Director and the Promotion of Innovation and Business Operations with Responsibility

- (1) The Board of Directors prioritizes and supports the creation of innovations that create values for the business along with creating benefits for customers or related parties, and social and environmental responsibility.
- (2) The Board of Directors ensures that the Management operates its business with environmental responsibility which is reflected in the action plan, to ensure that all functions of the organization operate in accordance with the objectives, key goals and strategic plans of the Company.
- (3) The Board of Directors ensures that the Management will efficiently and effectively allocate and manage resources, taking into account the impacts and development of resources throughout the value chain for sustainable business operations.
- (4) The Board of Directors provides governance and management of information technology at the corporate level, in line with the needs of the Company, and also ensures that the information technology is applied to increase the business opportunities and to develop operations and risk management to achieve the objectives and main goals of the Company.

Principle 6: Ensuring the appropriate risk management and internal control system

- (1) The Board of Directors shall supervise the Company to have risk management and internal control system that will effectively achieve its objectives and to comply with relevant laws and standards.
- (2) The Board of Directors establishes the Audit and Risk Management Committee that can efficiently and independently perform the duties.
- (3) The Board of Directors oversees the management on the conflicts of interest that may arise between the Company and the Management, Board members or shareholders, and prevents the misuse of the Company's property, information and opportunities, and prevents the transactions with persons connected with the Company in an inappropriate manner.
- (4) The Board of Directors ensures the establishment of clear anti-corruption policy and guidelines, and communicates it to personnel at all levels and to third parties to achieve the practical implementation.
- (5) The Board of Directors ensures the mechanism for receiving complaints and taking action in case of whistleblowing.

Principle 7: The Board of Directors and Maintaining Financial Reliability & Disclosure

- (1) The Board of Directors ensures that the financial reporting system and the disclosure of important information are correct, adequate, timely, in accordance with relevant rules, standards, and guidelines.
- (2) The Board of Directors oversees the adequacy of financial liquidity and solvency.
- (3) Under the situation where the business is facing financial problems or is likely to encounter problems, the Board of Directors will supervise the Company to have solution plans or other mechanisms to solve the financial problems, taking into account the rights of stakeholders.
- (4) The Board of Directors will consider the preparation of sustainability report as appropriate.
- (5) The Board of Directors ensures that the Management has a function or person responsible for investor relations to communicate with shareholders and other stakeholders such as investors, analysts, in an appropriate, equitable and timely manner.
- (6) The Board of Directors promotes the use of information technology in information dissemination.

Principle 8: The Board of Directors and Supporting the Participation and Communication with Shareholders

- (1) The Board of Directors ensures the participation of shareholders in decision making on important matters of the Company.
- (2) The Board of Directors ensures that the proceedings on the day of the shareholders' meeting are smoothly, transparently and efficiently carried out, and all shareholders are facilitated in exercising their rights.
- (3) The Board of Directors ensures that the disclosure of meeting resolutions and the preparation of the minutes of shareholders' meetings are accurate and complete.

Scope of Authority, Duties, and Responsibilities

Board of Directors

The Board of Directors has the mission and responsibilities in managing the Company to comply with the laws, the Company's objectives and regulations, and the legitimate resolutions of the shareholders' meetings with honesty and carefulness to protect the interests of the Company. The mission and important responsibilities are summarized as follows:

1. To manage the Company in compliance with the laws, the Company's objectives and regulations, and the legitimate resolutions of shareholders' meetings with honesty and carefulness to protect the interests of the Company.
2. To work with the executives to determine/review the Company's objectives, main goals, vision, policies and strategies, for same direction, and supervise to ensure the compliance with established policies and plans with efficiency and consistency with the creation of sustainable values for the Company by considering the proper and safe use of innovations and technologies.
3. To set policies, goals, plans and budgets of the Company, its subsidiaries and businesses significantly invested by the Company at a level appropriate to those businesses, and also control, supervise the administration of the Management to be in accordance with the assigned policies, except following matters in which the Board of Directors is required to obtain the approval from the shareholders' meetings before implementation, such as matters required by law to be approved by the shareholders' meetings, such as capital increase, capital reduction, issuance of debentures, selling or transferring all or significant part of the Company's businesses to other persons, or buying or accepting the transfer of business of other companies to the Company, the amendment to the memorandum of association or articles of association, etc.
4. To consider and approve the policies to support the corporate governance of the Company and the Management, such as the principles of corporate governance, business ethics, anti-corruption policy, insider information policy, conflict of interest policy, dividend policy, related party transaction policy, etc.
5. To select qualified persons to be the Company's directors as proposed by the Nomination, Remuneration and Corporate Governance Committee in order to propose in the shareholders' meeting for approval.
6. To monitor the Management's report on business operations with social and environment responsibility which is reflected in the action plans that are consistent with the objectives, main goals and strategic plans in order to sustainably achieve the objectives and main goals. In addition, the information technology is also applied to increase the business opportunities, create benefits for customers or related parties, appropriately develop the operations and internal control or risk management.

7. To consider the management structure, appoint a number of directors as deemed appropriate to be members of sub-committees as appropriate, such as the Executive Committee, the Audit and Risk Management Committee, the Corporate Governance, Nomination and Remuneration Committee, etc., and approve the authority, duties and responsibilities of sub-committees to perform tasks as assigned by the Board of Directors, and may appoint any other persons to operate the Company's businesses under the supervision of the Board of Directors.
8. To elect the Chairman and Managing Director/Chief Executive Officer by considering knowledge, skills, experiences and characteristics necessary to drive the organization towards its goals and consistent with the structure and relationship of shareholders.
9. To consider and amend the names of directors authorized to sign and bind the Company under the provisions of the Articles of Association and the Public Limited Companies Act.
10. To provide accurate and reliable accounting, auditing and financial reporting systems, and the disclosure of important information is accurate, adequate, timely, and in accordance with relevant regulations, standards and guidelines.
11. To establish the control systems for the operations, financial reporting, internal control and risk management, and operational governance to effectively achieve the objectives and comply with relevant laws and standards.
12. To acknowledge the important audit reports of the Audit and Risk Management Committee, or of the internal audit unit, and the Accounting Auditor and advisors in all functions of the Company and be responsible for determining the guidelines for improvement, and solving if any significant defect is found.
13. To clearly define the scope of duties and responsibilities assigned to Managing Director/Chief Executive Officer and the Management, and regularly report important matters to the Board of Directors by specifying in the table of operating authority, and the Executive Committee will propose to the Board of Directors for approval.
14. To consider and approve the quarterly financial statements, or annual financial statements, consider and approve other important businesses regarding the Company, and regularly ensure the adequacy of the Company's financial liquidity and solvency.
15. To consider and approve the interim dividend payment to shareholders when seeing that the Company has a reasonable profit to do so, and report the interim dividend payment to the next Annual General Shareholders and extraordinary general meetings for acknowledgement under the timeframe and conditions based on laws and the Company's regulations.
16. To consider and screen the agendas to be proposed in the shareholders' meeting for approval, give opinions as the input for the acknowledgement of shareholders in conjunction with proposing an agenda for the consideration of shareholders, conduct the shareholders' meetings with order, transparency and efficiency, and facilitate shareholders to appropriately exercise their rights.
17. To prepare the Company's annual report and disclose financial statements to show the financial position and performance of previous year, and then propose to the shareholders' meeting; to prepare a report on the Board of Directors' responsibilities for financial reports together with the report of Accounting Auditor in the annual report, and consider the preparation of social responsibility report or sustainability report as appropriate by appropriately applying the information technology for disclosure.
18. To consider and evaluate the annual performance of the Board of Directors, sub-committees, and individual directors in order to further use the assessment results for performance consideration, and supervise the Company to have a remuneration structure, performance appraisal and human resource management and development as appropriate.
19. To supervise the Company to comply with the Securities and Exchange Act and the regulations of the Stock Exchange of Thailand such as connected transactions, acquisition or disposition of assets based on the regulations of the Stock Exchange of Thailand or based on the Notifications of the Securities and Exchange Commission, Capital Market Supervisory Board, or laws related to the Company's business.

The Board of Directors can authorize one or more directors or any sub-committees or any other persons to act on behalf of the Board of Directors under the control of the Board of Directors, or authorize such persons to have powers and duties as deemed appropriate by the Board of Directors and within a period of time as deemed appropriate by the Board of Directors. The Board of Directors may cancel, revoke, change or amend the authorized person or that authority if deemed appropriate.

The delegation of authority, duties and responsibilities of the Board of Directors must not be the delegation of authority or sub-authority that makes the Board of Directors or the authorized person from the Board of Directors can approve any transaction that oneself or person who may have conflicts of interest (as definition in the Notification of the Securities and Exchange Commission), may have a conflict of interest, or may have any other conflict of interest with the Company, unless it is the approved transaction that is in accordance with the policies and criteria approved by the Board of Directors or the shareholders' meeting, which is in accordance with the Securities and Exchange Act, regulations, announcements, orders, or requirements of the Stock Exchange of Thailand, or the Office of the Securities and Exchange Commission, and/or relevant laws.

Audit and Risk Management Committee

The Audit and Risk Management Committee has the authority, duties and responsibilities to perform tasks in the same manner as specified in the Notification of the Stock Exchange of Thailand regarding the qualifications and scope of work of the Audit and Risk Committee as follows:

1. To review and ensure the accuracy and adequacy of the Company's financial reports by coordinating with external Accounting Auditors and executives responsible for preparing financial reports within the timeframe prescribed by the laws, requirements of the Stock Exchange of Thailand, and of relevant government agencies.
2. To review and ensure that the Company has appropriate and efficient internal control, internal audit and risk management systems, and also consider the independence of the internal audit unit, approve an appointment, removal, transfer or termination of the head of the internal audit unit, or any other units in charge of an internal audit.
3. To review and ensure that the Company is in compliance with laws, regulations of the Stock Exchange of Thailand, and other laws related to the Company's businesses.
4. To consider, nominate and propose the appointment of independent persons to perform the duties, or withdraw the Company's Accounting Auditor, and consider and propose the remuneration of such persons, and also attend a meeting with the Accounting Auditor without the presence of the Management at least once a year.
5. To consider the connected transactions or the transactions that may cause conflicts of interests, making them in line with the laws and regulations of the Stock Exchange of Thailand. This is to ensure such transactions are reasonable and for the highest benefit of the Company.
6. To review and approve the internal audit plan, audit guidelines, and audit evaluation on the Company's operations according to the accepted methods and standards.
7. To prepare a report of the Audit and Risk Management Committee and disclose it in the Company's annual report. The report must be signed by the Chairman of the audit committee's chairman and consist of at least following information: The report must be signed by the Audit and Risk Management Committee, and must contain at least information as specified in the requirements of the Stock Exchange of Thailand.
8. In performing the duties of the Audit and Risk Management Committee, if any of following suspicious transactions or acts is found that it may significantly affects the Company's financial position and performance, the Audit and Risk Management Committee shall report to the Board of Directors to take corrective action or make improvements within the timeframe deemed appropriate by the Audit and Risk Management Committee.
 - a) Transaction causing the conflict of interest.
 - b) Corruption or significant irregularities or errors in the internal control system.
 - c) Violation of the Securities and Exchange Act, SET's requirements or laws related to the Company's businesses.If the Board of Directors or executives fail to take corrective action or make improvements within the aforementioned timeframe, any member of the Audit and Risk Management Committee may report the above transaction or act to the Office of the Securities and Exchange Commission, or the Stock Exchange of Thailand.
9. In performing the duties of the Audit and Risk Management Committee, the Audit and Risk Management Committee may seek advices from external and independent consultants or experts in other professions if deemed necessary and appropriate, with all related expenses borne by the Company.
10. To review and update the Charter of the Audit and Risk Management Committee, and propose to the Board of Directors for approval.

11. To receive complaints and whistleblowing about the misconduct, corruption, or non-compliance with laws, regulations and codes of conduct for the Company's business operations and to independently supervise the investigation of facts and determine the punishment as appropriate in accordance with relevant policies determined by the Board of Directors.
12. To review and give opinions on the policies and report the assessment results of corporate governance, social responsibility, and anti-corruption.
13. To review and approve the framework or criteria for risk management, this includes policies and procedures for identifying, prioritizing, preventing, managing risks to an acceptable level, monitoring and reporting the critical business risks to the Board of Directors for consideration.
14. To review the report on major risk and risk management measures prepared by the Risk Team, to ensure that these risks are managed within the risk appetite.
15. To take the information of major risks and internal control to consider and approve the internal audit plan, in order to create reasonable assurance that the Company has an internal control system suitable for risk management, and also appropriately apply the risk management system and comply it in the whole organization.
16. To report the risk assessment results and risk mitigation results to the Board of Directors.
17. To perform the duties and responsibilities of the Audit and Risk Committee to the extent that does not involve in the management of the Company.
18. To perform any other operations as assigned by the Board of Directors and approved by the Audit and Risk Management Committee.
19. To conduct self-evaluation for annual performance of the Audit and Risk Committee and report the result to the Board of Directors.

Good Governance, Nomination and Remuneration Committee

The Good Governance, Nomination and Remuneration Committee ("Corporate Governance Committee") is established to promote the corporate governance and be responsible for advising on strengthening the effective Board of Directors, the nomination and development of top executives, personnel management and encouraging the participation and communication with shareholders, providing other advices regarding the guidelines for the principles of corporate governance. The Corporate Governance Committee has scope of authority, duties and responsibilities as follows:

1. To consider, review, and propose to the Board of Directors to consider the policies to support the corporate governance of the Company and the Management, such as the principles of corporate governance, business ethics, anti-corruption policy, insider information policy, conflict of interest policy, dividend policy, related party transaction policy, etc., for complying with the principles of Corporate Governance Code 2017 prescribed by the Securities and Exchange Commission.
2. To advise the Board of Directors in determining the size, composition, proportion of independent directors that are suitable for the organization, and also determine the qualifications of the directors to be nominated, by preparing the skill matrix of directors to ensure that the Company will have qualified members of Board who understand and respond to the needs of stakeholders.
3. To annually formulate and review the guidelines in terms of selection, director database, appointment process for new directors, and the definition of independence to be used as a qualification of an independent director of the Company and the criteria specified by the SEC shall be applied as the minimum criteria and additional criteria to be consistent with the nature of the Company is placed, and the independence from executives and major shareholders are also in place.
4. To nominate and propose the qualified persons to serve as directors for the consideration of the Board, and then propose to the shareholders' meeting for appointment, except any vacancy of the director who resigned before the end of his/her term shall be appointed by the Board of Directors.
5. To consider the criteria and methods for nominating the qualified persons for the position of Managing Director / Chief Executive Officer.
6. To advise the Board of Directors in preparing succession plans for Managing Director / Chief Executive Officer and top executives.
7. To consider and propose to the Board of Directors for annual performance appraisal and remuneration of Managing Director/ Chief Executive Officer, and all executive directors shall not participate in voting.

8. To determine and review the policies, rates and criteria for determining the annual remuneration of sub-committees that is fair and consistent with the Company's performance, in a manner comparable to the practical level of the industry, and then propose to the Board of Directors for approval or propose to the shareholders' meeting for approval (as the case maybe) and disclose to stakeholders based on best practices.
9. To perform any other tasks as assigned by the Board of Directors.
10. The Corporate Governance, Nominate and Remuneration Committee evaluates its own annual performance and report the result to the Board of Directors.

Executive Committee

The Executive Committee has authority, duties and responsibilities as follows:

1. To operate and manage the Company's businesses in accordance with the objectives, regulations, policies, rules, requirements, orders and resolutions determined, approved, or assigned by the Board of Directors.
2. To determine/scrutinize strategies, policies, business plans, budgets, and executive powers of the Company for presenting to the Board of Directors.
3. To operate the Company's businesses in lines with strategies, policies, and plans, and perform tasks in accordance with the laws, the Company's regulations and SET's regulations.
4. To consider, scrutinize and approve the allocation of annual budget as proposed by the Management before presenting to the Board of Directors, serve as a management advisory committee for the policies on finance, marketing, human resource management, and other functions.
5. To consider and approve the Company's organizational structure at the management level.
6. To consider and assign Managing Director / Chief Executive Officer to appoint Assistant Managing Directors, or managers.
7. To consider and approve the investment, property trading, hiring, borrowing, renting or leasing of property, expenditures based on Authority Table and the limit amount approved by the Board of Directors, including the termination of contract or such actions.
8. To supervise the management of executives to be in accordance with the requirements or approval of the Board of Directors.
9. To review and give feedback on matters to be presented to the Board of Directors' meeting
10. To quarterly report the Company's performance to the Board of Directors.
11. To consider and approve the feasibility studies of projects proposed by the Management prior to the presentation to the Board of Directors.
12. To consider and approve any other matters as assigned by the Board of Directors.

Managing Director / Chief Executive Officer

Managing Director has authority, duties and responsibilities as follows:

1. To control the business operations, prepare strategic plans for daily operations and day-to-day management of the Company.
2. To make decisions on important matters of the Company in accordance with the objectives, main goals, vision, policies and strategies of the Company that have been approved by the Board of Directors, and also control the management in various functions.
3. To be authorized in commanding, contacting, directing, and entering into any legal contracts, orders or documents as stated in the power of action.
4. To be authorized in determining trading conditions for the benefits of the Company.
5. To consider the investments in new businesses or termination of any business, and then propose to the Executive Committee and/or the Board of Directors.
6. To take any action as assigned by the Board of Directors or any sub-committee.

Nomination of Directors and Top Executives

Board of Directors

The Board of Directors has established the criteria for the nomination of directors which is a part of the Charter of the Board, and has assigned the Nomination, Remuneration and Corporate Governance Committee to supervise the nomination and selection of directors with a transparent and clear process so that the Company will have qualified directors in accordance with the specified composition. Additionally, the Nomination, Remuneration and Corporate Governance Committee shall give advices to the Board of Directors in determining the proportion of independent directors suitable for the organization, and in determining the qualifications of directors to be nominated, director database, selection of candidates for director to be proposed to the shareholders' meeting for appointment, and the transparent and clear process for appointing new directors so that the Company will have qualified members of the Board in accordance with the specified composition. The criteria are annually reviewed and reported to the Board of Directors.

The key points of basic criteria for the nomination of directors are summarized as follows:

- 1. Composition of the Board and Proportion of Independent Directors:** The Board of Directors consists of independent directors for at least one-third of total directors, and at least one non-executive director with work experience related to the Company to strengthen the effectiveness of the Board.
- 2. Diversity in the Structure of the Board:** The Board of Directors has the size, composition, and proportion of independent directors that are suitable for the organization, and the Board's members have a variety of qualifications such as professional skills, expertise, gender, etc., and at least one non-executive director must have work experience related to the Company's business.

Nomination of Independent Directors

Independent directors shall have qualifications relating to independence as stipulated by the Office of the Securities and Exchange Commission, it is the minimum criteria and is independent from executives and major shareholders, and also consistent with the above criteria for the nomination of directors and the number of independent directors must be at least one-third of total directors.

At present, the Company's Board of Directors has 4 independent directors out of totally 8 directors, or accounting for more than half of total directors of the Company.

Nomination of Directors and Top Executives

The Nomination, Remuneration and Corporate Governance Committee shall screen and nominate candidates of the Company's directors to the Board of Directors for approval and then propose to the shareholders' meeting for consideration and election at the Annual General Meeting of Shareholders and the nomination of Managing Director / Chief Executive Officer who is the highest level of executives will be appointed by the Board of Directors.

The election of the Company's directors in the Annual General Meeting of Shareholders will be in accordance with the Company's Articles of Association, that is, among the total number of directors at that time, there will be one-third (1/3) or the number nearest to one-third of directors who are retire by rotation, the retired directors may be re-elected to resume the office and the shareholders' meeting shall elect the Company's directors based on following criteria and methods:

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

Term of Office

Board of Directors

1. At every Annual General Meeting, the one-third (1/3) of the number of directors at that time shall retire from their office. If the number is not divisible into three portions, then the number nearest to one-third (1/3) shall retire. A retired director may be elected to resume the office.

The directors who must retire in the first and second years following the registration of the Company shall draw lots. In every subsequent year, the directors who have been in office for longest period shall retire. Independent directors shall hold office for a term of not more than 9 consecutive years, unless there is a reason and necessity deemed appropriate by the Board of Directors.

2. Other than the retirement by rotation, a director shall vacate the office upon his/her:
 - 1) Death;
 - 2) Resignation (Effective after the Company received a letter of resignation);
 - 3) Disqualification or possession of the prohibited characteristics according to the Public Limited Companies Act or the Securities and Exchange Act;
 - 4) Being removed by resolution of the Shareholders' Meeting;
 - 5) Being removed by the court's order

In case where there is any vacancy of the director office due to other reason other than a retirement by rotation, the Board of Directors may elect a person who is qualified without prohibited characteristics according to the Public Limited Companies Act or the Securities and Exchange Act to be the replacing director at the next Board of Directors' meeting, except in case where the remaining office term of the said director is less than two months. The candidate who assumes to be the replacing director shall be in the office only for such remaining office term of the replaced director. The resolution of the Board of Directors shall consist of votes of not less than three-fourth (3/4) of the remaining number of directors.

Audit and Risk Management Committee

The Audit and Risk Committee has a term of office of 3 years. Any member of the Audit and Risk Management Committee who retire by rotation may be re-elected to resume the office. In case where there is any vacancy of the office of a member of the Audit and Risk Committee due to a retirement by rotation, the Board of Directors shall elect a person who is fully qualified to be a member of the Audit and Risk Committee so that the number of members of the Audit and Risk Management Committee will be complied with the number determined by the Board of Directors. The candidate who assumes to be the replacing member shall be in the office only for such remaining office term of the replaced member.

Nomination, Remuneration and Corporate Governance Committee

The Nomination, Remuneration and Corporate Governance Committee has a term of office of 3 years. Any member of the Nomination, Remuneration and Corporate Governance Committee who retire by rotation may be re-elected to resume the office. In case where there is any vacancy of the office of a member of the Nomination, Remuneration and Corporate Governance Committee due to a retirement by rotation, the Board of Directors shall elect a person who is fully qualified to be a member of the Audit and Risk Committee so that the number of members of the Nomination, Remuneration and Corporate Governance Committee will be complied with the number determined by the Board of Directors. The candidate who assumes to be the replacing member shall be in the office only for such remaining office term of the replaced member.

Executive Committee

Executive director has a term of office of 3 years from the appointment date, the retired directors may be re-elected to resume the office

Supervision on the operations of subsidiaries and/or associated companies

In terms of the supervision on the operations of subsidiaries and/or associated companies, the Management shall assign the director of the Company or select the executive with qualifications and experiences suitable for the operations of subsidiaries and/or associated companies to be the representative for management to formulate important policies and control the business operations of subsidiaries and/or associated companies.

To supervise the operations of subsidiaries and/or associated companies with efficiency and transparency, the Company has established the regulations to nominate and exercise the voting rights in appointing a person be the director in subsidiaries and that nominated person must be approved by the Board of Directors. The person appointed as a director in subsidiaries and/or associated companies is responsible in performing duties for the best interest of that subsidiary and/or associated company by controlling the operations of the subsidiary and/or associated company to be in accordance with the strategies and business plans under the policies approved by the Board of Directors, and also performing duties with the principles of corporate governance. The appointed person must be approved by the Board of Directors if he/she is appointed by the Company; however, the number of director appointed to be the representatives of the Company in any subsidiary and/or associated company must be corresponding to the shareholding proportion of the Company.

In addition, the Company's directors must ensure that the subsidiary has internal control system, risk management system and anti-corruption system, and set up measures to monitor the performance of subsidiary and/or associated company in an appropriate, efficient and concise manner to ensure that the operations of subsidiary and/or associated company will be truly in line with the Company's plans, budgets, policies and Articles of Association, including laws, the Notifications on corporate governance of listed companies, and the Notifications, rules and regulations related to the Capital Market Supervisory Board, the Office of the Securities and Exchange Commission, and the Stock Exchange of Thailand. The subsidiary and/or associated company will be monitored on the disclosure of connected transactions and/or acquisition or disposal of assets and/or other significant transactions to the Company and completely and accurately carry out operations in accordance with the Company's plans, budgets, policies, and rules for supervision and management of subsidiaries and/or associated companies as specified in the Company's Articles of Association. In addition, the subsidiary and/or associated company will be supervised to store the information. and record its accounting transactions so that the Company can examine and compile to prepare the consolidated financial statements as scheduled.

Supervision of Insider Information

The Company has a policy and method for auditing directors and executives for the use of inside information of the Company which has not yet been disclosed to the public, for personal gains in securities trading, as follows:

1. The Company provides knowledge to the directors and executives of the Company regarding Section 59 of the Securities and Exchange Act (including amendments) stipulating their duties on preparing, disclosing and submitting the reports on their holding of securities, and their spouse or cohabiting couple, minor children, and any juristic person that they, their spouse or cohabiting couple, and minor children hold 30% of total shares with voting rights of that juristic person, and hold the highest number of shares of that juristic person, to the Office of the Securities and Exchange Commission ("Office of SEC") and in accordance with the Notification of the Office of the Securities and Exchange Commission No. Sor Jor. 38/2561, RE: Preparation of Report on Changes to the Securities and Derivatives Holding of Director, Executive, Auditor, and Plan Administrator (including amendments) and punishment under Section 275 of the Securities and Exchange Act, B.E. 2535 (1992) in accordance with the rules and methods announced and prescribed by the SEC Office, and also provides knowledge on the acquisition or disposal of securities under Section 246 of the Securities and Exchange Act, and punishment under Section 298 of the Securities and Exchange Act (including amendments).
2. The Company requires that directors, executives or persons who may be considered to know insider information and may affect the changes in securities prices, including their spouses or cohabiting couple, minor children, and any juristic person that they, their spouse or cohabiting couple, and minor children hold 30% of total shares with voting rights of that juristic person, and hold the highest number of shares of that juristic person, report changes in their securities holdings to the Company Secretary who will submit that report to the Office of the Securities and Exchange Commission. The preparation, timeframe and method for the submission of report on securities holding and changes in securities holding, and the acquisition or disposal

of securities shall be in accordance with the rules set forth in the Securities and Exchange Act, and related Notifications of the Office of the Securities and Exchange Commission (including amendments) so that the Company can examine all of the said persons for their securities trading.

3. Any person who has received material inside information which affects securities price, must be suspended in the 30-day period before the financial statements or inside information are released to the public and must not trade in the Company's securities under a period of 24 hours has elapsed since the disclosure of all information to the public, and is prohibited to disclose such material information to other persons. If it is found that the inside information is used in a way that will damage the Company or its shareholder, that person will be punished in accordance with the regulations prescribed by the Company, or as stipulated by laws, the punishment will be determined by the intent of the act and the severity of that offense.

6.2 Business Ethics

The Company has prepared the code of conduct related to business ethics for the Board of Directors, executives and workers in various functions so that they will adhere to it a guideline. The main issues are to maintain the confidentiality of the Company, operate with integrity, legality, respect for rights of each other, and maintenance of resources both within the Company and external environment. The emphasis on business ethics will make them to perform their duties with honesty and more effective internal control, resulting in confidence in the capital market and creating the reliability for investors. The Company has published it on the website for the acknowledgement of all stakeholders and the public.

6.3 Major Changes and Developments in Policies, Guidelines and Corporate Governance System in previous year

6.3.1 Major Changes and Developments in Policies, Guidelines and Corporate Governance System

The Company has updated its corporate governance policies to be in line with the Corporate Governance Code (CG Code) 2017 at least once a year in order to align with the company's vision, objectives and operational strategies, corporate values and goals established each year.

6.3.2 The Application of Corporate Governance Code (CG Code) 2017 for listed companies prescribed by SEC

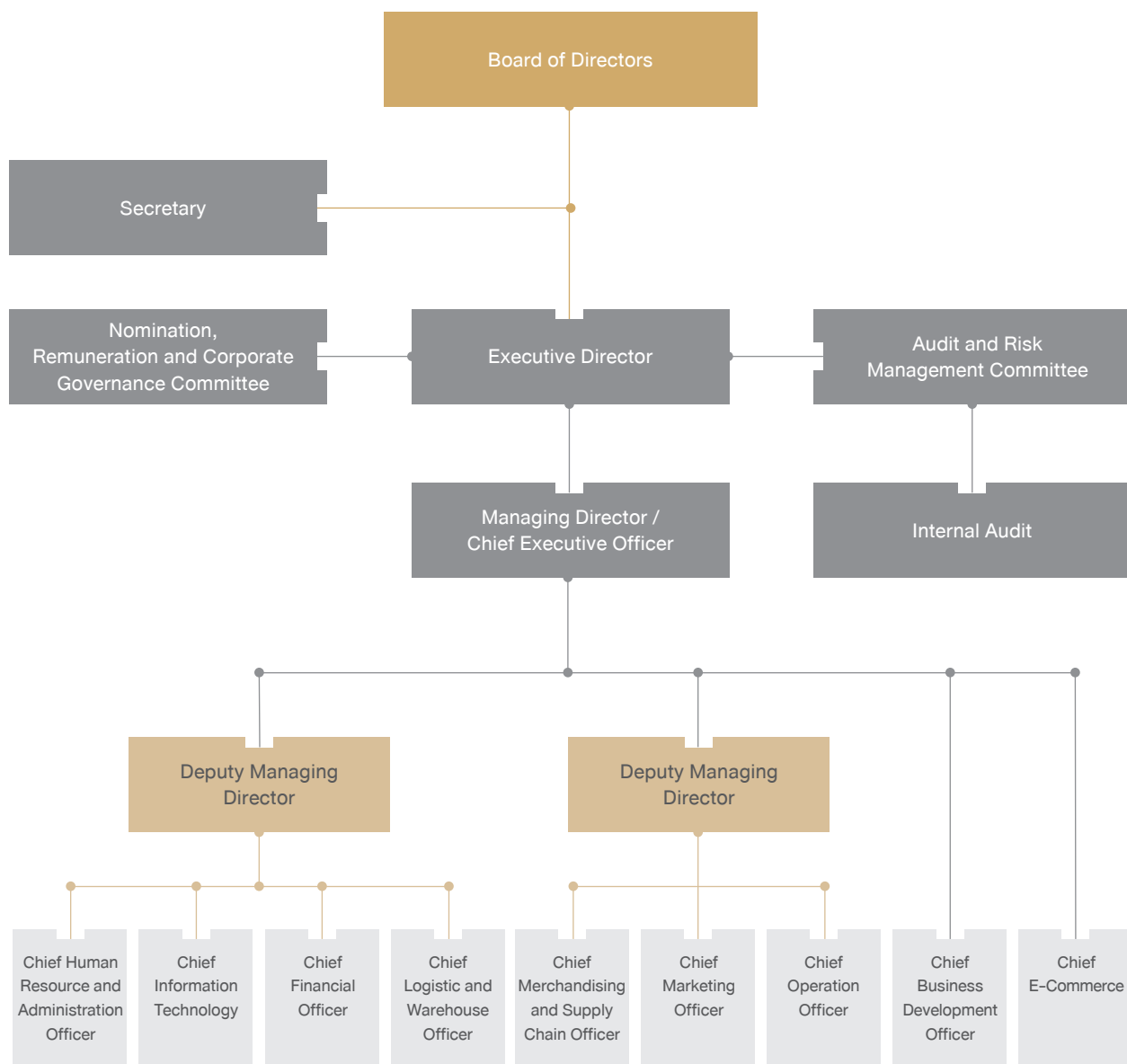
The Board of Directors has assigned the Management to appropriately apply the Corporate Governance Code (CG Code) 2017 for listed companies prescribed by SEC in the businesses of the Company and its subsidiaries, to develop and monitor.

CORPORATE GOVERNANCE STRUCTURE AND IMPORTANT INFORMATION ABOUT THE BOARD OF DIRECTORS, SUB-COMMITTEE, EXECUTIVES, EMPLOYEE AND OTHERS

7.1 Corporate Governance Structure

The Company's management structure as at 31 December 2024, consists of the Board of Directors and three sub-committees, namely the Audit and Risk Management Committee, the Nomination, Remuneration and Corporate Governance Committee, and the Executive Committee, with details of the management structure as follows:

Organizational Structure



7.2 Information about the Board of directors, the sub-committee, executives, employees, and others.

7.2.1 Board of Directors

As at 31 December 2024, the Board of Directors consists of 8 directors with the following details:

Name-Surname			Position
1.	Dr. Paiboon	Sareewiwatthana	Chairman/Independent Director/ Nomination, Remuneration and Corporate Governance Committee
2.	Mr. Sarawut	Charuchinda	Independent Director/Audit and Risk Management Committee
3.	Dr. Rom	Hiranpruk	Independent Director / Audit and Risk Management Committee/ Nomination, Remuneration and Corporate Governance Committee
4.	Dr. Kusaya	Leerahawong	Independent Director / Audit and Risk Management Committee/ Chairman of Nomination, Remuneration and Corporate Governance Committee
5.	Mr. Kijja	Pattamasattayasonthi	Director / Chief Executive Officer
6.	Ms. Kamoltip	Parksuwan	Director / Nomination, Remuneration and Corporate Governance Committee / Executive Director
7.	Miss Piyanuch	Nakayodhin	Director / Executive Director
8.	Miss Sarita	Pattamasattayasonthi*	Director / Executive Director

* The Annual General Shareholders Meeting of 2024 held on 22 April 2024 issued the resolution to appoint Miss Sarita Pattamasattayasonthi as the Company's director

And Miss Piyanuch Sathidyoung is the Secretary of the company.

Authorized Director to bind the Company

Mr. Kijja Pattamasattayasonthi, Ms. Kamoltip Parksuwan, Miss Piyanuch Nakayodhin, and Miss Sarita Pattamasattayasonthi are the authorized directors to bind the company. Two of these four directors signed together and stamped the Company's seal.

Board of Directors' Meeting

Details of the Board of Directors' meeting for the year ended 31 December 2023 and 2024 as follows:

Name-Surname			Number of meetings / Number of times eligible to att	
			Year ended 31 December 2023	Year ended 31 December 2024
1.	Dr. Paiboon	Sareewiwatthana	8 / 8	11 / 11
2.	Mr. Sarawut	Charuchinda	8 / 8	11 / 11
3.	Dr. Rom	Hiranpruk	8 / 8	11 / 11
4.	Dr. Kusaya	Leerahawong	8 / 8	11 / 11
5.	Mr. Kijja	Pattamasattayasonthi	8 / 8	11 / 11
6.	Ms. Kamoltip	Parksuwan	8 / 8	11 / 11
7.	Miss Piyanuch	Nakayodhin	8 / 8	11 / 11
8.	Miss Sarita	Pattamasattayasonthi*	-	8 / 8

* The Annual General Shareholders Meeting 2567 held on 22 April 2024 issued the resolution to appoint Miss Sarita Pattamasattayasonthi as the Company's director

Audit and Risk Management Committee

As at 31 December 2024, the Audit and Risk Management Committee consists of three persons as follows:

Name-Surname			Position
1.	Mr. Sarawut	Charuchinda	Chairman of Audit and Risk Management Committee
2.	Dr. Rom	Hiranpruk	Director of Audit and Risk Management Committee
3.	Dr. Kusaya	Leerahawong	Director of Audit and Risk Management Committee

*Mr. Sarawut Charuchinda and Dr. Kusaya Leerahawong are audit committee members who have sufficient knowledge and experience to review the reliability of financial statements

Miss Nuch Phupraphan is the Secretary of Audit and Risk Management Committee.

Audit and Risk Management Committee Meeting

Details of the Audit and Risk Management Committee meetings for the year ended 31 December 2023 and 2024 are as follows:

Name-Surname Number of meetings / Number of times eligible to attend

Name-Surname			Number of meetings / Number of times eligible to attend	
			Year ended 31 December 2023	Year ended 31 December 2024
1.	Mr. Sarawut	Charuchinda	4 / 4	4 / 4
2.	Dr. Rom	Hiranpruk	4 / 4	4 / 4
3.	Dr. Kusaya	Leerahawong	4 / 4	4 / 4

Nomination, Remuneration and Corporate Governance Committee

As at 31 December 2024, Nomination, Remuneration and Corporate Governance Committee consists of four members as follows:

Name-Surname			Position
1.	Dr. Kusaya	Leerahawong	Chairman of Nomination, Remuneration and Corporate Governance Committee
2.	Dr. Paiboon	Sareewiwatthana	Nomination, Remuneration and Corporate Governance Committee
3.	Dr. Rom	Hiranpruk	Nomination, Remuneration and Corporate Governance Committee
4.	Ms. Kamoltip	Parksuwan	Nomination, Remuneration and Corporate Governance Committee

And Miss Piyanuch Nakayodhin is the Secretary of Nomination, Remuneration and Corporate Governance Committee

Nomination, Remuneration and Corporate Governance Committee's meetings

Details of Nomination, Remuneration and Corporate Governance Committee's meetings for the year ended 31 December 2023 and 2024 are as follows:

Name-Surname		Number of meetings / Number of times eligible to attend	
		Year ended 31 December 2023	Year ended 31 December 2024
1.	Dr. Kusaya Leerahawong	3 / 3	2/2
2.	Dr. Paiboon Sareewiwatthana	3 / 3	2/2
3.	Dr. Rom Hiranpruk	3 / 3	2/2
4.	Ms. Kamoltip Parksuan	3 / 3	2/2

Executive Committee

As at 31 December 2024, the executive committee consists of 6 directors as follows:

Name-Surname		Position
1.	Mr. Kijja Pattamasattayasonthi	Chairman of Executive Committee
2.	Ms. Kamoltip Parksuan	Executive Director
3.	Miss Piyanuch Nakayodhin	Executive Director
4.	Miss Sarita Pattamasattayasonthi	Executive Director
5.	Mr. Thongchai Damrongpiriyakul	Executive Director
6.	Miss Sinina Pattamasattayasonthi*	Executive Director

* The Board of Directors Meeting no. 4/2567 held on 13 May 2024 issued the resolution to appoint Miss Sinina Pattamasattayasonthi as the Company's executive director

Miss Piyanuch Satidyong is the Secretary of Executive Committee.

Executive Committee Meeting

Details of attendance of Executive Committee meeting for the year ended 31 December 2023 and 2024 are as follows:

Name-Surname		Number of meetings / Number of times eligible to attend	
		Year ended 31 December 2023	Year ended 31 December 2024
1.	Mr. Kijja Pattamasattayasonthi	14 / 14	13 / 14
2.	Ms. Kamoltip Parksuan	13 / 14	13 / 14
3.	Miss Piyanuch Nakayodhin	14 / 14	14 / 14
4.	Miss Sarita Pattamasattayasonthi	12 / 12	14 / 14
5.	Mr. Thongchai Damrongpiriyakul	12 / 12	14 / 14
6.	Miss Sinina Pattamasattayasonthi*	-	7 / 9

* The Board of Directors Meeting no. 4/2567 held on 13 May 2024 issued the resolution to appoint Miss Sinina Pattamasattayasonthi as the Company's executive director

Company Secretary

On 13 November 2017, the Board of Directors (post-conversion) Meeting no. 3/2560 issued the resolution to appoint Miss Piyanuch Sathidyoung as the Company's Secretary, with the following authority and responsibilities:

1. To perform the duties of company secretary in accordance with section 89/15 of the Securities and Stock Exchange Act namely,
 - A. To prepare and maintain the following documents:
 1. Register of Directors
 2. Invitation letter of the director's meeting, minutes of the board of meeting and the company's annual report
 3. Invitation letter of shareholder's meeting and minutes of company's annual report.
 - B. To maintain the interest reports reported by the directors or the executives.
 - C. To carry out of other actions as announced by the Capital Market Supervisory Board.
2. To supervise the company and the Board of directors to comply with laws and regulations, regulations of shareholders, and good corporate governance principles.
3. To act as the aid agency to the directors performing as the Gate Keeper in accordance with the Charter of the Board of Directors i.e., is responsible for providing legal advice and rules that the Board of directors must be aware of and overseeing the activities of the directors. This includes providing or offering training information so that the directors have an understanding of their roles and responsibilities, the nature of business, and applicable law related to business operation as well as coordinating with the sub-committee and management section to propose the agenda in accordance with the authority under the Charter and the authority to operate and to monitor compliance with the resolutions of the Board of directors.

Executives

As at 31 December 2024, the executives of the Company consist of 10 members as follows:

ชื่อ - นามสกุล			ตำแหน่ง
1.	Mr. Kijja	Pattamasattayasonthi	Managing Director / Chief Executive Officer/ Acting Deputy Managing Director / Acting Chief Project Sales
2.	Miss Piyanuch	Nakayodhin	Deputy Managing Director / Chief Financial Officer / Acting Chief Human Resource and Administration and Support
3.	Mr. Chayut	Chantasorn	Chief Logistic and Warehouse Officer
4.	Mr. Sermak	Palasilmongkol	Chief Information Technology
5.	Miss Sarita	Pattamasattayasonthi	Chief Business Development Officer / Acting Chief Marketing Officer
6.	Mr. Thongchai	Damrongpiriyakul	Chief E-Commerce
7.	Miss Sinina	Pattamasattayasonthi	Chief Merchandising and Supply Chain Officer
8.	Miss Jintana	Sriyaowapas	Chief Operation Officer
9.	Miss Nuch	Phupraphan	Accounting Manager
10.	Miss Piyanuch	Sathidyoung	Finance & Budget Manager

Remuneration of Directors and Executives

Remuneration of Directors

1) Monetary Remuneration

The Annual General Meeting of 2024 on 22 April 2024 approved the remuneration of the Board of Directors, the Audit and Risk Management Committee and other committees as follows:

Position	Remuneration (Baht/Person/Month)
Chairman of the Board of Directors	50,000
Chairman of Audit and Risk Management Committee	45,000
Audit Director	40,000
Executive Directors of the Company	No remuneration from being a director

Note: 1. Independent directors who serve as directors on multiple sub-committees will be paid at the highest rate of only one amount.

Details of remuneration received by directors for the year ended 31 December 2023 and 2024 as follows:

Name-Surname			Remuneration (Baht)	
			Year ended 31 December 2023	Year ended 31 December 2024
1.	Dr. Paiboon	Sareewiwatthana	600,000	600,000
2.	Mr. Kija	Pattamasattayasonthi	-	-
3.	Mr. Sarawut	Charuchinda	540,000	540,000
4.	Dr. Rom	Hiranpruk	480,000	480,000
5.	Dr. Kusaya	Leerahawong	480,000	480,000
6.	Ms. Kamoltip	Parksuwan	-	-
7.	Miss Piyanuch	Nakayodhin	-	-
8.	Miss Sarita	Pattamasattayasonthi	-	-

2) Non-monetary Compensation

- None -

Executive Remuneration

The executive's remuneration consists of salary, bonus, social security contribution, and provident fund, others for the year ended 31 December 2023 and 2024 amounting to Baht 24.08 million and Baht 27.14 million, respectively.

Personnel

The staff and employees of the company (excluding executives) as at 31 December 2023 and 2024 totaling 246 persons and 278 persons, respectively, which can be divided into the following functions:

Working Field	Number of employees	
	Year ended 31 December 2023	Year ended 31 December 2024
General Affair Department	11	11
Quality Management Resource Center	1	1
Accounting & Finance Department	17	17
Merchandise Department	9	14
Marketing Department	7	12
Human Resources Department	8	7
Visual Merchandise Center	8	7
Information Technology Department	2	2
Design Studio Department	8	8
Business Development Department	2	2
Project Sales Department	11	14
Retail Store Operations Department	116	142
E-Commerce Department	9	10
Sales and Customer Service Process Development Center	2	2
Warehousing and Transportation Department	35	29
Total	246	278

Employee Compensation

The Company's compensation of employee (excluding executives) consisted of salary, overtime, bonus, social security fund, provident fund and other benefit expenses for the year ended 31 December 2023 and 2024 amounting to Baht 71.42 million and Baht 91.48 million, respectively.

Labor Disputes

- None -

Human Resource Development Policy

The company understands the significance of personnel as a success factor in business operations. As a result, the company pays regular attention to personnel development by providing the skill development and abilities required to perform the duties and responsibilities. Furthermore, the company promotes and conducts seminars and training from both within and outside the organization. The speakers who deliver the training must have knowledge and abilities in various topics such as ISO 9001 quality policy and control training, basic knowledge on marketing and style of furniture and home decor training, customer relationship management and value creation training, and so on, in order to develop employees' knowledge, ability, skills, and operational potential, as well as apply the knowledge gained from the workshop to improve the company's operation.

Provident Fund

The Company established a provident fund in accordance with the Provident Fund Act B.E. 2530. (Including the amended version). On 28 June 2016, the Company designated Kasikorn Asset Management Co., Ltd. as the management company of a provident fund known as the K Master Pool Fund, which is already registered.

Other information

Auditor's Remuneration

At the Annual General Meeting of Shareholders for year 2024 on 22 April 2024, the shareholders had solution to approve the appointment of an auditor from EY Co., Ltd. as the auditor of the Company and its subsidiary with the remuneration for the audit of the company and its subsidiary not exceeding Baht 2.70 million. The details of the auditor's remuneration can be summarized as follows:

For year	Audit Fee	Other related expenses (Non-audit fee) ⁽¹⁾
For year 2024	Baht 2.70 million	Baht 0.03 million

Note: ⁽¹⁾ such as travel expenses, printing fee etc.

By the way, the individual or related business with the auditor and the audit office is not an individual or related business to the company.

Internal Auditor

To promote good governance procedures, the Company has engaged Well Planning Solution Company Limited ("Internal Auditor") to audit and evaluate the internal control system of the company and its subsidiary. In addition, Well Planning Solution Company Limited conducts the inspection and evaluate the internal control system at both organization and procedure levels in accordance with the acceptable internal operational standard such as conducting the interview management section, and/or related staff according to the organizational structure, examination of the related document together with appropriate observation of work. This includes monitoring the performance of the management by operating independently and reporting the performance directly to the Audit Committee regularly. The Head of Office of Well Planning Solution Co., Ltd is Mrs. Woralak Limsukprasert who has been appointed by the Audit and Risk Management Committee.

Investor Relations

In terms of investor relations, the Company has assigned investor relations to communicate important information that is useful to investors, shareholders, securities analysts, media, and the public. In the last year, investor relations have been conducting company visits on both sites and online meetings.

This is to be a communication channel between the company and shareholders as well as investors, those interested on investor relations topics are invited to contact directly to the investor relations section at the following address:

Head Office: No. 90, Yothinpattana Soi, Praditmanutham Road, Klong Jan Sub-district, Bangkapi District, Bangkok 10240 Tel. 02 514 7111 ext. 7118

- Email address: ir@chicrepublicthai.com
- Website: www.chicrepublicthai.com

CORPORATE GOVERNANCE REPORT

8.1 Summary of Board's Performance in the Past Year

8.1.1 Nomination, Development and Performance Assessment of the Committee Board

Nomination of Director and Chief Executives

Nomination of Directors

In 2024, three directors, namely Dr. Paiboon Sareewiwatthana, Dr. Rom Hiranpruk and Mr. Kijja Pattamasattayasonthi retired from their positions. The three directors are competent, capable, and experienced individuals who will be beneficial to the company's future operations. They are able to continue developing the company efficiently and successfully, which will result in the greatest possible benefits for the company, its shareholders, and all other stakeholders. The Nomination, Remuneration and Corporate Governance Committee suggests the reappointment of all three directors for another term. Consequently, the Annual General Meeting of Shareholders voted unanimously to reappoint all three directors for another one-year term.

Nomination of Chief Executives

The Nomination, Remuneration and Corporate Governance Committee conducts the screening and nomination of persons to be appointed as directors to the Board of Directors for approval and recommendation to the Shareholder meeting to consider elections at the Annual General Meeting of Shareholders, including the nomination of the managing director/chief executive officer, who is to be appointed by the Board of Directors. In 2024, the Company does not nominate its chief executive officers.

Development of Directors and Executives

All of the company's directors are qualified in accordance with the Stock Exchange of Thailand's requirements and are knowledgeable, capable, and effective. All eight of the company's directors have been trained by the Thai Institute of Directors Association: IOD in the Director Accreditation Program (DAP) course, which is vital for understanding the roles and responsibilities of directors. In addition, it is policy to inform the Board of Directors that the Secretary of the company will submit training program information about courses relevant to job development and work efficiency to the Board of Directors for review on a regular and ongoing basis. Each director can be chosen and trained in courses of their choice to expand their knowledge.

Assessment of the performance of the Board of Directors

The guidelines for evaluating annual performance are established by the Board of Directors. The Board of Directors and sub-committees will evaluate each group's performance at least once a year so that the Board of Directors can consider the work and problems for improvement. The assessment of performance is carried out for both groups and individuals in accordance with the assessment form prepared by the company's Secretary. Furthermore, the assessment covers the Board of Directors, including all sub-committees, with the following criteria for assessing groups of committees and individuals based on the main topics used in the assessment:

1. Assessment of the Board of Directors structure and qualifications
2. Board of Directors Meeting
3. The Board of Directors' Roles, Duties, and Responsibilities.

However, the assessment process for the group and individual is as follows:

1. To conduct a performance evaluation of the Board of Directors, both collectively and individually, at least once a year.
2. The company's secretary summarizes and presents the results of the Nomination, Remuneration and Corporate Governance Committee's performance assessment to consider the results of the assessment and guidelines for improving operational efficiency.
3. The Nomination, Remuneration and Corporate Governance Committee recommends to the Board of Directors the results and guidelines for development and improving operational efficiency.

Besides that, the company has organized the performance evaluation of the Board of Directors, and the directors of the company shall have no conflict of interest with the managing director to be the person evaluating the managing director's performance at least once a year. The director of the company who has no interest in managing director will carry out the performance assessment on the managing director's operation over the past year in the form of progression on the operation that is capable of achieving the company's prescribed goal and objectives. The Company's directors appoint the Nomination, Remuneration and Corporate Governance Committee as the person who prescribes the compensation policy of the managing director based on the managing director's performance results will get the information from summarizing the managing director's performance results prepared by the independent directors, which will be used as information to support further consideration.

Performance Assessment of the Board of Directors

- The outcome of the performance evaluation of the Board of Directors in 2024 has a mean grade point average of moderate.
- The performance assessment of sub-committees are as follows:
 - The average rating for the Audit and Risk Management Committee is moderate-excellent.
 - The average rating for the Nomination, Remuneration and Corporate Governance Committee is modest.
 - The average rating for the Board of Directors is modest.

8.1.2 Attendance of meeting and remuneration for each director

Attendance of shareholders' meetings

In 2024, the Company held a total of one shareholders' meeting, namely the Annual General Meeting of 2024 on 22 April 2024, with the specifics of each director's attendance as follows:

List of directors			Number of meeting/Number of times eligible to attend	
			Attendance of Shareholders' meeting of 2023	Attendance of Shareholders' meeting of 2024
1.	Dr. Paiboon	Sareewiwatthana	1/1	1/1
2.	Mr. Sarawut	Charuchinda	1/1	1/1
3.	Dr. Rom	Hiranpruk	1/1	1/1
4.	Dr. Kusaya	Leerahawong	1/1	1/1
5.	Mr. Kijja	Pattamasattayasonthi	1/1	1/1
6.	Ms. Kamoltip	Parksuwan	1/1	1/1
7.	Miss Piyanuch	Nakayodhin	1/1	1/1
8.	Miss Sarita	Pattamasattayasonthi*	-	1/1

*The Annual General Shareholders Meeting of 2024 held on 22 April 2024 issued the resolution to appoint Miss Sarita Pattamasattayasonthi as the Company's director

Attendance of Board of Directors' meeting

Details of attending the Board of Directors' meetings in 2023 and 2024 are as follows:

List of Directors			Number of meetings / Number of times eligible to attend	
			Year ended 31 December 2023	Year ended 31 December 2024
1.	Dr. Paiboon	Sareewiwatthana	8 / 8	11 / 11
2.	Mr. Sarawut	Charuchinda	8 / 8	11 / 11
3.	Dr. Rom	Hiranpruk	8 / 8	11 / 11
4.	Dr. Kusaya	Leerahawong	8 / 8	11 / 11
5.	Mr. Kijja	Pattamasattayasonthi	8 / 8	11 / 11
6.	Ms. Kamoltip	Parksuwan	8 / 8	11 / 11
7.	Miss Piyanuch	Nakayodhin	8 / 8	11 / 11
8.	Miss Sarita	Pattamasattayasonthi*	-	8 / 8

* The Annual General Shareholders Meeting of 2024 held on 22 April 2024 issued the resolution to appoint Miss Sarita Pattamasattayasonthi as the Company's director

Attendance of sub-committee's meetings

Details of attendance of sub-committee's meeting in 2023 and 2024 as follows:

List of Directors			Number of meetings / Number of times eligible to attend					
			Audit and Risk Management Committee		Nomination, Remuneration and Corporate Governance Committee		Executive Committee	
			2023	2024	2023	2024	2023	2024
1.	Mr. Sarawut	Charuchinda	4 / 4	4 / 4	-	-	-	-
2.	Dr. Kusaya	Leerahawong	4 / 4	4 / 4	3 / 3	2 / 2	-	-
3.	Dr. Rom	Hiranpruk	4 / 4	4 / 4	3 / 3	2 / 2	-	-
4.	Dr. Paiboon	Sareewiwatthana	-	-	3 / 3	2 / 2	-	-
5.	Mr. Kijja	Pattamasattayasonthi	-	-	-	-	14 / 14	13 / 14
6.	Ms. Kamoltip	Parksuwan	-	-	3 / 3	2 / 2	13 / 14	13 / 14
7.	Miss Piyanuch	Nakayodhin	-	-	-	-	14 / 14	14 / 14
8.	Miss Sarita	Pattamasattayasonthi	-	-	-	-	12 / 12	14 / 14
9.	Mr. Thongchai	Damrongpiriyakul	-	-	-	-	12 / 12	14 / 14
10.	Miss Sinina	Pattamasattayasonthi*	-	-	-	-	-	7 / 9

* The Board of Directors Meeting no. 4/2567 held on 13 May 2024 issued the resolution to appoint Miss Sinina Pattamasattayasonthi as the Company's executive director

Compensation for Board of Directors and Sub-Committee

The following are the details of the directors' compensation received in the fiscal years ended 31 December 2023 and 2024:

List of Directors			Compensation (Baht)	
			Year ended 31 December 2023	Year ended 31 December 2024
1.	Dr. Paiboon	Sareewiwatthana	600,000	600,000
2.	Mr. Kijja	Pattamasattayasonthi	-	-
3.	Mr. Sarawut	Charuchinda	540,000	540,000
4.	Dr. Rom	Hiranpruk	480,000	480,000
5.	Dr. Kusaya	Leerahawong	480,000	480,000
6.	Ms. Kamoltip	Parksuwan	-	-
7.	Miss Piyanuch	Nakayodhin	-	-
8.	Miss Sarita	Pattamasattayasonthi	-	-

Compensation of the Board of Directors of the subsidiary that operates the main business.

In 2024, the directors of the subsidiary involved in the primary business received no pay.

8.1.3 Corporate Governance of Operation of Subsidiaries and/or Associated Companies

The Company has established the Corporate Governance and administration policy for its subsidiaries and/or associated companies to prescribe direct and indirect measures and mechanisms so that the Company can supervise and administer the operation of the subsidiaries and/or associated companies as well as follow up the subsidiaries and/or associated companies including ensure that they comply with all prescribed measurement and mechanism same as their entities to preserve the company's investment interests in the subsidiaries and/or associated companies by having the following guidelines. The management shall act as the section proposing the list of directors of the company or select the executive who is qualified or full of experience and suitable to handle the business of the subsidiaries company and/or associated companies to be the representative of the business operator, set the importance policy and control the business operation of the subsidiaries company and/or associated companies.

1. The management shall send directors of the Company or select executives with qualifications and experience suitable for the business operations of subsidiaries and/or associated companies to represent the management in order to formulate important policies and control the business operations of subsidiaries and/or associated companies.
2. Nomination of persons to be directors in subsidiaries and/or associated companies. The Company will send persons approved by the Board of Directors' meeting to become directors and executives of subsidiaries and/or associated companies at least in proportion to the Company's shareholding.
3. Directors and executives appointed by resolution approved by the Board of Directors' meeting to be directors in subsidiaries and/or associated companies are responsible for acting in the best interests of such subsidiaries and/or associated companies by controlling the operations of subsidiaries and/or associated companies in accordance with the strategy and business plan under the policies approved by the Board of Directors, including operating with good corporate governance principles. Approval from the Board of Directors is required. The submission of directors to represent such subsidiaries and/or associated companies is in proportion to the Company's shareholding.
4. Directors and executives appointed by resolution approved by the Board of Directors' meeting to be directors in subsidiaries and/or associated companies must supervise and operate the subsidiaries with internal control systems, risk management systems, and fraud prevention systems. Efficient and concise enough to ensure that the operations of subsidiaries and/or associated companies are in accordance with the plan, budget, the Company's policies, the Company's articles of association, including laws and announcements on good corporate governance of listed companies, as well as announcements, regulations and rules relating to the Capital Market Supervisory Board, the Securities and Exchange Commission and the Stock Exchange of Thailand.

5. Directors and executives appointed by the resolution approved by the Board of directors' meeting to be the directors in the subsidiaries and/or associated companies, shall monitor them to disclose the information or connected transactions and/or acquisition or disposition of assets and/or other significant transactions to the Company and to carry out various actions in accordance with the plans, budgets, policies, and rules for the supervision and management of the subsidiaries and/or associated companies as stipulated in the Company's articles of association in full and correctly including prescribe that the Company shall supervise the storage and accounting records of the subsidiaries and/or associated companies so that the Company can audit and compile the consolidated financial statements on time.

8.1.4 Monitoring policy and corporate governance guidelines compliance

The Company attaches importance to good corporate governance by establishing relevant policies and practices in the Company's corporate governance policy and business ethics, as well as encouraging real practices to build the trust of all stakeholders.

Interest conflicts prevention

The Company implements an interest conflict policy in which the director, executive, and staff must avoid any actions that are contrary to the Company's interests and result in the company's loss of interest. If it cannot be avoided, the Company shall allow such action to proceed with transparency and fairness as transactions with other third parties, taking into account the Company's maximum interests and fairness to those involved.

The Board of Directors will consider transactions that may have conflicts of interest, connected transactions, or related transactions appropriately under a good ethical framework, with monitoring from the Audit and Risk Management Committee, and will ensure compliance with the criteria of the Stock Exchange of Thailand and the SEC, as well as disclosing information about such transactions to the public.

By the way, all individuals with a direct or indirect interest in the Company's business operations are required to notify the Company.

Relating to the related party transactions information between the Company and the person who may have conflicts during the year 2024, the Audit and Risk Management Committee has reported to the Board of Directors that the related party transactions between the companies occurred as reasonable and in accordance with normal business operations and shall be benefits to the Company (additional information provided in "Internal Control and Related Party Transactions")

Use of internal information for exploitation

The Company is concerned with the use of internal information in accordance with the law and with the Company's corporate governance policy. The policy has prescribed confidential information prevention and the information that affected the price of securities by issuing a policy on the corporate governance of the use of internal information covering the director, executive, management, and relevant staff who engaged in the confidential information, including the staff of the Company and the subsidiaries, to non-disclose the confidential information and/or internal information of the Company. Moreover, the prohibition of buying or selling the Company's securities within the specified time frame, i.e., within 30 days prior to disclosure and not less than 24 hours after the disclosure of such information through the system of the Stock Exchange of Thailand and the policy is communicated to the whole organization to ensure compliance.

In 2024, it was not found that directors and executives of the Company had purchased, sold, transferred the Company's securities during the period when the Company imposed a ban on the purchase, sale or transfer of securities. In addition, if there is a purchase, sale, transfer of securities of director, executive, spouse, or minor children are purchased, sold, or transferred, the Company's Secretary will collect and report to the Board of Directors' meeting on a quarterly basis. If such an item occurs.

Anti-Corruption

The Company prescribes an anti-corruption policy as a guideline for directors, executives, and staff at all levels to be aware of their duties with a conscience of adhering to integrity and honesty while on duty without corruption or exploitation. This is for decision-making and business operations that may face corruption risks; therefore, it must be considered deliberately and prudently.

The anti-corruption policy disallows the Company's directors, executives, and employees from accepting all types of corruption, both with government bodies and private bodies, or those related indirectly or directly with the Company for the benefit of the Company or their own, which is inappropriate according to good ethics, namely, to commit to offer or accept the gift, party, donation, money, and other benefits from the interested equality. The anti-corruption policy applies to all partners, customers, and stakeholders, both domestically and internationally. At least once a year, the Company prepares to review compliance with the anti-corruption policy and conduct a risk assessment of corruption throughout the organization.

In 2024, the Company assessed the risk of corruption and determined that there was no risk of corruption that would be classified as a significant risk to the business, and the Company has established guidelines in various internal control systems, such as information technology systems, check and balance system, and working processes for good governance and control, to prevent it. In 2023, there was no complaint about corruption, or illegal behavior, including corruption and unethical behavior that had a significant impact on the organization.

Whistle Blowing

The Company has prescribed the protection and fairness policy to the stakeholders and the staff who provide the information or provide clues about corruption, infringement, or non-compliance of the laws, rules, regulations, or business ethics by setting the policy and whistle-blowing approach as a tool assisting the Company to be able to accept the complaints from both internal staff and third parties related to the anti-corruption, infringement, or non-non-compliance of the laws, rules, regulations, or business ethics which will be impacted to the assets, image, and reputation of the Company.

In 2024, the Company has not received any complaints about corruption, infringement, or non-compliance with the laws, rules, regulations, or business ethics including no law dispute about the labor and business operation with all stakeholders.

8.2 Report on the performance of the Audit and Risk Management Committee

8.2.1 Number of meetings and meeting attendance

Details of meeting attendance of the Audit and Risk Management Committee in 2023 and 2024 are as follows:

List of Directors			Number of meetings / Number of times eligible to attend	
			Year ended 31 December 2023	Year ended 31 December 2024
1.	Mr. Sarawut	Charuchinda	4 / 4	4 / 4
2.	Dr. Rom	Hiranpruk	4 / 4	4 / 4
3.	Dr. Kusaya	Leerahawong	4 / 4	4 / 4

8.2.2 Performance of the Audit and Risk Management Committee

The Audit and Risk Management Committee is comprised of three independent directors who are knowledgeable, capable, and have the specialized experience, as well as being fully qualified in accordance with the requirements of the Stock Exchange of Thailand and performing duties in accordance with the Audit and Risk Management Committee Charter.

The Audit and Risk Management Committee met a total of four times in 2024. All four Audit and Risk Management Committee meetings were attended by a full quorum, and participants from the Audit and Risk Management Committee, such as the Certified Public Accountant and the internal auditor, were present to declare the facts of the quarterly financial statements, and the annual financial statements while presenting the proof and information to be presented in each quarter. Certain issues that are important to the Audit and Risk Management Committee, the executive will be invited to attend the meeting to clarify related issues.

The Audit and Risk Management Committee meets strictly according to the Charter of the Audit and Risk Management Committee approved by the Board of Directors, and each meeting results in a summary performance report with recommendations that it deems beneficial to management to the Board of Directors for acknowledgment, which can be summarized as follows:

- Review of quarterly and annual financial statements, as well as 2024 annual financial statements, before submitting to the Board of Directors to ensure that the financial reports and accounting statements of the Company and its subsidiary are prepared in accordance with accounting standards and legal requirements. The disclosures to the notes to financial statements are disclosed completely and adequately, including considering the analysis of the financial statements on quarterly and annual issues to ensure that the financial statements and disclosure processes are accurate and comply with the accounting standards in accordance with generally accepted accounting principles. The Audit and Risk Management Committee is of the opinion that the Company's financial reports prepared in accordance with generally accepted accounting principles are accurate and reliable. Choosing an account policy makes sense.
- Review of the adequacy of internal control systems and internal audits, the Audit and Risk Management Committee is of the opinion that it is effective and appropriate enough, with no significant defects, and the internal audit is independent. At the same time, it has considered and approved the internal audit plan for year 2024, which will review and follow up on the recommendations as previously suggested.
- In the past year 2024, the Board of Directors has considered and approved additional scope, authority, and responsibilities in the corporate governance aspect of the Charter of the Audit and Risk Management Committee. Anti-corruption policy and related practices, including business ethics and good corporate governance guidelines, are important.
- Review of compliance with securities and exchange laws regulations of the Stock Exchange of Thailand and laws relating to the Company's business. The Audit and Risk Management Committee is of the opinion that the Company has complied with the law, be correct and complete.
- Review of connected transactions or related transactions that may have conflicts of interest for which the Audit and Risk Management Committee provides its opinion that the related party transactions are reasonable and comply with normal business practices by fair and at arm's length corresponding to the criteria and regulations of the SEC, Stock Exchange of Thailand, and disclosed in the notes to the financial statements.
- Review of risk management, audit report, and risk control system assessment, as well as exchange of opinions with the executives. In 2024, the Company will hold a meeting to consider the risks that may arise in business operations at least once a year, and in 2024, one meeting will be held in order to control and prevent potential risk factors and recommend preventive measures or reduce significant risks. In 2024, the Company attaches importance to the risk management of economic fluctuations and dependence on the real estate sector - projects. The Audit and Risk Management Committee considered that the Company's risk management system is adequate and does not pose any risk that significantly affects the Company's operating results.
- The selection of the auditor has considered the performance of the auditor in the past years. By the way, taking into account independence, reputation, reliability, and ability to review, audit, and certify financial statements, from the past, it is able to proceed on time. The Audit and Risk Management Committee provides its opinion to the Board of Directors for approval in the shareholders' meeting, by appointing Mr. Khitsada Lerdwana, Certified Public Accountant Number 4958, Ms. Manee Rattanabannakit, Certified Public Accountant Number 5313, and Ms. Sumesa Tangyoosuk, Certified Public Accountant Number 7627 of EY Office Co., Ltd., to be independent auditors, and have been approved by the SEC and the Stock Exchange of Thailand for the fiscal year 2024 with total remuneration not exceeding the amount requested for approval.
- For the year 2024, the Audit and Risk Management Committee is of the overall opinion that the Audit and Risk Management Committee has adequately and completely performed its duties in accordance with the Charter of the Audit and Risk Management Committee.

8.3 Summary of the performance of the sub-committees

8.3.1 Number of meetings and attendance

Details of attending the sub-committee meetings in 2023 and 2024 are as follows:

List of Directors			Number of meetings / Number of times eligible to attend			
			Nomination, Remuneration and Corporate Governance Committee		Executive Committee	
			2023	2024	2023	2024
1.	Dr. Kusaya	Leerahawong	3 / 3	2 / 2	-	-
2.	Dr. Rom	Hiranpruk	3 / 3	2 / 2	-	-
3.	Dr. Paiboon	Sareewiwattana	3 / 3	2 / 2	-	-
4.	Mr. Kijja	Pattamasattayasonthi	-	-	14 / 14	13 / 14
5.	Ms. Kamoltip	Parksuwan	3 / 3	2 / 2	13 / 14	13 / 14
6.	Miss Piyanuch	Nakayodhin	-	-	14 / 14	14 / 14
7.	Miss Sarita	Pattamasattayasonthi	-	-	12 / 12	14 / 14
8.	Mr. Thongchai	Damrongpiriyakul	-	-	12 / 12	14 / 14
9.	Miss Sinina	Pattamasattayasonthi*	-	-	-	7 / 9

* The Board of Directors Meeting no. 4/2567 held on 13 May 2024 issued the resolution to appoint Miss Sinina Pattamasattayasonthi as the Company's executive director

8.3.2 Performance of sub-committees

The Nomination, Remuneration and Corporate Governance Committee of the Company is comprised of 4 directors, with a total of 3 qualified independent directors. Furthermore, the Nomination, Remuneration and Corporate Governance Committee has performed the duties delegated by the Board of Directors prudently, transparently, and fairly, including the idea for practice improvement to be more covering and corresponding to the policy and strategy of business operation, as well as realize to the maximum benefit of the shareholders. In 2024, the Nomination, Remuneration and Corporate Governance Committee organized a meeting totaling once by attending the meeting in full quorum and considered the following important topics:

- To consider the appointment of directors to replace directors who must retire from office by term.
- To consider the performance evaluation criteria for the Board of Directors and subcommittees.
- To consider the performance evaluation of the Board of Directors and its subcommittees.
- To consider the performance evaluation of the Managing Director, including the adjustment of the Managing Director's annual remuneration and bonus.
- To consider the remuneration of directors for the year 2024.

The Executive Committee is consisting of six persons, and meetings will be held fourteen times in 2024. The Executive Committee attended the meeting in full quorum and mentioned the following important topic:

- To consider the Company's procedures for various matters.
- To consider monthly, quarterly, and annual performance, including cash flow and account receivable collection tracking.
- To consider the performance according to the strategy and according to the action plan of each unit.
- To consider the criteria for salary adjustment and bonus payment for the year 2024.
- To consider the budget for activities and investment budget before presenting to the Board of Directors.

INTERNAL CONTROL AND RELATED PARTY TRANSACTIONS

9.1 Opinion of the Board of Directors for Internal Control

The Board of Directors attaches importance to the internal control system by appointing an Audit and Risk Management Committee to support the Board of Directors' operations. To review the internal control system and internal audit to comply with the good corporate governance policy, requirements and code of conduct to be effective and to prevent fraud and conflicts of interest, including the preparation of accurate, reliable financial and accounting reports, accurate, complete and adequate information is disclosed.

The Audit and Risk Management Committee Meeting No. 1/2024 and the Board of Directors' Meeting No. 2/2024 were held on 29 February 2024, which were also attended by the Audit and Risk Management Committee. To consider and evaluate the Company's internal control system and approve the assessment form for the adequacy of the Company's internal control system in accordance with the guidelines of The Committee of Sponsoring Organizations of Treadway Commission ("COSO"), covering all 5 components as follows:

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring Activities

The Board of Directors' meeting and the Audit and Risk Management Committee meeting reviewed and considered together with the management by debriefing the management and referring to the audit and evaluation report of the Company's internal control system by Well Planning Solution Co., Ltd. (the "Internal Auditor"). The adequacy assessment of the Company's internal control system is considered. The Board of Directors' meeting and the Audit and Risk Management Committee are of the opinion that the Company has managed the internal control system that is adequate and appropriate for business operations. It is effective in preventing potential risks. The Board of Directors and management have encouraged employees in the organization to realize the importance of internal control and provide sufficient personnel in order for the Company's operations to achieve the specified objectives, in accordance with relevant laws and regulations, and in accordance with the principles of good corporate governance, the Company has clearly defined its duties and responsibilities, as well as established rules, regulations, policies and authority to approve appropriate operations in writing, and has approved the adequacy assessment form of the Company's internal control system with all the details as proposed.

Opinion of the Internal Auditor for Internal Control

The Company has hired Well Planning Solution Co., Ltd. (the "Internal Auditor") to audit and evaluate the internal control system of the Company and its subsidiary. Well Planning Solutions Co., Ltd. has commenced internal control system assessment by auditing and evaluating internal control systems at both organizational and process levels in accordance with generally accepted internal audit performance standards, including interviews with management and/or related employees in accordance with the organizational structure, examination of relevant documents, together with reasonable observation of work, which focuses on 5 key elements in accordance with the internal control framework of COSO (The Committee of Sponsoring Organizations of Treadway Commission) covering the company's key business processes.

For the 2024 Internal Audit Plan, the Company has hired Well Planning Solution Co., Ltd. to audit and evaluate the Company's internal control system. To focus on auditing and evaluating the efficiency and effectiveness of the internal control system to cover the key operations of the organization. To focus on auditing and evaluating the efficiency and effectiveness of the internal control system to cover the important operations of the organization and to ensure that the company's internal control system be

transparent and implement policies and procedures in the same direction. In the 2024 internal audit plan, the working process has been audited. This includes (1) Retail sale operation and Display process, (2) Human Resource process, and (3) Sales and service process for new business. To ensure that the Company has an appropriate internal control system and ensure that the management system efficient, transparent, and verifiable. As a result of the audit and evaluation of the Company's internal control system for the year 2024 for Retail sale operation and Display process, and Human Resource process, the internal auditor has given various observations and recommendations and has presented to the Audit and Risk Management Committee. The internal auditor conducted a follow-up audit and found that all observations were implemented and presented to the Audit and Risk Management Committee. For the sales and service process for the new business, the sales and service process is the same as the sales and store decoration process, which was audited during the year. Therefore, a proposal has been submitted to adjust the internal audit plan by adjusting it to review all work processes and updating to be suitable for the current situation, including more concise and efficient work, which will be carried out in the first quarter of 2025.

Opinion of the Auditor for Internal Control

EY Office Co., Ltd., the Company's auditor, for the year ended 31 December 2024, has not issued any observations and recommendations regarding the Company's internal control system for the fiscal year. In addition, the auditor reported the audit results of the Company's financial statements for the year 2024 to the Audit and Risk Management Committee, adding that there were no fraud matters and had a material impact on the Company's financial statements.

Head of Internal Auditor

The Company has appointed Ms. Woralak Limsukprasert as the Head of the Company's Internal Auditor. Ms. Woralak Limsukprasert has education sufficient appropriate experience to perform such duties. The details of the Internal Auditor as shown in Attachment 3.

In accordance with the scope, authorities, duties and responsibilities of the Audit and Risk Management Committee. The Audit and Risk Management Committee has the authority to work with management to appoint, transfer, dismiss, and evaluate performance and merit considerations, and punish the heads of the Company's internal audit department.

From considering Ms. Woralak Limsukprasert's work experiences and education history. The Audit and Risk Management Committee is of the opinion that Ms. Woralak Limsukprasert has sufficient qualifications to effectively audit and evaluate the Company's internal control system.

9.2 Related Party Transactions

9.2.1 Summary of relationship of individual and juristic persons who may have conflict with the Company.

Detail of subsidiary is as follow:

Company	Nature of Business	Shareholding Proportion
1. CHIC Republic Co., Ltd.	Furniture sales in Cambodia	Holding the shares by company for 100.00% of the paid-up share capital
2. The Blueground Co., Ltd. (Formerly named "Chic Stay Co., Ltd.")	Management service and rent residence	Holding the shares by company for 60.00% of the paid-up share capital

The individual and juristic persons who may deemed to be in conflicts with the Company consist of

- a) Directors or executives of the Company;
- b) Major shareholders of the Company;
- c) Authorized person controlling the Company;
- d) An individual with a blood relationship, by marriage or legal register marriage with the third parties as per (a) (b) or (c) i.e., parents, spouses, siblings, children or spouses of daughter or son
- e) Any juristic person in which an individual under (a) (b) or (c) holds shares or has significant direct or indirect control or other interest.

The Company has significantly related party transactions with the individual and juristic person that may have conflicts with the Company as at 31 December 2024 as follows:

	Nature of Business	
1. CHIC Republic Co., Ltd.	Operating Furniture Sales in Cambodia	<ul style="list-style-type: none">CHIC Republic Co., Ltd. is a wholly-owned subsidiary of the Company, incorporated in Cambodia. As at 31 December 2024, the Company holds 1,000 shares or 100% of registered and fully paid-up share capital in CHIC Republic Co., Ltd.There is 1 director namely Mr. Kijja Pattamasattayasonthi.
2. The Blueground Co., Ltd. (Formerly named "Chic Stay Co., Ltd.")	Management service and rent residence	<ul style="list-style-type: none">The Blueground Co., Ltd. is a subsidiary of the Company. As at 31 December 2024, the Company holds 390,000 shares or 60% of registered and fully paid-up share capital in The Blueground Co., Ltd.There are 2 directors namely Miss Sarita Pattamasattayasonthi and Miss Piyanuch Nakayodhin.
3. Estate Q Company Limited	Real estate development business	<ul style="list-style-type: none">Mr. Sarawut Charuchinda, who is the independent director of the Company, is the chairman of the Board of Directors and independent director in Assetwise Public Company Limited that holds 99.60% of shares in Estate Q Company Limited. However, Mr. Sarawut Charuchinda is qualified according to the criteria of independent director due to Mr. Sarawut Charuchinda has the status of an independent director of both Assetwise Public Company Limited and the Company, therefore, Mr. Sarawut Charuchinda has the position to exercise his independent judgment in considering and commenting on the status of independent director and audit and risk management committee members of the Company. As he is an independent director of Assetwise Public Company Limited, he shall not be involved in the decision-making or approval process to enter into all transactions of Assetwise Public Company Limited including in Estate Q Company Limited.
4. Prize Property Company Limited	Real estate development business	<ul style="list-style-type: none">Mr. Sarawut Charuchinda who is an independent director of the Company holds the position of Chairman of the Board of Directors and an independent director in Assetwise Public Company Limited holds 50.99% shares in Prize Property Company Limited. However, Mr. Sarawut Charuchinda is qualified according to the criteria of independent director due to Mr. Sarawut Charuchinda the status of an independent director in considering and commenting on the status of independent directors and audit and risk management committee members of the Company. He is an independent director of Assetwise Public Company Limited, he shall not be involved with the decision-making or approval process to enter into all transactions of Assetwise Public Company Limited including in Prize Property Company Limited.
5. Mr. Kijja Pattamasattayasonthi	-	<ul style="list-style-type: none">Served as a Director, Managing Director, and Chief Executive Officer is the major shareholder of the Company and is the spouse of Ms. Kamoltip Parksuan. As at 31 December 2024, Mr. Kijja Pattamasattayasonthi holds 490,619,980 shares or 36.07% of the total issued and outstanding shares of the Company.

9.2.1 Summary of related party transactions between individuals and juristic persons who may have conflicts with the Company. Revenue from sale of products

Nature of Transaction	Value (Million Baht)		Necessity and reasonableness	Opinion of Audit and Risk Management Committee
	Year Ended 31 December 2023	Year Ended 31 December 2024		
Mr. Kijja Pattamasattayasonthi The Company sells its products to Mr. Kijja Pattamasattayasonthi who is a director, executive, and major shareholder of the Company.	0.05	0.03	The Company sold products to Mr. Kijja Pattamasattayasonthi who is a director, executive, and major shareholder of the Company and spouse of Ms. Kamoltip Parksuan at the selling price less discount according to the discount policy of the Company provided to director, executive, and staff. This complied with the Company's business and benefits from the sale of such products.	The Audit and Risk Management Committee considers that such transactions are normal business transactions which have complied with the discount policy of the Company provided to the director, executive, and staff who consider such transactions to be appropriate and reasonable.
Revenue from sale of products				
Ms. Kamoltip Parksuan The Company sells the products to Ms. Kamoltip Parksuan who is the spouse of Mr. Kijja Pattamasattayasonthi, the director and the shareholder of the Company.			The Company sold products to Ms. Kamoltip Parksuan who is the spouse of Mr. Kijja Pattamasattayasonthi, the director and the shareholder of the Company at the selling price less discount according to the discount policy of the Company provided to director, executive, and staff. This complied with the Company's business and benefits from the sale of such products.	The Audit and Risk Management Committee considers that such transactions are normal business transactions which have complied with the discount policy of the Company provided to the director, executive, and staff who consider such transactions to be appropriate and reasonable.
Revenue from sale of products	0.09	0.02		
Mr. Sarawut Charuchinda The Company sells the products to Mr. Sarawut Charuchinda who is the director of the Company.			The Company sold products to Mr. Sarawut Charuchinda who is a director of the Company at the selling price less discount according to the discount policy of the Company provided to director, executive, and staff. This complied with the Company's business and benefits from the sale of such products.	The Audit and Risk Management Committee considers that such transactions are normal business transactions which have complied with the discount policy of the Company provided to the director, executive, and staff who consider such transactions to be appropriate and reasonable.
Revenue from sale of products	0.01	0.02		

Nature of Transaction	Value (Million Baht)		Necessity and reasonableness	Opinion of Audit and Risk Management Committee
	Year Ended 31 December 2023	Year Ended 31 December 2024		
Mr. Palboon Sareewiwatthana The Company sells the products to Mr. Palboon Sareewiwatthana who is the director of the Company.			The Company sold products to Mr. Palboon Sareewiwatthana who is a director of the Company at the selling price less discount according to the discount policy of the Company provided to director, executive, and staff. This complied with the Company's business and benefits from the sale of such products.	The Audit and Risk Management Committee considers that such transactions are normal business transactions which have complied with the discount policy of the Company provided to the director, executive, and staff who consider such transactions to be appropriate and reasonable.
Revenue from sale of products	-	0.02		
Miss Sarita Pattamasattayasonthi The Company sells the products to Miss Sarita Pattamasattayasonthi served as the Chief Business Development Officer of the Company.			The Company sold products to Miss Sarita Pattamasattayasonthi who is served as the Chief of Business Development of the Company at the selling price less discount according to the discount policy of the Company provided to director, executive, and staff. This complied with the Company's business and benefits from the sale of such products.	The Audit and Risk Management Committee considers that such transactions are normal business transactions which have complied with the discount policy of the Company provided to the director, executive, and staff who consider such transactions to be appropriate and reasonable.
Revenue from sale of products	0.01	-		

9.2.1.2 Revenue from Sale to the Project

Nature of Transaction	Value (Million Baht)		Necessity and reasonableness	Opinion of Audit and Risk Management Committee
	Year Ended 31 December 2023	Year Ended 31 December 2024		
Estate Q Company Limited⁽¹⁾ The Company sells the products to Estate Q Company Limited at the cost plus margin which is the normal nature of business.			The Company sold products to such company. It is a project that has been acquired through the participation of auctions. The selling price is cost-plus margin, which is the normal way to determine the selling price for a project customer. Trade receivable and deposits received from customer incurred from selling of project work to such company and collects a deposit for the product which is the normal nature of business.	The Audit and Risk Management Committee considers that such transactions are normal business transactions that are necessary and beneficial to the Company. Therefore, it is considered that such transactions are appropriate and reasonable.
Revenue from sale of products Trade account receivable	56.94 22.39	7.99 -		
Prize Property Company Limited⁽²⁾ The Company sells the products to Prize Property Company Limited at the cost plus margin which is the normal nature of business.			The Company sold products to such company. It is a project that has been acquired through the participation of auctions. Trade receivable and deposits received from customer incurred from selling of project work to such company and collects a deposit for the product which is the normal nature of business.	The Audit and Risk Management Committee considers that such transactions are normal business transactions that are necessary and beneficial to the Company. Therefore, it is considered that such transactions are appropriate and reasonable.
Revenue from sale of products Trade account receivable and accrued income	- 0.32	0.09 -		

Remarks

- 99.60% shareholding by Assetwise Public Company Limited, of which Mr. Sarawut Charuchinda is the Chairman of the Board of Directors and an independent director in Assetwise Public Company Limited and the Company. However, Mr. Sarawut Charuchinda is qualified according to the criteria of independent director due to Mr. Sarawut Charuchinda has the status of an independent director of both Assetwise Public Company Limited and the Company, therefore, Mr. Sarawut Charuchinda has the position to exercise his independent judgment in considering and commenting on the status of independent director and audit and risk management committee members of the Company. As he is an independent director of Assetwise Public Company Limited, he shall not be involved in the decision-making or approval process to enter into all transactions of Assetwise Public Company Limited including in Estate Q Company Limited.
- 50.99% shareholding by Assetwise Public Company Limited, of which Mr. Sarawut Charuchinda is the Chairman of the Board of Directors and an independent director in Assetwise Public Company Limited and the Company. However, Mr. Sarawut Charuchinda is qualified according to the criteria of independent director due to Mr. Sarawut Charuchinda has the status of an independent director of both Assetwise Public Company Limited and the Company, therefore, Mr. Sarawut Charuchinda has the position to exercise his independent judgment in considering and commenting on the status of independent director and audit and risk management committee members of the Company. As he is an independent director of Assetwise Public Company Limited, he shall not be involved in the decision-making or approval process to enter into all transactions of Assetwise Public Company Limited including in Prize Property Company Limited.

9.2.1.3 List of contractual agreements for trademark use

Nature of Transaction	Value (Million Baht)		Necessity and reasonableness	Opinion of Audit and Risk Management Committee
	Year Ended 31 December 2023	Year Ended 31 December 2024		
1. Mr. Kijja Pattamasattayasonthi 2. Ms. Kamoltip Parksuwan 3. Miss Sarita Pattamasattayasonthi 4. Miss Sinina Pattamasattayasonthi 5. Mrs. Yuri Owsirikul The shareholders of the Company are obligated to guarantee the use of the trademark "Ashley" in accordance with the conditions stipulated in the trademark agreement.	-	-	The Company has signed a trademark agreement under the name Ashley to sell Ashley-branded products in Thailand. The agreement states that the obligation to comply with the guarantee agreement falls on the Company's key shareholders. Nonetheless, none of the Company's major shareholders will be charged compensation for this guarantee agreement.	The Audit and Risk Management Committee believes that such particulars are to comply with the agreement to use the trademark to operate the business of the Company and shall be complied with the term of Ashley. Such a list is reasonable and beneficial for business operations and the major shareholders shall not be charged for compensation.

9.2.1.4 List of contractual agreements for trademark use

Nature of Transaction	Value (Million Baht)		Necessity and reasonableness	Opinion of Audit and Risk Management Committee
	Year Ended 31 December 2023	Year Ended 31 December 2024		
1. The Blueground Co., Ltd. (Formerly named "Chic Stay Co., Ltd.") The Company has a guarantee obligation for The Blueground Co., Ltd. (Formerly named "Chic Stay Co., Ltd.") according to the license agreement with a business partner who grants the right to use the trademark and platform to manage and rent residence as specified in the License Agreement.	USD 1.50 million	USD 1.50 million	The Blueground Co., Ltd. (Formerly named "Chic Stay Co., Ltd.") entered into a License Agreement with a business partner who grants the right to use the trademark and platform for management and rent residence.	The Audit and Risk Management Committee believes that the transaction is a fulfillment of the License Agreement to use the trademark and platform to manage and rent residence as specified in the License Agreement, which is in normal business operations of The Blueground Co., Ltd. (Formerly named "Chic Stay Co., Ltd.") and is in accordance with License Agreement. Therefore, the transaction is reasonable and beneficial to business operations of the group of companies.

9.2.1.5 Guarantee for Loans from financial institutions on behalf of individual

No

9.2.2. The necessity and reasonableness of the related party transactions

The Audit and Risk Management Committee has considered the related party transactions and has an opinion on the details as details in “Summary of related party transactions between individuals and juristic persons who may have conflicts with the Company”.

9.2.2.1 Measures or procedures for approving related party transactions

The approval process shall be in accordance with the Securities and Exchange Act B.E. 2535 (1992) (including as amended) as well as the regulations, announcements, orders, or requirements of the Capital Market Supervisory Board. Those who may have a conflict of interest or interest in the transaction will not have the right to participate in the approval of such transaction.

- 1) In the case of the related party transactions which are normal trade transactions of the Company or its subsidiary with related persons or individuals who may have conflicts of interest, benefits, or future conflicts of interest following normal trade characteristics and market prices which can be compared with the conditions or prices incurred by the same type of business of the Company conducting with the external parties. The Company’s management shall be able to operate normally under the principles approved by the Board of Directors and prepare a summary report to be reported to the Audit and Risk Management Committee every quarter.
- 2) In case of that there are related transaction parties that are abnormal trade, the Company shall arrange the opinion to the committee by the approval of the Audit and Risk Management Committee to verify the necessity and suitability of such transaction.

In case the Audit and Risk Management Committee does not have the expertise to consider potential inter-related transactions, the Company will consider an independent appraiser, independent specialists, or auditors to give their opinion on such related transaction parties to the committee so that the committee will be used as supporting evidence to make the decision and provide the opinion to the Company’s director or the shareholder case by case to approve the such transaction before entering into the transaction.

In this regard, the Company shall strictly comply with the laws governing securities and exchange and the regulations, announcements, orders, or requirements of the Stock Exchange of Thailand, including compliance with the requirements relating to the disclosure of connected transactions and the acquisition or disposition of assets of the Company or its subsidiaries and strictly in accordance with the accounting standards prescribed by the Association of Accountants.

The Company will disclose the transactions in the notice to the financial statements audited by the Company’s auditors. The Company will disclose such transactions in the Annual Report (Form 56-1 One Report) in accordance with the rules and laws governing securities and exchange. By the way upon considering of approval of such related transaction parties shall comply with the laws governing securities and exchange and regulations, announcements, orders, or requirements of the Stock Exchange of Thailand which those who may have conflicts or interests in related transaction parties between each other shall not have the right to vote on such transactions.

Approval in Principle regarding related party transactions which are normal trade transactions.

The board of directors approves in principle, in case the Company is required to make related party transactions with the individual that may have a conflict of interest with the Company as follows:

The management determines the conditions in accordance with the normal trading characteristics and market prices which can be compared with the conditions or prices incurred by the same type of business with the Company. Such conditions shall be in accordance with the following principles:

- 1) To comply with the trade agreement in the same manner as the general parties in the same circumstances and with normal trading conditions and reasonably.
- 2) Transaction shall be negotiated for a trade bargain that is free from the influence of having the status of a director, executives, or related persons and take advantage of the Company's interests.
- 3) It is in accordance with the market price which can be monitored and does not cause unfair transfer of benefits.

9.2.3 Trends or policies for future transactions

If the Company enters into related transaction parties or connected transactions in the future, it must comply with the Securities and Stock Exchange Act B.E. 2535 (1992) (including as amended) and the regulations, announcements, orders, and requirements of the Capital Market Supervisory Board. This comprises in accordance with the accounting standards established by the Association of Certified Public Accountants and Public Accountants of Thailand and includes compliance with the disclosure obligations of connected transactions and related parties. In addition, this transaction shall not be a transfer or transfer of the Company's interests, but rather a transaction that considers the best interests of the Company and all shareholders.

If it is a normal business transaction or a normal business support transaction and is a continuation of the transaction in the future, the Company will establish rules and guidelines for compliance with the general commercial characteristics by referring to reasonable, fair prices, reasonable, verifiable, and presented to the Audit and Risk Management Committee for comment for the Board of Directors to consider and approve the framework for such transactions.

Financial Statements

Part

3

CHIC REPUBLIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Chic Republic Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Chic Republic Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, and have also audited the separate financial statements of Chic Republic Public Company Limited for the same period (collectively "the financial statements").

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Chic Republic Public Company Limited and its subsidiaries and of Chic Republic Public Company Limited as at 31 December 2024, their financial performance and 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 Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were 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 these matters.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

Recognition of revenue from project sales

The process of recognising revenue from project sales is complex and the Group sells products to large number of projects, each of which has a high value. I have therefore focused on the audit of occurrence and timing of revenue recognition from project sales.

Key audit procedures are as follows:

- Assessed and tested the Group's internal controls with respect to the project sales cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- On a sampling basis, examine project contracts for sales transactions to evaluate the terms and conditions of the contracts whether the contracts are in line with the Group's revenue recognition policies.
- On a sampling basis, examine supporting documents for actual sales transactions occurring during the year and near the end of the accounting period.
- Perform analytical procedures on disaggregated data to detect possible irregularities in transactions of the project sales throughout the period, particularly for accounting entries made through journal vouchers.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group 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 do 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 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 of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance 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.

Those charged with governance are 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 judgement 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Sumesa Tangyoosuk
Certified Public Accountant (Thailand) No. 7627

EY Office Limited
Bangkok: 24 February 2025

CHIC REPUBLIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2024

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Assets					
Current assets					
Cash and cash equivalents	7	82,991,956	96,191,616	77,363,337	87,874,294
Trade and other receivables	8	83,741,130	160,790,381	83,505,658	170,057,823
Short-term loans to subsidiary	6	-	-	-	5,700,000
Current portion of long-term loans to subsidiary	6	-	-	-	3,600,000
Inventories	9	110,932,943	92,973,444	110,915,246	88,890,952
Advance payment for inventories		6,298,017	5,415,262	6,298,017	5,412,012
Other current financial assets	10	412,416	119,390	412,416	119,390
Other current assets		14,752,523	3,055,783	16,062,943	2,990,401
Total current assets		299,128,985	358,545,876	294,557,617	364,644,872
Non-current assets					
Restricted bank deposit	11	25,000	25,000	25,000	25,000
Other non-current financial assets	10	200,000	200,000	200,000	200,000
Investment in subsidiaries	12	-	-	-	4,058,750
Long-term loans to subsidiary					
- net of current portion	6	-	-	-	25,700,000
Investment properties	13	32,274,147	28,859,037	32,274,147	28,859,037
Building and equipment	14	940,352,868	777,073,994	940,183,657	764,040,067
Right-of-use assets	19.1	560,978,504	410,722,291	560,978,504	396,476,740
Intangible assets	15	6,800,597	6,411,363	6,747,280	6,249,403
Deferred tax assets	23	25,947,127	28,277,923	25,971,061	25,866,060
Other non-current assets		2,795,502	4,752,764	1,691,288	2,455,522
Total non-current assets		1,569,373,745	1,256,322,372	1,568,070,937	1,253,930,579
Total assets		1,868,502,730	1,614,868,248	1,862,628,554	1,618,575,451

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

CHIC REPUBLIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

As at 31 December 2024

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from banks	16	118,220,446	97,651,266	118,220,446	97,651,266
Trade and other payables	17	182,008,900	143,571,709	179,601,998	140,341,594
Current portion of long-term loans	18	61,432,466	58,653,119	61,432,466	58,653,119
Current portion of lease liabilities	19.1	17,433,950	23,787,259	17,433,950	19,226,097
Derivative liabilities	29.1	191,616	31,251	191,616	31,251
Income tax payable		4,104	5,132,570	-	5,113,203
Other current liabilities		4,974,944	8,333,772	4,855,286	8,212,688
Total current liabilities		384,266,426	337,160,946	381,735,762	329,229,218
Non-current liabilities					
Long-term loans - net of current portion	18	143,433,450	54,169,601	143,433,450	54,169,601
Lease liabilities - net of current portion	19.1	493,719,199	347,683,272	493,719,199	332,784,428
Provision for long-term employee benefits	20	19,017,932	18,989,084	19,017,932	18,989,084
Other non-current liabilities		8,239,008	7,564,269	8,239,008	7,564,269
Total non-current liabilities		664,409,589	428,406,226	664,409,589	413,507,382
Total liabilities		1,048,676,015	765,567,172	1,046,145,351	742,736,600

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

CHIC REPUBLIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

As at 31 December 2024

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Shareholders' equity					
Share capital					
Registered					
1,360,000,000 ordinary shares of Baht 0.50 each		680,000,000	680,000,000	680,000,000	680,000,000
Issued and fully paid up					
1,360,000,000 ordinary shares of Baht 0.50 each		680,000,000	680,000,000	680,000,000	680,000,000
Share premium		133,775,701	133,775,701	133,775,701	133,775,701
Retained earnings (deficits)					
Appropriated - statutory reserve	21	19,500,000	19,500,000	19,500,000	19,500,000
Unappropriated		-14,161,297	13,276,069	-16,792,498	42,563,150
Other components of shareholders' equity		92,311	294,523	-	-
Equity attributable to owners of the Company		819,206,715	846,846,293	816,483,203	875,838,851
Non-controlling interests of the subsidiaries		620,000	2,454,783	-	-
Total shareholders' equity		819,826,715	849,301,076	816,483,203	875,838,851
Total liabilities and shareholders' equity		1,868,502,730	1,614,868,248	1,862,628,554	1,618,575,451

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

CHIC REPUBLIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Profit or loss:					
Revenues					
Sales income		485,822,815	584,656,695	469,787,733	568,433,369
Services income		46,250,360	45,490,965	47,231,277	46,452,386
Revenue from agreement with vendors		51,118,558	53,964,301	50,390,616	53,138,029
Other income		9,258,138	5,765,490	3,995,180	5,748,177
Total revenues		592,449,871	689,877,451	571,404,806	673,771,961
Expenses					
Cost of sales		203,543,340	299,653,435	198,007,927	295,159,807
Cost of services		15,334,466	16,278,114	15,334,466	16,278,115
Selling and distribution expenses		200,275,941	181,240,360	189,014,494	168,322,516
Administrative expenses		173,346,692	140,875,106	200,299,025	136,466,094
Total expenses		592,500,439	638,047,015	602,655,912	616,226,532
Operating profit (loss)		(50,568)	51,830,436	(31,251,106)	57,545,429
Finance income		732,429	677,064	1,463,504	2,232,019
Finance cost		(26,143,337)	(26,199,446)	(25,535,094)	(25,122,739)
Profit (loss) before income tax expenses		(25,461,476)	26,308,054	(55,322,696)	34,654,709
Income tax expenses	23	(3,035,157)	(12,091,778)	(3,257,436)	(10,149,419)
Profit (loss) for the year		(28,496,633)	14,216,276	(58,580,132)	24,505,290
Other comprehensive income:					
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods</i>					
Exchange differences on translation of					
financial statements in foreign currency		(202,212)	1,962,187	-	-
Total other comprehensive income to be reclassified					
to profit or loss in subsequent periods		(202,212)	1,962,187	-	-
<i>Other comprehensive income not to be reclassified</i>					
<i>to profit or loss in subsequent periods</i>					
Actuarial loss - net of income tax		(775,516)	-	(775,516)	-
Total other comprehensive income not to be reclassified					
to profit or loss in subsequent periods		(775,516)	-	(775,516)	-
Other comprehensive income for the year					
- net of income tax		(977,728)	1,962,187	(775,516)	-
Total comprehensive income for the year		(29,474,361)	16,178,463	(59,355,648)	24,505,290

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

CHIC REPUBLIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

For the year ended 31 December 2024

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Profit (loss) attributable to				
Equity holders of the Company	(26,661,850)	14,361,493	(58,580,132)	24,505,290
Non-controlling interests of the subsidiary	(1,834,783)	(145,217)		
	(28,496,633)	14,216,276		
Total comprehensive income attributable to				
Equity holders of the Company	(27,639,578)	16,323,680	(59,355,648)	24,505,290
Non-controlling interests of the subsidiary	(1,834,783)	(145,217)		
	(29,474,361)	16,178,463		
Basic earnings per share				
24				
Profit (loss) attributable to equity holders of the Company	(0.020)	0.011	(0.043)	0.018
Weighted average number of ordinary share (Shares)	1,360,000,000	1,360,000,000	1,360,000,000	1,360,000,000

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

CHIC REPUBLIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

For the year ended 31 December 2024

(Unit: Baht)

	Separate financial statements				
	Issued and		Retained earnings (deficits)		Total
	paid-up		Appropriated -		shareholders'
	share capital	Share premium	statutory reserve	Unappropriated	equity
Balance as at 1 January 2023	680,000,000	133,775,701	18,000,000	22,957,860	854,733,561
Profit for the year	-	-	-	24,505,290	24,505,290
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	24,505,290	24,505,290
Dividend paid (Note 27)	-	-	-	(3,400,000)	(3,400,000)
Transferred to statutory reserve (Note 21)	-	-	1,500,000	(1,500,000)	-
Balance as at 31 December 2023	680,000,000	133,775,701	19,500,000	42,563,150	875,838,851
Balance as at 1 January 2024	680,000,000	133,775,701	19,500,000	42,563,150	875,838,851
Loss for the year	-	-	-	(58,580,132)	(58,580,132)
Other comprehensive income for the year	-	-	-	(775,516)	(775,516)
Total comprehensive income for the year	-	-	-	(59,355,648)	(59,355,648)
Balance as at 31 December 2024	680,000,000	133,775,701	19,500,000	(16,792,498)	816,483,203

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

CHIC REPUBLIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

CASH FLOW STATEMENT

For the year ended 31 December 2024

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Cash flows from operating activities				
Profit (loss) before tax	(25,461,476)	26,308,054	(55,322,696)	34,654,709
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	99,577,674	97,117,690	92,945,123	89,192,055
Amortisation of deferred front end fee	60,272	95,652	60,272	95,652
Allowance for expected credit losses (reversal)	(393)	(571,265)	46,518,082	928,735
Reduction of inventory to net realisable value	2,307,473	2,232,809	2,269,022	2,234,395
Impairment loss on investment in subsidiaries	-	-	4,058,750	-
Impairment loss on deposit according to the right-to-use contract	1,734,500	-	-	-
Gain on disposal of equipment	(172,990)	(641)	(197,184)	(641)
Loss on written off equipment	60	3,986	60	3,986
Loss on disposal of intangible assets	37,241	-	-	-
Impairment loss on building and equipment	10,069,239	-	-	-
Difference from lease modification	(5,082,130)	-	-	-
Unrealised (gain) loss on exchange	(458,719)	884,072	(458,719)	884,072
Gain on fair value adjustment of derivatives	(132,119)	(211,987)	(132,119)	(211,987)
Provision for long-term employee benefits	1,709,333	1,907,518	1,709,333	1,907,518
Interest income	(732,429)	(677,064)	(1,463,504)	(2,232,019)
Interest expenses	26,083,065	26,103,794	25,474,822	25,027,087
Profit from operating activities before changes in operating assets and liabilities	109,538,601	153,192,618	115,461,242	152,483,562
Operating assets (increase) decrease				
Trade and other receivables	77,397,485	(26,489,457)	78,083,065	(25,725,164)
Inventories	(20,266,972)	12,645,490	(24,293,316)	11,427,116
Advance payment for inventories	(882,755)	522,774	(886,005)	522,742
Other current assets	(13,216,200)	522,073	(12,857,502)	462,204
Other non-current assets	2,007,162	(2,159,036)	764,234	(2,182,638)
Operating liabilities increase (decrease)				
Trade and other payables	31,196,617	15,589,314	32,019,830	15,947,469
Other current liabilities	(3,358,828)	638,985	(3,357,402)	582,316
Paid for long-term employee benefits	(2,649,879)	-	(2,649,879)	-
Other non-current liabilities	674,739	583,201	674,739	583,200
Cash flows from operating activities	180,439,970	155,045,962	182,959,006	154,100,807
Cash paid for interest expenses	(26,020,592)	(26,092,893)	(25,412,349)	(25,016,186)
Cash paid for income tax	(5,638,949)	(7,293,867)	(8,281,761)	(5,760,618)
Net cash flows from operating activities	148,780,429	121,659,202	149,264,896	123,324,003

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

CHIC REPUBLIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

CASH FLOW STATEMENT (CONTINUED)

For the year ended 31 December 2024

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Cash flows from investing activities				
Decrease (increase) in other current financial assets	(542)	2,199,735	(542)	2,199,735
Increase in short-term loans to subsidiary	-	-	(3,100,000)	(4,200,000)
Decrease in long-term loans to subsidiary	-	-	1,200,000	-
Cash paid for acquisition of investment properties	(5,990,662)	(839,959)	(5,990,662)	(839,959)
Cash paid for acquisition of building and equipment	(223,437,788)	(44,211,691)	(223,268,719)	(44,071,845)
Cash paid for acquisition of intangible assets	(1,700,039)	(712,940)	(1,648,299)	(712,940)
Proceeds from sales of equipment	277,518	3,604	197,196	3,604
Proceeds from sales of intangible assets	90,899	-	-	-
Cash paid for investment in subsidiary	-	-	-	(3,900,000)
Interest income	840,077	614,130	819,910	1,273,331
Net cash flows used in investing activities	(229,920,537)	(42,947,121)	(231,791,116)	(50,248,074)
Cash flows from financing activities				
Increase (decrease) in short-term loans from banks	20,569,180	(21,849,348)	20,569,180	(21,849,348)
Cash receipt from long-term loans	156,901,943	-	156,901,943	-
Repayment of long-term loans	(64,619,019)	(89,350,846)	(64,619,019)	(89,350,846)
Front end fee paid	(300,000)	-	(300,000)	-
Repayment of principal portion of lease liabilities	(44,174,953)	(21,757,222)	(40,536,841)	(18,834,207)
Dividend paid	-	(3,399,978)	-	(3,399,978)
Proceeds from share capital of non-controlling interests of the subsidiary	-	2,600,000	-	-
Net cash flows from (used in) financing activities	68,377,151	(133,757,394)	72,015,263	(133,434,379)
Increase (decrease) in translation adjustments	(436,703)	2,114,965	-	-
Net decrease in cash and cash equivalents	(13,199,660)	(52,930,348)	(10,510,957)	(60,358,450)
Cash and cash equivalents at beginning of year	96,191,616	149,121,964	87,874,294	148,232,744
Cash and cash equivalents at end of year	82,991,956	96,191,616	77,363,337	87,874,294
Supplemental cash flows information				
Non-cash transaction				
Increase in acquisition of assets payable	7,131,431	4,642,135	7,131,431	4,642,135
Additions to right-of-use assets and lease liabilities	199,464,425	1,119,000	199,464,425	1,119,000
Decrease in right-of-use assets due to lease modification	10,739,764	496,810	-	-
Decrease in lease liabilities due to lease modification	15,821,894	496,810	-	-

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

CHIC REPUBLIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 December 2024

1. General information

Chic Republic Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the distribution and installation of furniture, house and garden decoration including related services. The registered office of the Company’s head office is at No. 90 Soi Yothinpatana, Praditmanutham Road, Klongjan Sub-district, Bangkapi District, Bangkok.

The Stock Exchange of Thailand approved the listing of the ordinary shares of the Company, to be traded from 27 July 2022.

As at 31 December 2024, the Group has 6 branches in Thailand and 1 branch in Cambodia (The Company only has 6 branches in Thailand).

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Chic Republic Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2024	2023
			(%)	(%)
Chic Republic Co., Ltd.	Distribution and installation of furniture, house and garden decoration including related services	Cambodia	100	100
The Blueground Co., Ltd. (Formerly named "Chic Stay Co., Ltd.")	Provide management services and lease of properties	Thailand	60	60

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary company are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in shareholders' equity.
- f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investment in subsidiaries under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2025

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2025. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

4. Accounting policies

4.1 Revenue and expense recognition

Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts, allowances and price promotions to customers.

Rendering of services

Service revenue is recognised over time when services have been rendered taking into account the stage of completion.

Revenue from agreement with vendors

The Group has agreements with vendors as normal business practice, for volume-related allowances, and sale promotion campaign and marketing allowances. Revenue from agreement with vendors are recognised when all obligations are met and can be measured reliably based on the terms of the agreement.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Inventories

Finished goods are valued at the lower of cost (under the weighted average method) and net realisable value.

The ownership of consignment inventories will be transferred to the Group when all obligations are met and can be measured reliably based on the terms of the agreement.

4.4 Investment in subsidiaries

Investment in subsidiaries are accounted for in the separate financial statements using the cost method.

4.5 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 5, 20, 22, 25, 26, 30 and 32 years. Depreciation of the investment properties is included in determining income.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the year when the asset is derecognised.

4.6 Building and equipment/Depreciation

Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of building and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives.

Land improvement	20 years
Building	Not over land rental agreement (5, 22, 25, 26, 30 and 32 years)
Building improvement	Not over land or sales area rental agreement (10, 20, 22, 25, 26 and 30 years)
Decoration	4, 5, 20 and 25 years
Furniture, fixture and office equipment	3 and 5 years
Tooling	5 years
Vehicle	4 and 5 years

Depreciation is included in determining income.

No depreciation is provided on construction in progress.

An item of building and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.7 Intangible assets

Intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

Intangible assets are computer software with finite useful lives are 3, 5 and 10 years.

4.8 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applied a single recognition and measurement approach for all leases. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs or the revalued amount, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land improvement	Not over land or sales area rental agreement (3, 8, 12, 17, 22, 25, 30, 32 and 38 years)
Building and building improvement	6 years
Furniture, fixture and office equipment	5 years
Vehicle	5 years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

The Group as a lessor

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

4.9 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

4.10 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.11 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the building and equipment, right-of-use assets, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. An impairment loss is recognised in profit or loss.

In the assessment of asset impairment, if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

4.12 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company and its employees have joined a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

4.13 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.14 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences can be utilised.

At each reporting date, the Group reviews and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.15 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group’s financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.16 Derivatives

The Group uses derivatives, such as foreign currency forward contracts to hedge its foreign currency risks respectively.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

4.17 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows.

- Level 1 Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Leases

Determining the lease term with extension and termination options

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Allowance of diminution in value of inventories

In determining an allowance of diminution in value of inventories, the management makes judgment and estimates net realisable value of inventories based on the amount the inventories are expected to realise. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of reporting period. Also, the management makes judgment and estimates expected loss from stock obsolescence based upon conditions and aging profile of inventories.

Building and equipment/Depreciation

In determining depreciation of building and equipment, the management is required to make estimates of the useful lives and residual values of building and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review building and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

6. Related party transactions

During the years, the Group had significant business transactions with related parties and related persons. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties and related persons.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	2024	2023	2024	2023	Pricing policy
<u>Transactions with subsidiary</u>					
Sales income	-	-	2,718	3,432	Cost plus margin
Management income	-	-	1,052	1,044	As specified in contract
Rental income	-	-	11	-	As specified in contract
Interest income	-	-	815	1,626	As specified in contract
<u>Transactions with related companies</u>					
Sales income	8,075	56,935	8,075	56,935	Cost plus margin
<u>Transactions with managements and directors</u>					
Sales income	89	144	89	144	Selling price net of discount as specified in the Company's policy

As at 31 December 2024 and 2023, the balances of the accounts between the Group and those related companies are as follows.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
<u>Trade receivables - related parties</u> (Note 8)				
Subsidiary	-	-	10,317	9,973
Related companies	-	317	-	317
Less: Allowance for expected credit losses	-	-	(10,317)	(1,500)
	-	317	-	8,790
<u>Accrued income - related parties</u> (Note 8)				
Related companies	-	22,392	-	22,392
<u>Accrued interest income - related parties</u> (Note 8)				
Subsidiary	-	-	801	959
Less: Allowance for expected credit losses	-	-	(801)	-
	-	-	-	959
<u>Advance payment - related party</u>				
Subsidiary	-	-	1,735	-

Loans to subsidiary

As at 31 December 2024 and 2023, the balance of loans between the Company and its subsidiary and the movement are as follows.

(Unit: Thousand Baht)

	Interest rate (% per annum)	Separate financial statements				
		Balance as at 31 December 2023	Increase during the year	Decrease during the year	Allowance for expected credit losses	Balance as at 31 December 2024
Loans to						
Chic Republic Co., Ltd.						
- Short-term	4.00	5,700	3,100	-	(8,800)	-
- Long-term	1.00	29,300	-	(1,200)	(28,100)	-
Less: Current portion		(3,600)				-
Net of current portion		25,700				-

Directors and management's benefits

During the years ended 31 December 2024 and 2023, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)	
	Consolidated/Separate	
	financial statements	
	2024	2023
Short-term employee benefits	26,565	23,431
Post-employment benefits	572	650
Total	27,137	24,081

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its subsidiary, as described in Note 28.5 to the financial statements.

7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Cash	469	129	433	89
Bank deposits - saving account	79,228	89,358	73,660	81,081
Bank deposits - current account	3,295	6,705	3,270	6,704
Total	82,992	96,192	77,363	87,874

As at 31 December 2024, bank deposits in saving accounts of the Group carried interests between 0.15 and 0.40 percent per annum (2023: between 0.15 and 0.60 percent per annum).

8. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	-	-	170	322
Past due				
Up to 3 months	-	317	397	537
3 - 6 months	-	-	218	220
6 - 12 months	-	-	399	924
Over 12 months	-	-	9,133	8,287
Total	-	317	10,317	10,290
Less: Allowance for expected credit losses	-	-	(10,317)	(1,500)
Total trade receivables - related parties, net	-	317	-	8,790

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	13,974	54,116	13,965	54,105
Past due				
Up to 3 months	3,872	12,657	3,872	12,657
3 - 6 months	340	25	340	25
6 - 12 months	356	271	356	271
Over 12 months	131	470	131	470
Total	18,673	67,539	18,664	67,528
Less: Allowance for expected credit losses	(231)	(231)	(231)	(231)
Total trade receivables - unrelated parties, net	18,442	67,308	18,433	67,297
Total trade receivables - net	18,442	67,625	18,433	76,087
<u>Other receivables</u>				
Retention receivables	23,760	21,339	23,760	21,339
Prepaid expenses	3,670	3,115	3,444	2,962
Accrued income	37,763	46,223	37,763	46,223
Accrued income - related parties (Note 2)	-	22,392	-	22,392
Accrued interest income - related party (Note 2)	-	-	801	959
Other receivables	106	96	106	96
Total	65,299	93,165	65,874	93,971
Less: Allowance for expected credit losses	-	-	(801)	-
Total other receivables - net	65,299	93,165	65,073	93,971
Trade and other receivables - net	83,741	160,790	83,506	170,058

As at 31 December 2024 and 2023, the Group has accrued income from projects which have not been invoiced by delivering period are as follows.

	(Unit: Thousand Baht)	
	Consolidated/Separate financial statements	
	2024	2023
Have been delivered		
Up to 3 months	17,200	44,143
3 - 6 months	16,317	10,546
6 - 12 months	3,795	13,926
Over 12 months	451	-
Total	37,763	68,615

Set out below is the movement in the allowance for expected credit losses of trade and other receivables.

	(Unit: Thousand Baht)			
	Consolidated		Separate financial	
	financial statements		statements	
	2024	2023	2024	2023
Balance at the beginning of year	231	802	1,731	802
Provision for expected credit losses (reversal)	-	(571)	9,618	929
Balance at the end of year	231	231	11,349	1,731

9. Inventories

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Cost		Reduce cost to net		Inventories - net	
			realisable value			
	2024	2023	2024	2023	2024	2023
Finished goods	177,570	151,870	(15,165)	(12,858)	162,405	139,012
Goods in transit	2,554	3,026	-	-	2,554	3,026
Total	180,124	154,896	(15,165)	(12,858)	164,959	142,038
Less: Consignment inventories	(54,026)	(49,065)	-	-	(54,026)	(49,065)
Inventories - net	126,098	105,831	(15,165)	(12,858)	110,933	92,973

	(Unit: Thousand Baht)					
	Separate financial statements					
	Cost		Reduce cost to net		Inventories - net	
			realisable value			
	2024	2023	2024	2023	2024	2023
Finished goods	177,357	147,631	(14,970)	(12,701)	162,387	134,930
Goods in transit	2,554	3,026	-	-	2,554	3,026
Total	179,911	150,657	(14,970)	(12,701)	164,941	137,956
Less: Consignment Inventories	(54,026)	(49,065)	-	-	(54,026)	(49,065)
Inventories - net	125,885	101,592	(14,970)	(12,701)	110,915	88,891

During the current year, the Group reduced cost of inventories by Baht 2.31 million (the Company only: Baht 2.27 million) (2023: Baht 2.23 million the Company only: Baht 2.24 million)), to reflect the net realisable value. This was included in cost of sales.

10. Other financial assets

	Interest rate		(Unit: Thousand Baht)	
	(% per annum)		Consolidated/Separate	
	2024	2023	2024	2023
<u>Debt instruments at amortised cost</u>				
6-month fixed deposits	1.10 and 1.20	1.10 and 1.20	56	56
36-month fixed deposits	1.25	1.30	200	200
Total			256	256
<u>Financial assets at FVTPL</u>				
Derivative assets (Note 29.1)			356	63
Total			356	63
Total other financial assets			612	319
Current			412	119
Non-current			200	200
			612	319

11. Restricted bank deposit

As at 31 December 2024 and 2023, the Company has pledged saving account as collateral to comply with Ministerial Regulations of direct sales and direct marketing with Office of the Consumer Protection Board.

12. Investment in subsidiaries

Investment in subsidiaries presented in the separate financial statements as detailed below:

Company's name	Paid-up capital		Shareholding		Cost	
			percentage			
	2024	2023	2024	2023	2024	2023
			(%)	(%)		
Chic Republic Co., Ltd.	20,000,000	20,000,000	100	100	159	159
	Cambodian Riel	Cambodian Riel				
The Blueground Co., Ltd.	6,500,000 Baht	6,500,000 Baht	60	60	3,900	3,900
(Formerly named "Chic Stay Co., Ltd.")						
Total investment in subsidiaries					4,059	4,059
Less: Allowance for impairment					(4,059)	-
Total investment in subsidiaries - net					-	4,059

On 20 December 2023, the Company invested in The Blueground Co., Ltd, (formerly named "Chic Stay Co., Ltd."), a newly established subsidiary incorporated in Thailand by purchased 390,000 ordinary shares of such company with par value of Baht 10 each and made payment for the shares in December 2023.

In 2024, the Company has set aside a full allowance for impairment in investment in subsidiaries due to the downsizing of Chic Republic Co., Ltd. and the termination of the right-to-use contract with the business partner of The Blueground Co., Ltd.

13. Investment properties

The net book value of rental space as at 31 December 2024 and 2023 are presented below.

	(Unit: Thousand Baht)	
	Consolidated/ Separate financial statements	
	2024	2023
Cost	55,019	49,028
Less: Accumulated depreciation	(22,745)	(20,169)
Net book value	32,274	28,859

A reconciliation of the net book value of investment properties for the years 2024 and 2023 are presented below.

	(Unit: Thousand Baht)	
	Consolidated/ Separate financial statements	
	2024	2023
Net book value at the beginning of year	28,859	30,314
Addition	5,991	840
Depreciation	(2,576)	(2,295)
Net book value at the end of year	32,274	28,859

The fair value of the investment properties as at 31 December 2024 and 2023 stated below:

	(Unit: Million Baht)	
	Consolidated/ Separate financial statements	
	2024	2023
Rental space	248.43	222.08

The fair value of the above investment properties has been determined based on valuation performed by the management. The fair value of the rental space has been determined using the income approach. Key assumptions used in the valuation include yield rate and long-term growth rental rates that specified in the rental agreements. The fair value measurement was categorized within Level 3 of the fair value hierarchy.

The Company has pledged investment properties amounting to approximately Baht 7.69 million (2023: Baht 8.08 million) as collateral against credit facilities received from banks.

14. Building and equipment

Consolidated financial statements										(Unit: Thousand Baht)
Furniture, fixture and office equipment										
Land improvement	Building	Building improvement	Decoration	Tooling	Vehicle	Construction in progress	Total			
Cost										
As at 1 January 2023	7,814	800,891	172,665	246,829	11,570	8,819	5,657	1,282,890		
Addition	-	-	-	473	215	-	46,116	48,847		
Disposal	-	-	-	-	(30)	-	-	(30)		
Write-off	-	-	-	-	(13)	-	-	(62)		
Transfer in (out)	-	-	39,306	8,340	-	-	(47,646)	-		
Transfer from right-of-use assets	-	-	-	-	-	2,429	-	2,429		
Translation adjustment	-	-	(141)	(166)	(8)	(18)	-	(333)		
As at 31 December 2023	7,814	800,891	211,830	255,476	11,718	11,248	4,127	1,333,741		
Addition	-	-	-	-	897	-	227,181	230,566		
Disposal	-	-	-	-	(192)	(1,553)	-	(2,593)		
Write-off	-	-	-	-	(33)	-	-	(33)		
Transfer in (out)	33,207	128,917	48,360	7,085	2,140	-	(220,457)	-		
Translation adjustment	-	-	410	482	53	-	-	879		
As at 31 December 2024	41,021	929,808	260,600	263,043	14,583	9,695	10,851	1,562,560		

[illegible]

(Unit: Thousand Baht)

Separate financial statements

	Land improvement	Building	Building improvement	Decoration	Furniture, fixture and office equipment	Tooling	Vehicle	Construction in progress	Total
Cost									
As at 1 January 2023	7,814	800,891	158,535	230,227	27,824	9,744	8,819	5,657	1,249,511
Addition	-	-	-	473	1,922	204	-	46,116	48,715
Disposal	-	-	-	-	(30)	-	-	-	(30)
Write-off	-	-	-	-	(13)	(49)	-	-	(62)
Transfer in (out)	-	-	39,306	8,340	-	-	-	(47,646)	-
Transfer from right-of-use assets	-	-	-	-	-	-	2,429	-	2,429
As at 31 December 2023	7,814	800,891	197,841	239,040	29,703	9,899	11,248	4,127	1,300,563
Addition	-	-	-	-	2,320	897	-	227,181	230,398
Disposal	-	-	-	-	(216)	-	(1,553)	-	(1,769)
Write-off	-	-	-	-	-	(33)	-	-	(33)
Transfer in (out)	33,207	128,917	48,360	7,085	748	2,140	-	(220,457)	-
As at 31 December 2024	41,021	929,808	246,201	246,125	32,555	12,903	9,695	10,851	1,529,159

As at 31 December 2024, certain items of building and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 116.58 million (2023: Baht 114.08 million) (the Company only: Baht 114.77 million (2023: Baht 111.56 million)).

15. Intangible assets

The net book value of computer software as at 31 December 2024 and 2023 is presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Cost		
As at 1 January 2023	20,438	20,098
Addition	713	713
Translation adjustment	(3)	-
As at 31 December 2023	21,148	20,811
Addition	1,700	1,649
Disposal	(324)	-
Translation adjustment	4	-
As at 31 December 2024	22,528	22,460
Accumulated amortisation		
As at 1 January 2023	13,609	13,467
Amortisation for the year	1,129	1,095
Translation adjustment	(1)	-
As at 31 December 2023	14,737	14,562
Amortisation for the year	1,187	1,151
Accumulated amortisation on disposal	(200)	-
Translation adjustment	3	-
As at 31 December 2024	15,727	15,713
Net book value		
As at 31 December 2023	6,411	6,249
As at 31 December 2024	6,801	6,747

16. Short-term loans from banks

	Interest rate		(Unit: Thousand Baht)	
	(% per annum)		Consolidated/ Separate financial statements	
	2024	2023	2024	2023
Promissory notes	2.84 - 2.85	3.10 - 4.00	100,000	76,000
Trust Receipt	2.90	3.80	18,220	21,651
Total			118,220	97,651

Some of loans are secured by the mortgage of leasehold land, building and construction thereon.

As at 31 December 2024, the short-term credit facilities of the Company which have not been drawn down amounted to Baht 316.76 million (2023: Baht 315.10 million).

17. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Trade payables	48,562	52,813	48,293	52,326
Other payables	40,832	15,810	39,131	14,250
Advances received from customers	47,405	35,490	47,240	34,917
Retention payables	12,316	5,206	12,316	5,206
Accrued expenses	32,184	33,366	32,047	32,963
Others	710	887	575	680
Total trade and other payables	182,009	143,572	179,602	140,342

18. Long-term loans

(Unit: Thousand Baht)					
Loan	Credit limit (Million Baht)	Interest rate (%)	Repayment schedule	Consolidated/ Separate financial statements	
				2024	2023
1	175.00	MLR - 2.875	Monthly installments of principal start from December 2020 and completely settlement within 60 months. Monthly installment of Baht 3,300,000 (On 18 June 2021, the Company has amended the repayment schedule from June 2021 to November 2021, monthly installment of Baht 1,000,000, from December 2021 to April 2022, monthly installment of Baht 2,000,000. Then monthly installment will be the same as main agreement) *	36,704	75,267
2	100.00	MLR - 2.025	Monthly installments of principal start from October 2019 and completely settlement within 84 months, the 1st to 24th month, monthly installment of Baht 1,000,000, the 25th to 84th month, monthly installment of Baht 1,750,000 **	15,482	37,639
3	37.80	2.00 - 3.25	Monthly installments of principal start from August 2024 and will completely settlement in August 2028, monthly installment of Baht 780,000, the last installment of Baht 360,000	33,900	-
4	138.00	MLR - 3.50	Monthly installments of principal start from January 2026 and completely settlement within 60 months, monthly installment of Baht 2,875,000	119,102	-
5	12.00	MLR - 3.50	Monthly installments of principal start from September 2025 and completely settlement in March 2029, monthly installment of Baht 220,000, the last installment of Baht 92,000 ***	-	-
Total				205,188	112,906
Less: Deferred front end fee				(323)	(83)
Long-term loans, net of deferred front-end fee				204,865	112,823
Less: Current portion				(61,432)	(58,653)
Long-term loans, net of current portion				143,433	54,170

* Regarding the Coronavirus disease 2019 Pandemic, on 22 May 2020, the Company received a waiver of deferred principal repayment from December 2020 to April 2021 without payment default.

** Regarding the Coronavirus disease 2019 Pandemic, on 22 May 2020, the Company received a waiver of deferred principal repayment from May 2020 to April 2021 without payment default.

*** The loan is expected to draw down in February 2025.

Movements of the long-term loan account during the years ended 31 December 2024 and 2023 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated/ Separate financial statements	
	2024	2023
Beginning balance	112,906	202,256
Add: Drawdown	156,901	-
Less: Repayments	(64,619)	(89,350)
Ending balance	205,188	112,906

On 15 January 2025, the Company entered into a loan agreement amounting to Baht 26 million bear interest at the rate of MLR minus 2.25% per annum. Monthly installments of principal start from May 2025 and will completely settlement in August 2028 at a monthly installment of Baht 500,000 and the last installment will be settled at the outstanding principal. The loan will be expected to drawdown within February 2025.

The loans are secured by the mortgage of leasehold land, building and construction thereon.

The loan agreements contain several covenants which, among other things, require the Company to maintain debt-to-equity ratio at the rate prescribed in the agreements.

19. Leases

19.1 The Group as a lessee

a) Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2024 and 2023 are summarised below.

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	Land improvement	Building and building improvement	Vehicles	Total
1 January 2023	401,141	39,680	5,388	446,209
Additional	-	-	1,119	1,119
Depreciation for the year	(20,470)	(13,464)	(2,096)	(36,030)
Decrease from lease modification	-	(497)	-	(497)
Translation adjustment	-	(79)	-	(79)
31 December 2023	380,671	25,640	4,411	410,722
Additional	46,305	150,486	2,674	199,465
Depreciation for the year	(21,805)	(14,281)	(2,210)	(38,296)
Decrease from lease modification	-	(10,740)	-	(10,740)
Translation adjustment	-	(172)	-	(172)
31 December 2024	405,171	150,933	4,875	560,979

(Unit: Thousand Baht)

	Separate financial statements			
	Building and		Vehicles	Total
	Land improvement	building improvement		
1 January 2023	401,141	20,824	5,388	427,353
Additional	-	-	1,119	1,119
Depreciation for the year	(20,470)	(9,429)	(2,096)	(31,995)
31 December 2023	380,671	11,395	4,411	396,477
Additional	46,305	150,486	2,674	199,465
Depreciation for the year	(21,805)	(10,948)	(2,210)	(34,963)
31 December 2024	405,171	150,933	4,875	560,979

The Company has pledged right-of-use assets amounting to approximately Baht 175.76 million (2023: Baht 185.55 million) as collateral against credit facilities received from banks as discussed in Notes 16 and 18.

The land lease agreements contain conditions about agreement renewal whereby the Company has a right to be the first to select whether to purchase or continue to lease the land after the expiration of the agreements and upon the termination of the land lease agreements, the Company will transfer building on the leased land to the lessee or remove building from such land. Some of land lease agreements stipulated the Company to remove the building from the land at the end of the lease term. The management did not record the assets retirement obligation as the management had reviewed that the Company will not incur additional costs of removing the building.

b) Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate financial	
	financial statements		statements	
	2024	2023	2024	2023
Lease payments	794,889	559,912	794,889	538,491
Less: Deferred interest expenses	(283,736)	(188,442)	(283,736)	(186,481)
Total	511,153	371,470	511,153	352,010
Less: Portion due within one year	(17,434)	(23,787)	(17,434)	(19,226)
Lease liabilities - net of current portion	493,719	347,683	493,719	332,784

A maturity analysis of lease payments is disclosed in Note 29.2 under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Depreciation expense of right-of-use assets	38,296	36,030	34,963	31,995
Interest expense on lease liabilities	17,668	15,311	17,060	14,235
Expense relating to short-term leases	1,985	1,668	1,637	1,572
Expense relating to variable lease payments	12,374	10,982	11,473	9,787

The Group has lease contracts for office building space that contains variable payments based on sales. The lease term is 9 years.

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2024 of Baht 76.20 million (2023: Baht 49.72 million), including the cash outflow related to short-term lease and variable lease payments that do not depend on an index or a rate.

19.2 The Group as a lessor

The Group has entered into operating leases for its investment property portfolio consisting of rental space of the lease terms between 1 - 20 years.

The Group has future minimum rentals receivable under non-cancellable operating leases as at 31 December 2024 and 2023 as follows:

	(Unit: Thousand Baht)	
	Consolidated/	
	Separate financial statements	
	2024	2023
Within 1 year	23,142	18,952
Over 1 year and up to 5 years	11,267	14,708
Total	34,409	33,660

During the year 2024, the Group has sub-lease income amounting to Baht 29.56 million (2023: Baht 25.51 million).

20. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows.

(Unit: Thousand Baht)		
	Consolidated/ Separate financial statements	
	2024	2023
Provision for long-term employee benefits		
at beginning of year	18,989	17,081
Included in profit or loss		
Current service cost	1,517	1,716
Interest cost	193	192
Included in other comprehensive income		
Actuarial loss arising from		
Financial assumptions changes	223	-
Experience adjustments	746	-
Payment for benefit	(2,650)	-
Provision for long-term employee benefits at end of year	19,018	18,989

Line items in profit or loss under which long-term employee benefit expenses are recognised are as follows.

(Unit: Thousand Baht)		
	Consolidated/ Separate financial statements	
	2024	2023
Selling and distribution expenses	636	680
Administrative expenses	1,074	1,228
Total expenses recognised in profit or loss	1,710	1,908

The Group expects to pay Baht 10.62 million of long-term employee benefits during the next year (2023: Baht 2.42 million).

As at 31 December 2024, the weighted average duration of the liabilities for long-term employee benefit is 9 years (2023: 8 years).

Significant actuarial assumptions are summarised below.

	(Unit: % per annum)	
	Consolidated/ Separate financial statements	
	2024	2023
Discount rate	2.30	2.63
Salary increase rate	6.00	6.00
Turnover rate	4 - 46	4 - 46

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2024 and 2023 are summarised below.

	% per annum	(Unit: Thousand Baht)			
		Consolidated/Separate financial statements			
		2024		2023	
		Increase	Decrease	Increase	Decrease
Discount rate	1	(706)	804	(591)	671
Salary increase rate	1	766	(689)	734	(660)
Turnover rate	20	(1,022)	1,313	(989)	1,274

21. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

22. Expenses by nature

Significant expenses classified by nature are as follows.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Purchase	213,418	269,415	213,127	264,330
Changes in inventories	(20,267)	12,646	(24,293)	11,426
Salaries and wages and other employee benefits	112,870	99,851	108,237	97,221
Depreciation and amortisation	99,578	97,118	92,945	89,192
Rental expenses from short-term lease agreements and variable lease payments	14,359	12,650	13,110	11,359
Facilities expenses	26,977	30,455	25,878	29,301

23. Income tax

Income tax expenses for the years ended 31 December 2024 and 2023 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Current income tax:				
Current income tax charge	511	12,404	3,169	10,874
Deferred tax:				
Relating to origination and reversal of temporary differences	2,524	(312)	88	(725)
Income tax expense reported in profit or loss	3,035	12,092	3,257	10,149

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2024 and 2023 are as follows.

	(Unit: Thousand Baht)	
	Consolidated/ Separate financial statements	
	2024	2023
Deferred tax on actuarial losses	(193)	-
	(193)	-

The reconciliation between accounting profit (loss) and income tax expense is shown below.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Accounting profit (loss) before tax	(25,461)	26,308	(55,323)	34,655
Applicable tax rate	20%	20%	20%	20%
Accounting profit (loss) before tax multiplied by income tax rate	(5,092)	5,262	(11,065)	6,931
Income tax expense which calculated from revenue (1%)	214	230	-	-
Write-down of previous deferred tax assets	2,253	-	-	-
Unrecognised deductible temporary differences and tax losses	403	-	10,415	-
Effects of additional expenses deduction allowed and non-deductible expenses	5,257	6,600	3,907	3,218
Income tax expense reported in profit or loss	3,035	12,092	3,257	10,149

The components of deferred tax assets and deferred tax liabilities are as follows.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Deferred tax assets				
Allowance for expected credit losses	46	46	46	346
Allowance for diminution in value of inventories	3,033	2,572	2,994	2,540
Provision for long-term employee benefits	3,804	3,798	3,804	3,798
Leases	19,133	20,153	19,133	19,111
Unused tax loss	-	2,253	-	-
Others	666	398	123	123
Total	26,682	29,220	26,100	25,918
Deferred tax liabilities				
Accumulated depreciation				
- building and equipment	606	890	-	-
Others	129	52	129	52
Total	735	942	129	52
Deferred tax assets - net	25,947	28,278	25,971	25,866

As at 31 December 2024, the Company has deductible temporary differences totaling Baht 52.08 million (2023: Nil) on which deferred tax assets have not been recognised as the Company believes it may not be able to utilise these temporary differences.

As at 31 December 2024, the subsidiaries have the unused tax losses amounting to Baht 11.55 million (2023: Baht 11.64 million) will expire by 2029 (2023: by 2028).

24. Earnings per share

Basic earnings per share is calculated by dividing profit (loss) for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

25. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker of the Group has been identified as director.

The Group are principally engaged in the distribution and installation of furniture, house and garden decoration including related services.

Revenue from external customers is based on locations of the customers.

(Unit: Thousand Baht)		
Consolidated financial statements		
	2024	2023
Thailand	567,450	669,295
Cambodia	25,000	20,582
Total	592,450	689,877

Non-current assets (other than financial instruments and deferred tax assets).

(Unit: Thousand Baht)		
Consolidated financial statements		
	2024	2023
Thailand	1,542,150	1,198,080
Cambodia	1,052	29,739
Total	1,543,202	1,227,819

For the year 2024 and 2023, the Group have no major customer with revenue of 10 percent or more of an entity's revenues.

26. Provident fund

The Company and its employees have joined a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 3 percent of basic salary. The fund, which is managed by fund manager of provident fund, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2024 amounting to approximately Baht 0.72 million were recognised as expenses (2023: Baht 0.75 million).

27. Dividends

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht per share)
Final dividend from 2022 operations	Annual General Shareholders' Meeting on 17 April 2023	3,400	0.0025
Total for 2023		3,400	

28. Commitments and contingent liabilities

28.1 Capital commitments

As at 31 December 2024, the Company had capital commitments of approximately Baht 3.77 million (2023: Baht 1.22 million), relating to the construction of building, building improvement and computer software installation.

28.2 Purchase commitments

As at 31 December 2024, the Company had commitments relating to purchases of goods of approximately USD 0.25 million and RMB 0.54 million (2023: USD 0.33 million and RMB 0.36 million).

28.3 Service commitments

The Group has entered into service agreements. The terms of the agreements are 9 years.

As at 31 December 2024 and 2023, the Group has future minimum payments required under these non-cancellable service contracts were as follows.

			(Unit: Million Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Payable:				
In up to 1 year	6.95	3.33	6.95	1.24
In over 1 year and up to 5 years	17.41	6.81	17.41	0.26
	<u>24.36</u>	<u>10.14</u>	<u>24.36</u>	<u>1.50</u>

28.4 Guaranty of brand sublicensing commitment

The Company entered into a trademark license agreement with a vendor, the licensee for the right to use the ASHLEY FURNITURE HOMESTORE Brand. This agreement grants the Company the right to sell products under the "ASHLEY" brand names as stipulated in the agreement without any payments for trademark license fee. The agreement is effective for a period of 3 years and will be renewed for further periods of 2 years. The agreement requires major shareholders of the Company to guaranty the performance of the terms and conditions of the agreement.

28.5 Guaranty of License Agreement commitment

During 2023 a subsidiary entered into a License Agreement with a Licensee for the right to use the Trademark and platforms. This agreement grants the subsidiary the right to use the Trademark and platforms to manage and rent residence with percentage of royalty fee as stipulated in the agreement. The agreement is effective for a period of 20 years. The agreement requires the Company to guaranty the performance of the terms and conditions of the agreement. However, the business partner has notified the termination of the agreement in February 2025.

28.6 Guarantees

As at 31 December 2024, there were outstanding bank guarantees of approximately Baht 35.02 million (2023: Baht 53.35 million) issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee amounting to Baht 26.76 million (2023: Baht 45.34 million) to guarantee contractual performance with customers and Baht 8.26 million (2023: Baht 8.01 million) to guarantee electricity use.

29. Financial instruments

29.1 Derivatives

	(Unit: Thousand Baht)	
	Consolidated/Separate financial statements	
	2024	2023
Derivative assets		
Derivative assets not designated as hedging instruments		
Foreign exchange forward contracts	365	63
Derivative liabilities		
Derivatives liabilities not designated as hedging instruments		
Foreign exchange forward contracts	191	31

Derivatives not designated as hedging instruments

The Company uses foreign currency forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally 12 months. These derivatives are valued at FVTPL.

The fair value measurement of derivatives was categorised within Level 2 of the fair value hierarchy. During the current year, there were no transfers within the fair value hierarchy.

29.2 Financial risk management objectives and policies

The Group's financial instruments comprise cash and cash equivalents, trade and other receivables, other financial assets, restricted bank deposit, short-term loans from banks, trade and other payables, long-term loans and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade and other receivables and deposits with banks. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade and other receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade and other receivables are regularly monitored.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by customer type and rating. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Cash deposits

The Group manages the credit risk from balances with banks by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-ratings agencies.

Market risk

There are two types of market risk comprising currency risk and interest rate risk.

Foreign currency risk

The Company's exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies. The Company seeks to reduce this risk by entering into foreign currency forward contracts when it considers appropriate. Generally, the foreign currency forward contracts mature within one year.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at banks, other financial assets, restricted bank deposits, short-term loans from banks, long-term loans, and lease liabilities. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2024 and 2023, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated financial statements						
	2024						
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1 to 5 years	Over 5 years				
Financial assets							
Cash and cash equivalent	-	-	-	79.23	3.76	82.99	Note 7
Trade and other receivables	-	-	-	-	83.74	83.74	-
Other financial assets	0.06	0.20	-	-	0.35	0.61	Note 10
Restricted bank deposit	-	-	-	0.03	-	0.03	0.55
Financial liabilities							
Short-term loans from banks	118.22	-	-	-	-	118.22	Note 16
Trade and other payables	-	-	-	-	182.01	182.01	-
Long-term loans from banks	9.36	24.54	-	170.97	-	204.87	Note 18
Lease liabilities	17.43	66.43	427.29	-	-	511.15	3.00 - 16.41

(Unit: Million Baht)

	Consolidated financial statements						
	2023						
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1 to 5 years	Over 5 years				
Financial assets							
Cash and cash equivalent	-	-	-	89.36	6.83	96.19	Note 7
Trade and other receivables	-	-	-	-	160.79	160.79	-
Other financial assets	0.06	0.20	-	-	0.06	0.32	Note 10
Restricted bank deposit	-	-	-	0.03	-	0.03	0.55
Financial liabilities							
Short-term loans from banks	97.65	-	-	-	-	97.65	Note 16
Trade and other payables	-	-	-	-	143.57	143.57	-
Long-term loans from banks	-	-	-	112.82	-	112.82	Note 18
Lease liabilities	23.79	58.60	289.08	-	-	371.47	3.00 - 10.25

(Unit: Million Baht)

	Separate financial statements						
	2024						
	Fixed interest rates						
	Within 1 year	1 to 5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
Financial assets							
Cash and cash equivalent	-	-	-	73.66	3.70	77.36	Note 7
Trade and other receivables	-	-	-	-	83.51	83.51	-
Other financial assets	0.06	0.20	-	-	0.35	0.61	Note 10
Restricted bank deposit	-	-	-	0.03	-	0.03	0.55
Financial liabilities							
Short-term loans from banks	118.22	-	-	-	-	118.22	Note 16
Trade and other payables	-	-	-	-	179.60	179.60	-
Long-term loans from banks	9.36	24.54	-	170.97	-	204.87	Note 18
Lease liabilities	17.43	66.43	427.29	-	-	511.15	3.00 - 16.41

(Unit: Million Baht)

	Separate financial statements						
	2023						
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1 to 5 years	Over 5 years				
Financial assets							
Cash and cash equivalent	-	-	-	81.08	6.79	87.87	Note 7
Trade and other receivables	-	-	-	-	170.06	170.06	-
Short-term loans to subsidiary	5.70	-	-	-	-	5.70	Note 6
Other financial assets	0.06	0.20	-	-	0.06	0.32	Note 10
Restricted bank deposit	-	-	-	0.03	-	0.03	0.55
Long-term loans to subsidiary	3.60	25.70	-	-	-	29.30	Note 6
Financial liabilities							
Short-term loans from banks	97.65	-	-	-	-	97.65	Note 16
Trade and other payables	-	-	-	-	140.34	140.34	-
Long-term loans from banks	-	-	-	112.82	-	112.82	Note 18
Lease liabilities	19.23	43.70	289.08	-	-	352.01	3.00 - 10.25

Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank loans and lease contracts. Approximately 24% of the Group's debt will mature in less than one year at 31 December 2024 (2023: 31%) (the Company only: 24%, (2023: 31%)) based on the carrying value of borrowings reflected in the financial statements. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2024 and 2023 based on contractual undiscounted cash flows.

(Unit: Thousand Baht)

Consolidated financial statements				
2024				
	Less than 1 year	1 to 5 years	More than 5 years	Total
Short-term loans from banks	121,594	-	-	121,594
Trade and other payables	182,009	-	-	182,009
Lease liabilities	37,633	141,094	616,162	794,889
Long-term loans	64,335	149,582	-	213,917
Total	405,571	290,676	616,162	1,312,409

(Unit: Thousand Baht)

Consolidated financial statements				
2023				
	Less than 1 year	1 to 5 years	More than 5 years	Total
Short-term loans from banks	100,920	-	-	100,920
Trade and other payables	143,572	-	-	143,572
Lease liabilities	38,189	108,956	412,767	559,912
Long-term loans	61,831	57,096	-	118,927
Total	344,512	166,052	412,767	923,331

(Unit: Thousand Baht)

Separate financial statements				
2024				
	Less than 1 year	1 to 5 years	More than 5 years	Total
Short-term loans from banks	121,594	-	-	121,594
Trade and other payables	179,602	-	-	179,602
Lease liabilities	37,633	141,094	616,162	794,889
Long-term loans	64,335	149,582	-	213,917
Total	403,164	290,676	616,162	1,310,002

(Unit: Thousand Baht)

	Separate financial statements			
	2023			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Short-term loans from banks	100,920	-	-	100,920
Trade and other payables	140,342	-	-	140,342
Lease liabilities	32,766	92,958	412,767	538,491
Long-term loans	61,831	57,096	-	118,927
Total	335,859	150,054	412,767	898,680

29.3 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

30. Capital management

The primary objective of the Group's capital management is to ensure that they have appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2024, the Group's debt-to-equity ratio was 1.28:1 (2023: 0.90:1) and the Company only was 1.28:1 (2023: 0.85:1).

31. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 24 February 2025.

Attachment

Part

4

ATTACHMENT 1

Details of directors, executives, controlling persons, the person assigned to take the highest responsibility in Accounting and Finance, the person assigned to take direct responsibility for accounting supervision and company secretary

Dr. Paiboon Sareewiwatthana 1

Age (Years) 70

Position

- the Chairman of the Board of Directors on 29 July 2016
- the Member of Nomination, Remuneration and Corporate Governance Committee on 15 August 2017
- Independent Director on 29 July 2016

Education

- Doctoral Degree in Finance, University of Mississippi, U.S.A.
- Master of Business Administration (Honor), National Institute of Development Administration (NIDA)
- Bachelor Degree of Engineering, Chulalongkorn University
- Training program - Director Certification Program Class 12/2544
- Training program - Management Committee Program Class 33/2557
- Corporate Government for Capital Market Intermediaries Class 5/2558

% of shareholding in the Company

- None

Relationship Family between executives

- None

Work Experiences during the past 5 years

2016 - Present	Chairman / Member of Nomination and Remuneration Director Committee / Independent director Chic Republic Public Company Limited Selling furniture, home decor, decorative items and mattress and bedding
2012 - Present	Chairman UAC Global Public Company Limited Distribution of chemicals used in the petrochemical industry
2012 - Present	Chairman Union Auction Public Company Limited Providing auction services for auctions
2005 - Present	Arbitrator The Securities and Exchange Commission, Thailand Capital Market Supervisory Authority
2024 - Present	Chairman Art of Surgery Co., Ltd. Surgical clinic
2014 - 2024	Chairman / Independent director BT Wealth Industry Public Company Limited Steel fabrication business for project
1984 - 2024	Assoc. Prof. Level 9 Faculty of Business Administration National Institute of Development Administration (NIDA) Public educational institutions
2019 - 2023	Chairman / Independent director Biodegradable Packaging Environment Public Company Limited Manufacturing and distribution for Biodegradable Packaging

2013 - 2018

Chairman
Thai Packaging Industry Company Limited
Carton Box Packaging Manufacturer

2002 - 2015

Chairman of the Audit Committee /
Independent Director
Maybank Kimeng Securities (Thailand) Public Company Limited
Brokerage and advisory services Financial and underwriting

Mr. Kijja Pattamasattayasonthi 2

Age (Years) 67

Position

Appointment date:

- Director on 26 May 2009
- Executive Director on 7 April 2016
- Chief Executive Officer and Managing Director on 28 March 2016
- Acting Deputy Managing Director on 13 May 2019
- Acting Chief Project Sales on 15 August 2017

Education

- Master Degree - Business Administration, Thammasat University
- Master Degree - Faculty of Engineering, University of Texas
- Bachelor Degree - Engineering, Chulalongkorn University
- Training program - Director Certification Program Class 193/2557
- Training program - Senior Executive Officer, Capital Market Academy Class 24/2560

% of shareholding in the Company:

- 490,619,980 shares (36.07%)

Relationship Family between executives:

- Spouse of Ms. Kamoltip Parksuvan

Work Experiences during the past 5 years

2009 - Present	Chairman of the Executive Committee / Director / Chief Executive Officer Chic Republic Public Company Limited Selling furniture, home decor, decorative items and mattress and bedding
2018 - Present	Director CHIC Republic Co., Ltd. Retail of furniture in Cambodia
2013 - 2015	Independent Director Big C Supercenter Public Company Limited Retail business of consumer goods

Ms. Kamoltip Parksuvan**3****Age (Years)** 67**Position****Appointment date:**

- Director on 31 March 2010
- Member of Nomination and Remuneration on 15 August 2017
- Executive Director on 7 April 2016

Education

- Master Degree - Public Administration (Health Care Administration), Long Island University
- Bachelor Degree - Dentistry, Chiang Mai University
- Training Program - Director Accreditation Program Class 131/2559

% of shareholding in the Company

- 195,076,000 shares (14.34%)

Relationship Family between executives

- Spouse of Mr. Kijja Pattamasattayasonthi

Work Experiences during the past 5 years

2010 – Present Executive Director / Member of Nomination and Remuneration / Director / Deputy Managing Director
Chic Republic Public Company Limited
Selling furniture, home decor, decorative items and mattress and bedding

Mr. Sarawut Charuchinda**4****Age (Years)** 67**Position****Appointment date:**

- Chairman of Audit and Risk Management Committee on 28 March 2016
- Independent Director on 28 March 2016

Education

- MBA, Finance, University of Mississippi
- Bachelor Degree - Accounting (2nd Honor), Chulalongkorn University
- Training Program - Director Certification Program Class 31/2546
- Training Program - Advance Audit Committee Program Class 19/2558

% of shareholding in the Company

- None

Relationship Family between executives

- None

Work Experiences during the past 5 years

2016 – Present Chairman of Audit and Risk Management Committee
Chic Republic Public Company Limited
Selling furniture, home decor, decorative items and mattress and bedding

July 2024 – Present Independent Director Chairman
BT Wealth Industry Public Company Limited
Steel fabrication business for project construction in various heavy industries, such as, mining, natural gas and petroleum, and power, in both domestic and international sites

2019 – June 2024 Member of Risk Management Committee

2016 – June 2024 Independent Director
Chairman of Risk Management Committee
Chairman of Audit Committee /
Member of Nomination and Remuneration /
Independent Director

2018 – Present Chairman of the Board /
Member of Risk Management Committee
AssetWise Public Company Limited
Real Estate Developer

2018 – Present Executive Director /
Member of Risk Management Committee
Union Auction Public Company Limited
Providing auction services for auctions

2013 – 2018 Chairman of Audit Committee /
Independent Director
Thai Packaging Industry Company Limited
Carton Box Packaging Manufacturer

2012 – 2017 Member of Audit Committee /
Independent Director
Union Auction Public Company Limited
Providing auction services for auctions

2012 – 2017 Deputy Managing Director
Kiatnakin Bank Public Company Limited
Financial Institution

2011 – 2016 Managing Director
Erawan Law Office Co., Ltd.
Legal Service

Mr. Rom Hiranpruk		5
Age (Years)	70	

Position

Appointment date:

- Member of Audit and Risk Management Committee on 28 March 2016
- Member of Nomination and Remuneration on 15 August 2017

Education

- Ph.D. in Computer Science, University of Kansas
- Master Degree in Computer Science, University of Kansas
- Bachelor Degree in Statistics, Macquarie University
- Training Program - Director Certification Program Class 172/2556
- Training Program - Senior Executive Officer, Capital Market Academy Class 1/2550
- Training Program - Advance Audit Committee Program Class 14/2557
- Training Program - Risk Management Committee Program Class 1/2556
- Training Program - Financial Institutions Governance Program Class 6/2556
- Training Program - Corporate Governance for Capital Market Intermediaries Class 2/2558

% of shareholding in the Company

- 1,000,000 shares (0.07%)

Relationship Family between executives

- None

Work Experiences during the past 5 years

2016 – Present	Member of Audit and Risk Management Committee / Member of Nomination and Remuneration / Independent Director Chic Republic Public Company Limited Selling furniture, home decor, decorative items and mattress and bedding
2020 – Present	NBTC Advisor Office of The National Broadcasting and Telecommunications Commission Government agencies
2017 – Present	Chairman of Executive Committee OpenCARE Foundation Foundation
2018 – 2023	Member of Audit Committee / Independent Director / Chairman of Risk Management Committee CIMB Thai Bank Public Company Limited Financial Institution
2015 –2018	Expert Committee Bank of Thailand Government Agency in Thailand

Ms. Kusaya Leerahawong		6
Age (Years)	67	

Position

Appointment date:

- Chairman of Nomination and Remuneration on 15 August 2017
- Member of Audit and Risk Management Committee on 30 June 2016
- Independent Director on 30 June 2016

Education

- Ph.D. in Finance, Southern Queensland University
- Master Degree in Finance, National Institute of Development Administration (NIDA)
- Bachelor of Science, Mahidol University
- Training Program - Director Certification Program Class 92/2550
- Training Program - Director Accreditation Program Class 54/2549
- Training Program - Audit Committee program Class 27/2552
- Training Program - Role of the Compensation Committee Class 13/2554

% of shareholding in the Company

- 3,000,000 shares (0.22%)

Relationship Family between executives

- None

Work Experiences during the past 5 years

2016 – Present	Chairman of Nomination and Remuneration / Member of Audit and Risk Management Committee / Independent Chic Republic Public Company Limited Selling furniture, home decor, decorative items and mattress and bedding
2008 – Present	Lecturer Thammasart University and others University
2017 – 2018	Director Lanta Company Limited Food and Beverage Business
2017 – 2018	Director Pena Café Co., Ltd. Food and Beverage Business
2014 – 2016	Member of Audit Committee / Independent Director Thanakom Co., Ltd. Engage in public transportation and environmental business
2007 – 2020	Advisor CEL Engineers Ltd. Engineering consultant and construction management
2006 – 2014	Chairman of Audit Committee Yuasa Battery (Thailand) Public Company Limited Manufacturer of car and motorcycle batteries / Independent Director

Ms. Piyanuch Nakayodhin**7****Age (Years)** 56**Position****Appointment date:**

- Director on 5 April 2019
- Executive on 12 July 2016
- Deputy Managing Director on 25 February 2019
- Chief Financial Officer on 1 March 2016
- Acting Chief Human Resource and Administration Officer on 1 April 2022

Education

- Bachelor's Degree in Accounting, Rajamangala University of Technology
- Certified Public Accountant (Thailand)
- Training Program – Director Accreditation Program Class 165/2562
- Training Program
 - Strategic CFO in Capital Markets Program Class 5/2560
 - CFO Refresher Course 3/2565
 - CFO Refresher Course 2023
 - Continuous Development of Accounting Knowledge (CPD)

% of shareholding in the Company

- 350,000 shares (0.03%)

Relationship Family between executives

- None

Work Experiences during the past 5 years

- | | |
|----------------|---|
| 2016 – Present | Director / Executive / Deputy Managing Director / Chief Finance Officer
Chic Republic Public Company Limited
Selling furniture, home decor, decorative items and mattress and bedding |
| 2023 – Present | Director
The Blueground Co., Ltd.
(Formerly named “Chic Stay Co., Ltd.”)
Provide management services and rent residence |
| 2013 – 2015 | Partner
AST Master Co., Ltd.
Audit Firm |
| 2008 – 2013 | Director
PricewaterhouseCoopers ABAS Limited
Audit Firm |

Mr. Sermsak Palasilpmongkol**8****Age (Years)** 51**Position****Appointment date:**

- Chief Information Technology on 22 October 2020

Education

- Master Degree in Management, Krirk University
- Bachelor Degree in Computer Science, Pranakorn Rajabhat University

% of shareholding in the Company

- 100,000 shares (0.01%)

Relationship Family between executives

- None

Work Experiences during the past 5 years

- | | |
|----------------|---|
| 2022 – Present | Chief Information Technology
Chic Republic Public Company Limited
Selling furniture, home decor, decorative items and mattress and bedding |
| 2018 – 2019 | Technology Information Manager
Hybrid Engineering Co., Ltd.
Wholesale solid fuel business |
| 2008 – 2018 | Technology Information Manager
Gunkul Engineering Public Company Limited
Trading business for power plant construction Solar Energy and Construction Business |

Mr. Chayut Chantasorn**9****Age (Years)** 53**Position****Appointment date:**

- Chief Logistic and Warehouse Officer on 25 February 2019

Education

- Bachelor Degree – Political Science, Ramkhamhaeng University

% of shareholding in the Company

- 50,000 shares (0.004%)

Relationship Family between executives

- None

Work Experiences during the past 5 years

- | | |
|----------------|--|
| 2019 – Present | Chief Logistic and Warehouse Officer
Chic Republic Public Company Limited
Selling furniture, home decor, decorative items and mattress and bedding |
| 2017 – 2017 | Director of Logistics
PMART Superstore Company Limited
Frozen food distribution business |
| 2016 – 2017 | Logistics Manager
Greyhound Cafe Company Limited
Food & Beverage Business |
| 2014 – 2016 | Logistics Manager
Golden Cream Co., Ltd.
Food & Beverage Business |

Ms. Sarita Pattamasattayasonthi 10

Age (Years) 31

Position

Appointment date:

- Director on 22 April 2024
- Executive Director on 20 February 2023
- Chief Business Development Officer on 9 May 2022
- Acting Chief Marketing Officer on 9 May 2022

Education

- Master Degree - MSc Strategic Marketing Imperial College London
- Bachelor Degree - BS Business Administration University of Pittsburgh
- Training Program - Director Accreditation Program Class 215/2024

% of shareholding in the Company

- 104,152,000 shares (7.66%)

Relationship Family between executives

- Daughter of Mr. Kijja Pattamasattayasonthi and Ms. Kamoltip Parksuan

Work Experiences during the past 5 years

2022 – Present	Chief Business Development Officer / Acting Chief Marketing Officer Chic Republic Public Company Limited Selling furniture, home decor, decorative items and mattress and bedding
2023 – Present	Director The Blueground Co., Ltd. (Formerly named "Chic Stay Co., Ltd.") Provide management services and lease of properties
2020 – 2022	Business Development Manager Chic Republic Public Company Limited Selling furniture, home decor, decorative items and mattress and bedding
2019 – 2020	Product Owner Storylog Company Limited Engage in web page programming activities
2015 – 2017	Project Executive Kantar Thailand Limited Engage in market research service and public surveys

Miss Sinina Pattamasattayasonthi 12

Age (Years) 30

Position

Appointment date:

- Executive Director on 13 May 2024
- Chief Merchandise and Supply Chain on 25 March 2024

Education

- Master Degree - Entrepreneurship and Innovation University of Southern California
- Master Degree - Global Supply Chain Management, University of Southern California
- Bachelor Degree - Communication Arts in Management, Chulalongkorn University

% of shareholding in the Company

- 104,152,000 shares (7.66%)

Relationship Family between executives

- Daughter of Mr. Kijja Pattamasattayasonthi and Ms. Kamoltip Parksuan

Mr. Thongchai Dumrongpiriyakul 11

Age (Years) 32

Position

Appointment date:

- Executive Director on 20 February 2023
- Chief E-Commerce on 9 May 2022

Education

- Master Degree in Brand and Marketing (MBM), Chulalongkorn University
- Bachelor's Degree in Mechanical Engineering, Kasetsart University

% of shareholding in the Company

- None

Relationship Family between executives

- None

Work Experiences during the past 5 years

2022 – present	Chief E-Commerce Chic Republic Public Company Limited Selling furniture, home decor, decorative items and mattress and bedding
2020 - 2022	Brand Manager – Rina Hey Chic Republic Public Company Limited Selling furniture, home decor, decorative items and mattress and bedding
2019 - 2022	Marketing Supervisor JFA Corporation (Thailand) Co., Ltd. Food & Beverage Business Under the brand Coffee World
2014 - 2018	Mechanical Engineer ELITE Engineers Co., Ltd. Construction business Electrical System Sanitary Air Conditioning

Work Experiences during the past 5 years

2024 – present	Executive Director / Chief Merchandise and Supply Chain Chic Republic Public Company Limited Selling furniture, home decor, decorative items and mattress and bedding
2024 – present	Director The Blueground Co., Ltd. (Formerly named "Chic Stay Co., Ltd.") Provide management services and lease of properties
2023	Order Management - Retail Operations Associate Ashley Furniture Homestore Stoneledge Furniture Selling furniture
2019 – 2020	Marketing & E-Commerce Manager Chic Republic Public Company Limited Selling furniture, home decor, decorative items and mattress and bedding
2018 - 2019	Consumer Technical Insight Associate (R&D) Unilever Thai Trading Limited Consumer goods

Miss Jintana Sriyaowapas**13**

Age (Years) 64

Position**Appointment Date:**

- Chief Operation Officer on 1 October 2024

Education

- Bachelor Degree - Business Administration, Suan Dusit University

% of shareholding in the Company

- None

Relationship Family between executives

- None

Work Experiences during the past 5 years

Oct 2024 – present	Chief Operation Officer Chic Republic Public Company Limited Selling furniture, home decor, decorative items and mattress and bedding
2021 – 2027	Vice President FM FVM Index Living Mall Public Company Limited Selling furniture
1982 – 2020	Vice President FM FVM Robinson Department Store Public Company Limited Retail business

Ms. Piyanuch Satidyong**14**

Age (Years) 43

Position**Appointment Date:**

- Finance and Budget Manager on 14 August 2018
- Company Secretary on 13 November 2017)

Education

- Master Degree - Finance, National Institute of Development Administration (NIDA)
- Bachelor Degree - Finance, Kasetsart University

% of shareholding in the Company

- None

Relationship Family between executives

- None

Work Experiences during the past 5 years

2018 - Present	Finance and Budget Manager / Company Secretary Chic Republic Public Company Limited Selling furniture, home decor, decorative items and mattress and bedding
2016 - 2018	Finance and Budget Assistant Manager Chic Republic Public Company Limited Selling furniture, home decor, decorative items and mattress and bedding
2009 - 2016	Assistant Section Manager Export-Import Bank of Thailand Financial Institution

Ms. Nuch Phuprapan**15**

Age (Years) 49

Position**Appointment Date:**

- Accounting Manager on 14 August 2018
- the person assigned to take direct responsibility for accounting supervision on 17 August 2015

Education

- Bachelor Degree – Accounting, Ramkhamhaeng University
- Continuous Development of Accounting Knowledge (CPD)

% of shareholding in the Company

- 250,000 shares (0.02%)

Relationship Family between executives

- None

Work Experiences during the past 5 years

2018 - Present	Accounting Manager Chic Republic Public Company Limited Selling furniture, home decor, decorative items and mattress and bedding
2015 - 2018	Accounting Assistant Manager Chic Republic Public Company Limited Selling furniture, home decor, decorative items and mattress and bedding

ATTACHMENT 2

Details of directors of subsidiaries

Name of Directors	Dr. Palboon Sareewiwattana	Mr. Sarawut Charuchinda	Mr. Rom Hiranpruk	Ms. Kusaya Leerahawong	Mr. Kijja Pattamasattayasonthi	Ms. Kamoltip Parksuan	Ms. Piyanuch Nakayodhin	Ms. Sarita Pattamasattayasonthi
1. CHIC Republic Co., Ltd.	/							
2. The Blueground Co., Ltd. (Formerly named “Chic Stay Co., Ltd.”)	/ /							
Note: / = Director								

ATTACHMENT 3

Details of head of internal audit

The Company has hired Well Planning Solution Co., Ltd. as an internal auditor, with Ms. Woralak Limsukprasert as the Company's internal audit supervisor, with details as follows:

Ms. Woralak Limsukprasert	
Age (Years)	51

Position

- Head of Internal Audit

Education

- Master of Accounting, Thammasat University
- Bachelor of Accountancy with 2nd Honors, University of the Thai Chamber of Commerce
- Certified Public Accountant

% of shareholding in the Company

- None

Relationship Family between executives

- None

Work Experiences during the past 5 years

2005 – Present	Managing Director Well Planning Solution Co., Ltd. Internal Audit Firm
2003 – 2004	Assistant Manager KPMG Phoomchai Auditing Ltd. Audit Firm
1995 – 2002	Senior Associate SGV Na Thalang Company Limited Audit Firm

ATTACHMENT 4

Assets used in Business Operation of the Company

1. Assets used in Business Operation of the Company

As at 31 December 2023 and 2024 list of assets and net book value after accumulated depreciation of assets used in business operation of the Company as shown in the consolidated financial statements as detail below.

List of Assets	Net Book Value (Million Baht)		Ownership	Encumbrance
	31 December 2023	31 December 2024		
1. Fixed assets – Building and equipment				
Land improvement	3.50	36.26	See details in 1.1	See details in 1.1
Building	511.95	609.60	See details in 1.2	See details in 1.2
Building improvement	157.46	192.19	See details in 1.3	See details in 1.3
Decoration	95.89	83.36	See details in 1.4	See details in 1.4
Furniture, fixture and office equipment	2.88	4.35	See details in 1.5	See details in 1.5
Tooling	1.27	3.74	See details in 1.5	See details in 1.5
Construction in progress	4.12	10.85	See details in 1.5	See details in 1.5
Vehicle	-	-	See details in 1.5	See details in 1.5
Total building and equipment		777.07	940.35	
2. Investment properties				
Investment properties	28.86	32.27	See details in 1.6	See details in 1.6
Total investment properties		28.86	32.27	

List of Assets		Net Book Value (Million Baht)		Ownership	Encumbrance
		31 December 2023	31 December 2024		
3. Right-of-use assets					
Land improvement		380.67	405.17	See details in 1.7	See details in 1.7
Building and building improvement		25.64	150.93	See details in 1.7	See details in 1.7
Furniture, fixture and office equipment		-		See details in 1.7	See details in 1.7
Vehicle		4.41	4.88	See details in 1.7	See details in 1.7
Total right-of-use assets		410.72	560.98		
4. Intangible assets					
Computer software		6.41	6.80	See details in 1.8	See details in 1.8
Total intangible assets		6.41	6.80		

Note: Since the Company does not have land in its ownership, it leases the land for the construction of the building.

The Company's fixed assets as shown above can be detailed according to the type of property as follows:

1.1 Land improvement

As at 31 December 2023 and 2024 land improvement are details as follows:

Assets	Net book value (Million Baht)		Holding objective	Proprietary characteristics	Obligations
	31 December 2023	31 December 2024			
งานตกแต่ง	3.50	36.26	To be used as part of the branch area - Ratchaphruek and Phuket	Ownership	Unencumbered
Total	3.50	36.26			

1.2 Building

As at 31 December 2023 and 2024 building are details as follows:

Assets	Net book value (Million Baht)		Holding objective	Proprietary characteristic	Obligations
	31 December 2023	31 December 2024			
Building - Praditmanuthum Branch	84.41	75.19	To be used as the head office and store for the sale of goods.	Ownership	The mortgage is collateral for loans combined with building improvement and decoration and right-to-use assets with commercial banks with a total credit limit of Baht 150.00 million.
Building – Pattaya Branch	106.30	100.96	To be used as a store for the sale of goods.	Ownership	The mortgage is collateral for loans combined with building improvement and decoration and right-to-use assets with commercial banks with a total credit limit of Baht 172.50 million.
Building – Ratchapruek Branch	136.06	128.45	To be used as a store for the sale of goods.	Ownership	Unencumbered
Building – Ramindra Branch	94.76	91.09	To be used as a store for the sale of goods.	Ownership	The mortgage is collateral for loans combined with building improvement and decoration and right-to-use assets with commercial banks with a total credit limit of Baht 175.00 million.
Building – Bangna Branch	90.42	85.14	To be used as a store for the sale of goods.	Ownership	Unencumbered
Building – Phuket Branch	-	128.77	To be used as a store for the sale of goods.	Ownership	Currently in the process of preparing for mortgage registration.
Building – Cambodia Branch	-	-	To be used as a store for the sale of goods.	Ownership	ปลอดการผูกพัน
Total	511.95	609.60			

1.3 Building improvement

As at 31 December 2023 and 2024 building improvement are details as follows:

Assets	Net book value (Million Baht)		Holding objective	Proprietary characteristic	Obligations
	31 December 2023	31 December 2024			
Building improvement – Praditmanuthum Branch	2.69	2.39	To be used for business	Ownership	The mortgage is collateral for loans combined with building and decoration and right-to-use assets with commercial banks with a total credit limit of Baht 150.00 million.
Building improvement – Pattaya Branch	29.26	27.81	To be used for business	Ownership	The mortgage is collateral for loans combined with building and decoration and right-to-use assets with commercial banks with a total credit limit of Baht 172.50 million.
Building improvement – Ratchapruet Branch	53.96	51.16	To be used for business	Ownership	Unencumbered
Building improvement – Ramindra Branch	37.56	36.05	To be used for business	Ownership	The mortgage is collateral for loans combined with building and decoration and right-to-use assets with commercial banks with a total credit limit of Baht 175.00 million.
Building improvement – Bangna Branch	28.07	26.58	To be used for business	Ownership	Unencumbered
Building improvement – Phuket Branch	-	48.20	To be used for business	Ownership	Currently in the process of preparing for mortgage registration.
Building improvement – Cambodia Branch	5.92	-	To be used for business	Ownership	Unencumbered
Total	157.46	192.19			

1.4 Decoration

As at 31 December 2023 and 2024 decoration are details as follows:

Assets	Net book value (Million Baht)		Holding objective	Proprietary characteristic	Obligations
	31 December 2023	31 December 2024			
Decoration – Praditmanuthum Branch	4.72	4.19	To be used for business	Ownership	The mortgage is collateral for loans combined with building and building improvement and right-to-use assets with commercial banks with a total credit limit of Baht 150.00 million.
Decoration – Pattaya Branch	6.28	5.28	To be used for business	Ownership	The mortgage is collateral for loans combined with building and building improvement and right-to-use assets with commercial banks with a total credit limit of Baht 172.50 million.
Decoration – Ratchapruerk Branch	34.44	31.18	To be used for business	Ownership	Unencumbered
Decoration – Ramindra Branch	20.54	16.15	To be used for business	Ownership	The mortgage is collateral for loans combined with building and building improvement and right-to-use assets with commercial banks with a total credit limit of Baht 175.00 million.
Decoration – Bangna Branch	22.95	20.65	To be used for business	Ownership	Unencumbered
Decoration – Phuket Branch	-	5.91	To be used for business	Ownership	Currently in the process of preparing for mortgage registration.
Decoration – Cambodia Branch	6.96	-	To be used for business	Ownership	Unencumbered
Total	95.89	83.36			

1.5 Other fixed assets

As at 31 December 2023 and 2024 other fixed assets are details as follows:

Assets	Net book value (Million Baht)		Holding objective	Proprietary characteristic	Obligations
	31 December 2023	31 December 2024			
Furniture, fixture and office equipment	2.88	4.35	To be used for business	Ownership	Unencumbered
Tooling	1.27	3.74	To be used for business	Ownership	Unencumbered
Construction in progress	4.12	10.85	To be used for business	Ownership	Unencumbered
Vehicle	-	-	To be used for business	Ownership	Unencumbered
Total	8.27	18.94			

1.6 Investment properties

As at 31 December 2023 and 2024 investment properties are details as follows:

Assets	Net book value (Million Baht)		Holding objective	Proprietary characteristic	Obligations
	31 December 2023	31 December 2024			
Investment properties – Praditmanuthum Branch	1.07	0.96	To be used for business	Ownership	The mortgage is collateral for loans combined with building and building improvement and right-to-use assets with commercial banks with a total credit limit of Baht 150.00 million.
Investment properties – Bangna Branch	3.88	5.19	To be used for business	Ownership	Unencumbered
Investment properties – Ratchapruerk Branch	16.90	15.36	To be used for business	Ownership	Unencumbered
Investment properties – Ramindra Branch	7.01	6.74	To be used for business	Ownership	The mortgage is collateral for loans combined with building and building improvement and right-to-use assets with commercial banks with a total credit limit of Baht 175.00 million.
Investment properties – Phuket Branch	-	4.02	To be used for business	Ownership	Currently in the process of preparing for mortgage registration.
Total	28.86	32.27			

1.7 Right-of-use assets

As at 31 December 2023 and 2024 right-of-use assets are details as follows:




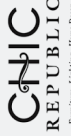



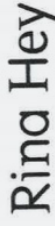
Assets	Net book value (Million Baht)		Holding objective	Proprietary characteristic	Obligations
	31 December 2023	31 December 2024			
Land improvement	380.67	405.17	To be used for business	Long-term lease agreements	The leasehold rights of the land in each branch will be transferred as collateral for loan agreements from financial institutions for loans to support the construction of that branch.
Building and building improvement	25.64	150.93	To be used for business	Long-term lease agreements	N/A
Furniture, fixture and office equipment	-	-	To be used for business	Long-term lease agreements	N/A
Vehicles	4.41	4.88	To be used for business	Long-term lease agreements	N/A
Total	410.72	560.98			









1.8 Intangible assets

As at 31 December 2023 and 2024, intangible assets were Baht 6.41 million and Baht 6.80 million, respectively, as computer software used in the office.

2 Trademarks

The Company has registered trademarks, the trademarks will be valid for 10 years and can be renewed for 10 years at a time, are as follows:

No	Trademark	Type of goods / service	Registration No.	Country of Registration	Coverage Period
1	 Furniture-Lighting-Home Decor	Class 20 bed, wardrobe, sofa, table, chair, TV cabinet, pillow	Kor 337563	Thailand	8 July 2020 – 7 July 2030
2	 Furniture-Lighting-Home Decor	Class 21 plates	Kor 337564	Thailand	8 July 2020 – 7 July 2030
3	 Furniture-Lighting-Home Decor	Class 27 carpet	Kor 338021	Thailand	8 July 2020 – 7 July 2030
4	 Furniture-Lighting-Home Decor	Class 35 Sales management of furniture and home furnishings, Sales management services, Electrical appliances with equipment, Sales management services for household appliances, Manage the market through electronic media	Bor 49145 / 211119635	Thailand	8 July 2020 – 7 July 2030 / 19 May 2020 – 18 May 2030
5		Class 20 bed, mattress, sofa, chair, living table, shelf, cabinet, dining table, wardrobe	171133848	Thailand	19 February 2016 – 18 February 2026
6		Class 35 Distribution of household appliances, export and import agents, purchasing agents, electronic marketing, ordering products and services	171125989	Thailand	19 February 2016 – 18 February 2026
7		Class 20 bed, mattress, sofa, chair, living table, shelf, cabinet, dining table, wardrobe	171109376	Thailand	16 September 2015 – 15 September 2025
8		Class 35 Distribution of household appliances, export and import agents, purchasing agents, electronic marketing, ordering products and services	171109368	Thailand	16 September 2015 – 15 September 2025

No	Trademark	Type of goods / service	Registration No.	Country of Registration	Coverage Period
9		Class 20 bed, mattress, sofa, chair, living table, shelf, cabinet, dining table, wardrobe, Class 24 bedding, sleeping bags, coasters, placemats, clothing and Class 35 Distribution of household appliances, export and import agents, purchasing agents, electronic marketing, ordering products and services	No. 230123461 (Submitted date: 3 July 2023)	Thailand	In consideration process
10		Class 20 bed, mattress, sofa, chair, living table, shelf, cabinet, dining table, wardrobe and Class 35 Distribution of household appliances, export and import agents, purchasing agents, electronic marketing, ordering products and services	KH/2020/078222	Cambodia	11 July 2019 – 11 July 2029
11		Class 20 bed, mattress, sofa, chair, living table, shelf, cabinet, dining table, wardrobe and Class 35 Distribution of household appliances, export and import agents, purchasing agents, electronic marketing, ordering products and services	KH/2020/0782224	Cambodia	11 July 2019 – 11 July 2029
12		Class 20 bed, mattress, sofa, chair, living table, shelf, cabinet, dining table, wardrobe	44159761	China	28 November 2020 – 27 November 2030
13		Class 35 Distribution of household appliances, export and import agents, purchasing agents, electronic marketing, ordering products and services	48808294	China	21 March 2021 – 20 March 2031
14		Class 20 bed, mattress, sofa, chair, living table, shelf, cabinet, dining table, wardrobe	48913	Laos	21 February 2020 – 21 February 2030
15		Class 35 Distribution of household appliances, export and import agents, purchasing agents, electronic marketing, ordering products and services	48914	Laos	21 February 2020 – 21 February 2030
16		Class 20 bed, mattress, sofa, chair, living table, shelf, cabinet, dining table, wardrobe	48915	Laos	21 February 2020 – 21 February 2030

No	Trademark	Type of goods / service	Registration No.	Country of Registration	Coverage Period
17	 RINA HEY	Class 35 Distribution of household appliances, export and import agents, purchasing agents, electronic marketing, ordering products and services	48916	Laos	21 February 2020 – 21 February 2030
18	Rina Hey	Class 20 bed, mattress, sofa, chair, living table, shelf, cabinet, dining table, wardrobe	36552 / 36181	Laos	20 October 2016 – 20 October 2026
19	 CHIC REPUBLIC <small>Furniture - Lighting - Home Decor</small>	Class 20 bed, mattress, sofa, chair, living table, shelf, cabinet, dining table, wardrobe	IDM000879818	Indonesia	24 February 2020 – 24 February 2030
20	 CHIC REPUBLIC <small>Furniture - Lighting - Home Decor</small>	Class 35 Distribution of household appliances, export and import agents, purchasing agents, electronic marketing, ordering products and services	IDM000892515	Indonesia	24 February 2020 – 24 February 2030
21	Rina Hey	Class 20 bed, mattress, sofa, chair, living table, shelf, cabinet, dining table, wardrobe	IDM000585035	Indonesia	16 October 2015 – 16 October 2025
22	CHIC REPUBLIC	Class 20 bed, mattress, sofa, chair, living table, shelf, cabinet, dining table, wardrobe	2011009916	Malaysia	31 March 2021 – 31 March 2031
23	Rina Hey	Class 20 bed, mattress, sofa, chair, living table, shelf, cabinet, dining table, wardrobe	2015010620	Malaysia	19 October 2015 – 19 October 2025
24	CHIC REPUBLIC	Class 20 bed, mattress, sofa, chair, living table, shelf, cabinet, dining table, wardrobe	193358	Vietnam	30 May 2021 – 30 May 2031
25	Rina Hey	Class 20 bed, mattress, sofa, chair, living table, shelf, cabinet, dining table, wardrobe	305601	Vietnam	16 October 2015 – 16 October 2025

3 Land lease agreements for business operation

No	Branch	Lease period	Right to renew lease agreement
1.	Praditmanuthum Branch	22 years from 20 January 2010 to 19 January 2032	The lease does not specific the right to renew the lease agreement.
2.	Ratchapruek Branch	30 years from 4 October 2011 to 3 October 2041 29 years 3 months from 4 May 2012 to 3 October 2041 26 years 9 months from 4 January 2015 to 3 October 2041	The Company must provide written notice to the lessor at least 6 months prior to the expiry of the lease period, provided that the terms and conditions and rental rates are re-agreed.
3.	Bangna Branch	26 years from 1 February 2011 to 31 January 2037	The party wishing to renew the contract must give written notice to the other party at least 1 year prior to the expiry of the lease period.
4.	Pattaya Branch	30 years from 15 July 2014 to 14 July 2044	The Company must provide written notice to the lessor at least 6 months prior to the expiry of the lease period, provided that the terms and conditions and rental rates are re-agreed.
5.	Ramindra Branch	30 years from 11 May 2017 to 10 May 2047 3 years ¹ from 1 August 2019 to 31 July 2022 and renewed from 1 August 2022 to 31 July 2025	At the expiration of the contract and the Company does not breach the contract, the lessor makes a non-revocable pledge. To the Company that the Company will be able to automatically extend the lease for a period of 2 years. Parties wishing to renew the contract must give written notice to the other party at least 60 days prior to the expiry of the lease period.
6.	Cambodia Branch	9 years from 24 October 2018 to 23 October 2027 Early terminated the agreement on 1 September 2024	The lease does not specific the right to renew the lease agreement.
7.	Office in Cambodia	1 year from 1 April 2024 to 31 March 2025	The lease does not specific the right to renew the lease agreement.
8.	Udon Thani Branch	30 years from 16 October 2017 to 15 October 2047	After the expiry of the lease, the lessor promises to let the Company lease the land for a period of 10 years.
9.	Phuket Branch	The first agreement is 30 years from 10 January 2026 to 9 January 2056 (The lessor agreed to hand over possession of the leased land to the lessee from 10 January 2024 to 9 January 2026) The second agreement is 30 years from 3 April 2024 to 2 April 2054 (The lessor agreed to extend the rental period until 9 January 2056 10 January 2026 to 9 January 2056)	Not less than 12 months before the end of the rental period, if the lessee wishes to continue renting the land, the lessor agrees that the lessee will be the first to propose land rental conditions for the lessor to consider first.

No	Branch	Lease period	Right to renew lease agreement
10.	Teparak Warehouse	25 years from 1 January 2025 to 1 January 2050	Not less than 12 months before the end of the rental period, if the lessee wishes to continue renting the land, the lessor agrees that the lessee will be the first to propose land rental conditions for the lessor to consider first.

Note:

¹ The 3-year short-term lease is an additional land lease of 825 square meters, which gives the Ramindra branch has a larger proportion of the overall branch area. That is to say, it is an additional area to enter and exit the Ramindra branch to make the entrance and exit of the branch more streamlined. The failure to renew such contracts in the future will not affect the Company's business operations in any way.

Summary of land and office leases

Praditmanuthum Branch

Counterparties	:	Lessor: B O S Property Co., Ltd. Lessee: The Company
Contract date	:	14 January 2010
Contract period	:	22 years from 20 January 2010 to 19 January 2032
Leased area	:	Title Deed No. 252441 and Title Deed No. 252442 Klongjan, Bangkapi, Bangkok
Area	:	4 Rai 1 Ngan 4 Sq. wah
Payment condition	:	<ol style="list-style-type: none"> 1. Pay compensation for land lease by making a payment of the first part on the contract date and the rest on the leasehold registration date. 2. Pay the prepayment in advance on a monthly basis, payable by the 5th of the following month.
Other important condition	:	None
Demolition after the end of the lease	:	<p>It is divided into 2 cases as follows:</p> <ol style="list-style-type: none"> 1. In the event that the lessor does not wish to take ownership of the building from the Company on the expiry date of the lease term or when this agreement ends in any case, the lessor wishes not to take ownership of the building to the Company at least 3 months prior to the contract maturity date for the Company to move the property and services away from the leased land, as well as demolish the building within a period of 3 months after the expiration of the lease agreement. 2. In case the lessor wants to take ownership of the building after the expiration of the lease period, the lessor agrees to allow the Company moving the property and services away from the leased land from the building within a period of 2 months.

Ratchapruek Branch**The first agreement**

Counterparties : Lessor: Mr. Pak Khumduang, Mrs. Chawee Khumduang and Ms. Kessuree Khumduang

Lessee: The Company

Contract date : 3 October 2011

Contract period : 30 years from 4 October 2011 to 3 October 2041

Leased area : 1. Title Deed No. 41118 Land No. 94 full plot, Title Deed No. 42852 Land No. 97 full plot Title Deed No. 41261 Land No. 84 partial Om Kret, Pakkret, Nonthaburi
2. Title Deed No. 70749 Land No. 1 partial Om Kret, Pakkret, Nonthaburi
3. Title Deed No. 70750 Land No. 2 partial Om Kret, Pakkret, Nonthaburi

Area : 9 Rai 67.5 Sq. wah

Payment condition : 1. Pay the compensation for the lease of the land by make a payment for the first part on the date of registration of the leasehold right and the rest will be divided as stipulated in the contract.
2. Pay rent in advance on a monthly basis, payable on the 5th of every month.

Contract renewal : The Company must provide written notice to the lessor at least 6 months prior to the expiry of the rental period, provided that the terms and conditions and rental rates are agreed upon.

Other important condition : 1. The Company cannot be transferred all or part of the leasehold rights to another person for sublease unless written consent is obtained from the lessor.
2. The lessor agrees that the Company can use the leasehold rights as well as the buildings constructed on the leased land, whether in whole or in part, as collateral for loans with financial institutions.
3. Throughout the rental period, if the lessor wishes to sell the leased land. The lessor must first offer the offer to the Company if the Company does not agree to purchase within 30 days from the date of notice of the lessor. The lessor has the right to sell the leased land to another person.
4. The Company shall insure buildings and structures with the insurance company, whereby the Company pays the premium and the lessor is the beneficiary of the insurance policy.
5. The Company is obliged to pay various taxes such as property tax, signage tax, local maintenance tax, etc.

Termination : 1. In case the Company does not pay the rent within 20 days from the due date and the lessor has a written notice of demand to be deemed to be in breach of the contract.
2. If one party breaches any of the clauses of the contract and the other party has written notice to correct it within 20 days, but the party ignores it, the other party has the right to terminate the contract immediately.

Demolition after the end of the lease : When the lease is terminated in any way, the buildings and structures shall immediately fall into the ownership of the lessor. The redemption or removal of the building must be carried out as collateral and the Company have the right to demolish, move away from buildings on leased land. The Company must complete the demolition within 45 days from the end of the lease.

The second agreement

Counterparties	: Lessor: Ms. Kessuree Khumduang Lessee: The Company
Contract date	: 1 May 2012
Contract period	: 29 years 3 months from 4 May 2012 to 3 October 2041
Leased area	: Title Deed No. 70750 Land No. 2 partial Om Kret, Pakkret, Nonthaburi
Area	: 1 Rai 2 Ngan 61.5 Sq. wah
Payment condition	: Pay rent in advance on a monthly basis, payable on the 5 th of every month.
Contract renewal	: The Company must provide written notice to the lessor at least 6 months prior to the expiry of the rental period, provided that the terms and conditions and rental rates are agreed upon.
Other important condition	: <ol style="list-style-type: none"> 1. The Company cannot be transferred all or part of the leasehold rights to another person for sublease unless written consent is obtained from the lessor. 2. The lessor agrees that the Company can use the leasehold rights as well as the buildings constructed on the leased land, whether in whole or in part, as collateral for loans with financial institutions. 3. Throughout the rental period, if the lessor wishes to sell the leased land. The lessor must first offer the offer to the Company if the Company does not agree to purchase within 30 days from the date of notice of the lessor. The lessor has the right to sell the leased land to another person. 4. The Company shall insure buildings and structures with the insurance company, whereby the Company pays the premium and the lessor is the beneficiary of the insurance policy. 5. The Company is obliged to pay various taxes such as property tax, signage tax, local maintenance tax, etc.
Termination	: <ol style="list-style-type: none"> 1. In case the Company does not pay the rent within 20 days from the due date and the lessor has a written notice of demand to be deemed to be in breach of the contract. 2. If one party breaches any of the clauses of the contract and the other party has written notice to correct it within 20 days, but the party ignores it, the other party has the right to terminate the contract immediately.
Demolition after the end of the lease	: When the lease is terminated in any way, the buildings and structures shall immediately fall into the ownership of the lessor. The redemption or removal of the building must be carried out as collateral and the Company have the right to demolish, move away from buildings on leased land. The Company must complete the demolition within 60 days from the end of the lease.

The third agreement

Counterparties	: Lessor: Mrs. Chawee Khumduang Lessee: The Company
Contract date	: 1 January 2015
Contract period	: 26 years 9 months from 4 January 2015 to 3 October 2041
Leased area	: Title Deed No. 70749 Land No. 1 partial Om Kret, Pakkret, Nonthaburi
Area	: 2 Ngan 26.5 Sq. wah
Payment condition	: Pay rent in advance on a monthly basis, payable on the 5 th of every month.

Contract renewal	:	The Company must provide written notice to the lessor at least 6 months prior to the expiry of the rental period, provided that the terms and conditions and rental rates are agreed upon.
Other important condition	:	<ol style="list-style-type: none"> 1. The Company cannot be transferred all or part of the leasehold rights to another person for sublease unless written consent is obtained from the lessor. 2. The lessor agrees that the Company can use the leasehold rights as well as the buildings constructed on the leased land, whether in whole or in part, as collateral for loans with financial institutions. 3. Throughout the rental period, if the lessor wishes to sell the leased land. The lessor must first offer the offer to the Company if the Company does not agree to purchase within 30 days from the date of notice of the lessor. The lessor has the right to sell the leased land to another person. 4. The Company shall insure buildings and structures with the insurance company, whereby the Company pays the premium and the lessor is the beneficiary of the insurance policy. 5. The Company is obliged to pay various taxes such as property tax, signage tax, local maintenance tax, etc.
Termination	:	<ol style="list-style-type: none"> 1. In case the Company does not pay the rent within 20 days from the due date and the lessor has a written notice of demand to be deemed to be in breach of the contract. 2. If one party breaches any of the clauses of the contract and the other party has written notice to correct it within 20 days, but the party ignores it, the other party has the right to terminate the contract immediately.
Demolition after the end of the lease	:	When the lease is terminated in any way, the buildings and structures shall immediately fall into the ownership of the lessor. The redemption or removal of the building must be carried out as collateral and the Company have the right to demolish, move away from buildings on leased land. The Company must complete the demolition within 60 days from the end of the lease.

Bangna Branch

Counterparties	:	<p>Lessor: Bangna Land Company Limited</p> <p>Lessee: The Company</p>
Contract date	:	27 January 2011
Contract period	:	26 years from 1 February 2011 to 31 January 2037
Leased area	:	Title Deed No. 36639 Bangna, Prakanong, Bangkok
Area	:	6 Rai 14 Sq. wah
Payment condition	:	<ol style="list-style-type: none"> 1. Payment of rental compensation on the date of registration of the lease. 2. Annual rent payment by 5 February of the following year, if the Company fails to pay the rent as scheduled, it will be fined daily at the rate of 15% per annum of the amount owed.
Contract renewal	:	The party wishing to renew the contract must give written notice to the other party at least 1 year prior to the expiry of the rental period.
Other important condition	:	<ol style="list-style-type: none"> 1. The Company has the right to utilize or remove the rental of the building under construction, as well as the right to charge the benefit from such rental. The lease agreement between the Company and third parties must not exceed 10 years, if more than 10 years, the consent of the lessor is required. 2. The Company must insure the building with the insurance company, which is paid by the Company. 3. The Company is obliged to pay property tax and/or local maintenance tax. 4. The Company can transfer the leasehold or mortgage of the building to the bank that supports the loan.

Termination	:	<ol style="list-style-type: none"> 1. If one of the parties breaches any of the contracts. The other party has the right to sue for performance of the contract or to terminate the contract and recover damages as discriminatory, but a notice must be sent by registered mail to the other party. For the defaulting party to correct it within 30 days from the date of receipt of the letter. 2. In case the contract ends prematurely, the Company is a party to the contract or termination of the contract without the fault of the lessor, the Company shall pay a fine equal to the rent to be paid for the remaining period of the contract.
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Demolition after the end of the lease	:	<p>At the expiration of the rental period, the lessor has the right to choose as follows:</p> <ol style="list-style-type: none"> 1. The Company shall demolish the building and improve the leased land to its original condition within 3 months from the end of the contract, or 2. The ownership of the building under construction, including all fittings and fixtures, shall be vested in the lessor or agent immediately from the date of termination of the lease.
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Pattaya Branch

Counterparties	:	<p>Lessor: Mr. Vijai Thangsiripaisarn</p> <p>Lessee: The Company</p>
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Contract date	:	26 February 2012
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Contract period	:	30 years from 15 July 2014 to 14 July 2044
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Leased area	:	Title Deed No. 43250 Land No. 1 Nhongprue, Banglamung, Chonburi
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Area	:	8 Rai 2 Ngan 44.2 Sq. wah
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Payment condition	:	<ol style="list-style-type: none"> 1. Pay the compensation for the lease of the land by making the payment for the first part on the contract date and the rest will be divided according to the form agreed in the contract. 2. Pay the land rental fee by paying the rent in advance on a monthly basis, payable every 10th of the month onwards but not more than 5 working days.
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Contract renewal	:	The Company must provide written notice to the lessor at least 6 months prior to the expiry of the rental period, provided that the terms and conditions and rental rates are re-agreed.
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Other important condition	:	<ol style="list-style-type: none"> 1. The Company can transfer the leasehold rights of all or part of the land or sub-lease it to others. The Company must notify the lessor. 2. The Company can use all or part of the leasehold rights and buildings as collateral for loans or collateral to guarantors with financial institutions. 3. If the lessor wishes to sell the land, the lessor must first offer it to the Company. If the Company does not agree to buy within 30 days, the landlord can sell the land to another person. 4. The Company must insure the building with the insurance company. The Company pays the premium and the Company is the beneficiary of the insurance policy. 5. The Company is responsible for paying various taxes such as property tax, land tax, signage tax, local maintenance tax, etc.
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Termination	:	If the Company does not pay the rent and the lessor has a written demand letter to the Company, the payment must be made within 30 days, but the Company ignores it, the Company will be deemed to be in default. The lessor has the right to terminate the contract.
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Demolition after the end of the lease	:	When the lease ends for any reason, the buildings and structures shall be owned by the lessor and the lessor agrees to the Company and all sub-lessees remove the property and equipment other than the building within 60 days from the date of the lease ends without paying rent.
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Ramindra Branch**The first agreement****Counterparties** : Lessor: Mrs. Nancy Bunyaruk

Lessee: The Company

Contract date : 11 May 2017**Contract period** : 30 years from 11 May 2017 to 10 May 2047**Leased area** : Title Deed No. 11533 Land No. 788 Kannayao, Bangkapi, Bangkok**Area** : 7 Rai**Payment condition** :

1. Pay the compensation for the land sharing agreement by paying on the date of registration of the land sharing agreement.
2. Pay the rent of the land by paying the rent on a monthly basis by the 15th of the month.

Contract renewal : At the expiration of the contract and the Company does not breach the contract. The lessor has made an irrevocable pledge to the Company that the Company will be able to utilize the leased land for another 2 years.**Other important condition** :

1. The Company can transfer the leasehold rights of all or part of the land or sub-lease it to others.
2. The Company is responsible for paying various taxes such as property tax, land tax, signage tax, local maintenance tax, etc.
3. The Company can transfer this leasehold right as collateral for loans with the Bank.

Termination If the Company defaults on the payment of rent or the cheque payable for rent is rejected by the Bank, or the Company has breached any of the contracts, or the Company is subject to a decisive asset protection order, or bankruptcy, or reorganization, or any action taken under the bankruptcy law, and the lessor has issued a warning letter or notice to the Company to correct the breach within the time limit specified in the notice, but the Company ignores it, the lessor can terminate the contract immediately.**Demolition after the end of the lease** At the expiration of the lease term or the lease is terminated because of the fault of the Company, the ownership of the building is granted. The building was carried out at the Company's expense and the Company was obliged to demolish it. Complete the restoration of the land within 4 months without paying the rent in the meantime.**The second agreement****Counterparties** : Lessor: Chok Samakkee Company Limited

Lessee: The Company

Contract date : 22 July 2022**Contract period** : 3 years from 1 August 2022 to 31 July 2025**Leased area** : Title Deed No. 127812 Land No. 815 Kannayao, Bangkapi, Bangkok**Area** : 825 Sq.m.**Payment condition** : Pay rent in advance on a monthly basis, payable on the 5th day of the month.**Contract renewal** : The Company has deposited a damage deposit of Baht 60,000, which will be returned to the Company within 15 days from the end of the lease.

Other important condition : Parties wishing to renew the contract must give written notice to the other party at least 60 days prior to the expiry of the rental period.

Termination :
 1. The Company shall not transfer all or part of the leasehold rights of the land or to another person for sub-lease or consent to use by another person unless with the written consent of the lessor.
 2. The Company is responsible for paying various taxes such as property tax, land tax, signage tax, local maintenance tax, etc.

Demolition after the end of the lease : At the expiration of the lease or termination of the contract. The Company must deliver the leased space to the lessor in good condition. In case of pouring mortar or pouring rubber, it shall be considered as the ownership of the lessor.

Phuket Branch

The first agreement

Counterparties : Lessor: ห้างหุ้นส่วนสามัญสามพี่น้อง
 Lessee: The Company

Contract date : 9 January 2024

Contract period : 30 years from 10 January 2026 to 9 January 2056 (The lessor agreed to hand over possession of the leased land to the lessee from 10 January 2024 to 9 January 2026.)

Leased area : Title Deed No. 3288 Land No. 410 (old no. 87), Tambol Sapa, Amphur Muang Phuket (Thungka), Phuket.

Area : 6 Rai 60.40 Sq. wah

Payment condition :
 1. Pay the partial of the land lease compensation on the Agreement date and pay the remaining as stipulated in the land lease agreement.
 2. Pay the rent of the land by paying the rent on a monthly basis on the 10th of every month (The first payment will be on 10 January 2026).

Contract renewal : Not less than 12 months before the end of the rental period, if the lessee wishes to continue renting the land, the lessor agrees that the lessee will be the first to propose land rental conditions for the lessor to consider first.

Other important condition :
 1. The Company is obliged to pay various taxes such as land tax, property tax, signage tax, other tax, and other expenses relating to the leased land and properties on the leased land.
 2. The Company is obliged to insure the buildings in the land leased by the Company and/or financial institutions as beneficiaries.
 3. The Company has the right to transfer the leasehold rights under this agreement to another person without prior consent of the lessor.
 4. The lessor consents to the Company. The leasehold rights under this agreement can be used as collateral for financial institutions.
 5. The lessor agrees to allow the Company to sublease some or all of the land under this agreement to a third party.

Termination
 1. In the event that the contacting party breaches any of the contract and the party that is not in breach of the contract has notified in written to make correction within 30 days from the date of notification. But the party who broke the contract continues to misconduct. The party that does not breach the contract has the right to terminate the contract and/or sue to enforce the performance of the contract.
 2. If the Company owes the rent by default for a period of not less than 60 days, the lessor has the right to demand unpaid rent and interest. And if the 60-day period has elapsed, the Company will still default on payment. The lessor has the right to terminate the lease immediately.

Demolition after the end of the lease

When the lease expires, all buildings that the lessee constructs on the leased land shall become the property of the lessor unless the lessor does not wish to receive, the lessee demolish the building and ready to move the property within 180 days from the end of this contract.

The second agreement**Counterparties**

: Lessor: ห้างหุ้นส่วนสามัญสามพี่น้อง
Lessee: The Company

Contract date

: 1 April 2024

Contract period

: 30 years from 3 April 2024 to 2 April 2056 (The lessor agreed to extend the rental period until 9 January 2056.)

Leased area

: Title Deed No. 3288 Land No. 410 (old No. 87), Tambol Sapa, Amphur Muang Phuket (Thungka), Phuket.

Area

: 1 Rai 1 Ngan 91.60 Sq. wah

Payment condition

: Pay the rent of the land by paying the rent on a monthly basis on the 10th of every month (The first payment will be on 10 April 2024).

Contract renewal

: Not less than 12 months before the end of the rental period, if the lessee wishes to continue renting the land, the lessor agrees that the lessee will be the first to propose land rental conditions for the lessor to consider first.

Other important condition

1. The Company is obliged to pay various taxes such as land tax, property tax, signage tax, other tax, and other expenses relating to the leased land and properties on the leased land.
2. The Company is obliged to insure the buildings in the land leased by the Company and/or financial institutions as beneficiaries.
3. The Company has the right to transfer the leasehold rights under this agreement to another person without prior consent of the lessor.
4. The lessor consents to the Company. The leasehold rights under this agreement can be used as collateral for financial institutions.
5. The lessor agrees to allow the Company to sublease some or all of the land under this agreement to a third party.

Termination

1. In the event that the contacting party breaches any of the contract and the party that is not in breach of the contract has notified in written to make correction within 30 days from the date of notification. But the party who broke the contract continues to misconduct. The party that does not breach the contract has the right to terminate the contract and/or sue to enforce the performance of the contract.
2. If the Company owes the rent by default for a period of not less than 60 days, the lessor has the right to demand unpaid rent and interest. And if the 60-day period has elapsed, the Company will still default on payment. The lessor has the right to terminate the lease immediately.

Demolition after the end of the lease

When the lease expires, all buildings that the lessee constructs on the leased land shall become the property of the lessor unless the lessor does not wish to receive, the lessee demolish the building and ready to move the property within 180 days from the end of this contract.

Teparak Warehouse

Counterparties	: Lessor: Pathanasuk Capital Co., Ltd. Lessee: The Company
Contract date	: 30 September 2024
Contract period	: 25 years from 1 January 2025 to 1 January 2050
Leased area	: Warehouse (Building 2) no. 68 Moo 3 Tambon Bangplee Amphur Bangplee Samutprakarn
Area	: 4,538.06 Sq.m.
Payment condition	: Pay the land rental compensation by paying the first part on the agreement date and the remaining part will be paid in installments as stipulated in the agreement. Pay the land rental by paying the rent in advance on a monthly basis, starting from the 10 th of each month. The first payment will be on 10 January 2025.
Contract renewal	: Not less than 12 months before the end of the rental period, if the lessee wishes to continue renting the land, the lessor agrees that the lessee will be the first to propose land rental conditions for the lessor to consider first.
Other important condition	: <ol style="list-style-type: none"> 1. The Company is obliged to pay various taxes such as property tax, signage tax, other tax, and other expenses relating to the leased building. 2. The Company is obliged to insure the buildings in the building leased by the Company as beneficiaries. 3. The lessor agrees to allow the lessee to sublease the leased building, whether in whole or in part, to another person or juristic person, with prior consent from the bank and the lessor. However, the lessee must make the sublessee bound by and comply with the lease agreement. <ol style="list-style-type: none"> 1. During the lease term, if the lessor wishes to sell the land and/or warehouse building, which is the leased building, the lessor must notify the lessee to give the lessee the right to offer the price and purchase conditions before others, and the lessor must thoroughly consider the lessee's offer first. If no agreement can be reached, the lessor will have the right to offer to sell to others.
Termination	<ol style="list-style-type: none"> 1. In the event that the contacting party breaches any of the contract and the party that is not in breach of the contract has notified in written to make correction within 30 days from the date of notification. But the party who broke the contract continues to misconduct. The party that does not breach the contract has the right to terminate the contract and/or sue to enforce the performance of the contract. 2. If the Company owes the rent by default for a period of not less than 60 days, the lessor has the right to demand unpaid rent and interest. And if the 60-day period has elapsed, the Company will still default on payment. The lessor has the right to terminate the lease immediately.
Demolition after the end of the lease	Upon termination of the lease, the lessee shall be responsible for removing from the lease any fixtures, shelving, tools, equipment or machinery owned by the lessee that are located within the leased premises within 120 days.

Cambodia Branch

Counterparties	:	Lessor: Aeon Mall (Cambodia) Co., Ltd. Lessee: Chic Republic Co., Ltd., a subsidiary of the Company, incorporated in Cambodia									
Contract date	:	21 October 2018									
Contract period	:	9 years from 24 October 2018 to 23 October 2027 Early terminated agreement on 1 September 2024									
Leased area	:	Lot T003-3, Floor G at Aeon Mal Sen Sok City									
Area	:	<table><tr><td>1. Area for sales of goods</td><td>3,003</td><td>Sq.m.</td></tr><tr><td>2. Area for warehouse and office</td><td>499</td><td>Sq.m.</td></tr><tr><td>Total area</td><td>3,502</td><td>Sq.m.</td></tr></table>	1. Area for sales of goods	3,003	Sq.m.	2. Area for warehouse and office	499	Sq.m.	Total area	3,502	Sq.m.
1. Area for sales of goods	3,003	Sq.m.									
2. Area for warehouse and office	499	Sq.m.									
Total area	3,502	Sq.m.									
Payment condition	:	Pay rent and service fees on a monthly basis, payable within 10 days of the following month.									
Collateral	:	The Company's subsidiary has placed collateral with the lessor equal to rent and service charges, including utility bills, for a period of 2 months within 14 days from the date of signing the contract. The lessor will return the collateral without interest to the Company after the contract expires.									
Other important condition	:	<ol style="list-style-type: none">1. The Company's subsidiary is responsible for public liability insurance and property insurance.2. The Company's subsidiary is obliged to submit a monthly summary report of the sale report to the lessee within 7 days from the last day of each month for the tenant to process the service fee each month.3. The Company's subsidiary will not be able to transfer all or part of the leasehold rights of the land or to another person to sub-lease or consent to the use of other persons unless they have the written consent of the lessor.4. The lessor has the right to close the shopping center with at least 14 days' written notice.5. The lessor has the right to require the Company's subsidiary to increase the size of the leased space, reduce the size of the rental space or relocate the rental location as appropriate. The lessor will notify the Company's subsidiary not less than 6 months in advance if the Company's subsidiary does not accept such changes. The lessor can terminate the contract.6. In the case of the Company's subsidiary unable to procure a business license (if requested) from the Government of Cambodia, which the lessor has given written warning to the lessee. The lessor can terminate the contract.7. After the end of the rental period, the Company must adjust the rental space as well as the date of the rental in order to return the space to the lessor.									
Termination		<p>This Agreement shall be terminated in the following cases:</p> <ol style="list-style-type: none">1. Force majeure events such as wars, floods, earthquakes, such events are likely to last for more than 60 days.2. When the lessor terminates the contract with the owner of the shopping center, which is the main contract, it will automatically expire.3. The parties may terminate the contract by notifying the other party in writing, and the contract will be terminated after the parties submit a letter of termination for a period of 6 months.4. When a subsidiary of the Company breaches any of the contracts.5. When the Company's subsidiary are unable to commence sales within 14 days from the date agreed upon in the contract.6. When the Company's subsidiary stop doing business without notifying the lessor in advance. <p>For clauses 4 to 6, the lessor will give written notice to the Company's subsidiary to amend them within 14 days.</p>									

Office in Cambodia

Counterparties	:	Lessor: Mr. Sin Soputhi Lessee: Chic Republic Co., Ltd., a subsidiary of the Company, incorporated in Cambodia
Contract date	:	1 April 2024
Contract period	:	1 year from 1 April 2024 to 31 March 2025
Leased area	:	Unit 01, Room No. 1, 16 th Floor of Garden in The Air Tower (GIA), Street Sopheak Mongkul (Koh Pich), Village 14, Sangkat Tonle Bassac, Kan Chamkarmon, Phnom Penh, Cambodia
Payment condition	:	Pay quarterly at the beginning of the quarter.

Udon Thani Branch (Future Project)

Counterparties	:	Lessor: Rangsinasataporn Company Limited Lessee: The Company
Contract date	:	16 October 2017
Contract period	:	30 years from 16 October 2017 to 15 October 2047
Leased area	:	<ol style="list-style-type: none"> 1. Title Deed No. 35389 Land No. 211 Mak Khaeng Subdistrict, Mueang District, Udon Thani, partial 2. Title Deed No. 35816 Land No. 215 Mak Khaeng Subdistrict, Mueang District, Udon Thani 3. Title Deed No. 51887 Land No. 216 Mak Khaeng Subdistrict, Mueang District, Udon Thani 4. Title Deed No. 143301 Land No. 213 Mak Khaeng Subdistrict, Mueang District, Udon Thani 5. Title Deed No. 143302 Land No. 214 Mak Khaeng Subdistrict, Mueang District, Udon Thani 6. Title Deed No. 156173 Land No. 212 Mak Khaeng Subdistrict, Mueang District, Udon Thani, partial 7. Title Deed No. 156176 Land No. 4 Mak Khaeng Subdistrict, Mueang District, Udon Thani 8. Title Deed No. 156178 Land No. 5 Mak Khaeng Subdistrict, Mueang District, Udon Thani 9. Title Deed No. 156179 Land No. 365 Mak Khaeng Subdistrict, Mueang District, Udon Thani, partial 10. Title Deed No. 156656 Land No. 366 Mak Khaeng Subdistrict, Mueang District, Udon Thani
Area	:	4 Rai 1 Ngan 98.54 Sq. wah
Payment condition	:	<ol style="list-style-type: none"> 1. Pay the partial of the land lease compensation on the date of the memorandum of agreement before entering into the lease agreement and pay the remaining on the date of registration of the land lease. 2. Pay the rent of the land by paying the rent on a monthly basis on the 16th of every month.
Contract renewal	:	The lessor pledged to let the Company lease the land for a period of 10 years after the expiry of the contract.

- Other important condition** :
1. Within 12 months from the end of the rental, if the landlord wishes to sell the land or wishes to continue renting the land after the expiry of the lease agreement. The lessor agrees to give the Company the right to bid and the conditions for buying or renting before any other person and will consider the Company's proposal first.
 2. The Company is obliged to pay various taxes such as property tax, signage tax, local maintenance tax, etc., except land tax.
 3. The Company is obliged to insure the buildings in the land leased by the Company and/or financial institutions as beneficiaries.
 4. The Company has the right to transfer the leasehold rights under this agreement to another person without prior consent of the lessor.
 5. The lessor consents to the Company. The leasehold rights under this agreement can be used as collateral for financial institutions.
 6. The lessor agrees to allow the Company to sublease some or all of the land under this agreement to a third party.

- Termination** :
1. In the event that the lessor breaches any of the contracts and the Company gives written notice to correct them within 60 days from the date of notification, the lessor continues to misconduct. The Company has the right to terminate the contract and/or sue to enforce the performance of the contract.
 2. The landlord continues to misbehave. The Company has the right to terminate the contract and/or sue to enforce the performance of the contract.
 3. If the Company owes the rent by default for a period of not less than 60 days, the lessor has the right to demand unpaid rent and interest. The lessor has the right to terminate the lease immediately.

- Demolition after the end of the lease** :
- When the lease expires, the Company is obliged to demolish the building, any tools, utensils or machinery within 120 days and reconditioned on the land to a similar condition.

Office rental of a subsidiary

- Counterparties** :
- Lessor: LINUX Co., Ltd.
- Lessee: The Blueground Co., Ltd.

- Contract date** :
- 28 May 2024

- Contract period** :
- 1 year from 1 July 2024 to 30 June 2025
- The Company notified to terminate the office rental effective in March 2025.

- Leased area** :
- Room 2419 at Vanissa Building, 25th Floor, Soi Chidlom, Ploenchit Road, Lumpini, Pathumwan Bangkok

- Payment condition** :
- Pay the rental in advance every month

- Contract renewal** :
- The tenant must inform the lessor in writing in advance at least 60 days before the expiry of the agreement.

- Termination** :
- The tenant shall move out of the rental area within 30 days from the date the lease ends.

4 Agreement of a subsidiary

A subsidiary entered into a License Agreement as detailed below:

Counterparties	:	Licensor: Blueground Holdings Limited, United Kingdom Licensee: The Blueground Co., Ltd. (Formerly named "Chic Stay Co., Ltd."), a subsidiary
Grant of License	:	The right to use the trademark and platform for booking accommodations and various services for guests staying for at least 1 month in accommodations provided by the subsidiary and registered on the platform. The license units are in Bangkok Metropolitan Region (Bangkok, Nakhon Pathom, Pathum Thani, Nonthaburi, Samut Prakan, and Samut Sakhon) and the Eastern Economic Corridor (EEC) development project (Rayong, Chonburi, and Chachoengsao).
Agreement Date	:	21 December 2023
Agreement Period	:	20 years The licensor has notified the termination of the agreement in February 2025.
License Fee	:	5% of gross revenues and pay on a monthly basis
Extension of Agreement	:	The licensee wishes to renew the contract for another 20 years by giving written notice within 180 days before the contract expires and submit conditions and renewal plans to the licensor within 120 days before the contract expires. The licensor will consider it first. The licensor must notify the licensee within 60 days after considering the conditions and renewal plan.
Guarantor	:	1. Chic Republic Public Company Limited is a guarantor to guaranty the performance of the terms and conditions of the Agreement in a guarantee amount of USD 1.50 million.
Termination	:	1. In the event that the contracting party breaches any of the contract and the party that is not in breach of the contract has notified in writing to make corrections within 30 days from the date of notification and complete corrections within 30 days 2. If the licensee owed the license fee, the payment must be completed within 30 days. 3. If the contract is terminated before the expiration date, the licensee must pay a termination fee as specified in the Agreement.

5 Property insurance used in business operations

The Company conducts annual risk analysis to determine the type of coverage and sum insured that is expected to be appropriate and cover damages that may occur to the Company. The Company has an insurance policy covering all major assets related to the Company's operations, such as property risk insurance, third party liability insurance, etc. The details of the Company's insurance policy as at 31 December 2024 can be summarized as follows:

5.1 Property risk insurance policy

Praditmanutham Branch

Counterparties	:	Dhipaya Insurance Public Company Limited
Protection Agreement	:	Property related to operations as well as other assets and goods belonging to the insured used in business operations (except the property of the visitor) for Praditmanutham branch.
Insurance limit	:	Praditmanutham Branch 290.00 Million Baht - Building 240.00 Million Baht - Stock at branch 50.00 Million Baht
Insurance period	:	31 October 2024 at 16.30 – 31 October 2025 at 16.30
Insured	:	The Company
Beneficiaries	:	Kasikorn Bank Public Company Limited, only the building

Ratchapruek, McDonald's shop (Drive Thru) Ratchapruek Branch, Starbucks Ratchapruek Branch

Counterparties	:	Dhipaya Insurance Public Company Limited
Protection Agreement	:	Assets related to operations as well as property and other goods belonging to the insured used in business operations (except property of the visitors) for Ratchapruek Branch, McDonald's (drive-thru) Chic Republic Ratchapruek and Starbucks branches Chic Republic Ratchapruek
Insurance limit	:	Ratchapruek 405.00 Million Baht - Building 340.00 Million Baht - Solar Roof 15.00 Million Baht - Stock 50.00 Million Baht - McDonald's (drive-thru) Chic Republic Ratchapruek 11.00 Million Baht - Starbucks branches Chic Republic Ratchapruek 10.00 Million Baht Total 426.00 Million Baht
Insurance period	:	31 October 2024 at 16.30 – 31 October 2025 at 16.30
Insured	:	The Company
Beneficiaries	:	The Company

Bangna Branch, Warehouse DHL Bangplee

Counterparties	:	Dhipaya Insurance Public Company Limited																		
Protection Agreement	:	Assets related to operations as well as property and other goods belonging to the insured used in business operations (except property of the visitors) for Bangna Branch, Stock (Chic Republic Bangna and Stock (Warehouse DHL Bangplee)																		
Insurance limit	:	<table> <tr> <td>1. Bangna Branch</td><td>294.00</td><td>Million Baht</td></tr> <tr> <td>1.1 Building</td><td>235.00</td><td>Million Baht</td></tr> <tr> <td>1.2 Solar</td><td>9.00</td><td>Million Baht</td></tr> <tr> <td>1.3 Stock</td><td>50.00</td><td>Million Baht</td></tr> <tr> <td>2. Stock (Warehouse DHL Bangplee)</td><td>50.00</td><td>Million Baht</td></tr> <tr> <td>Total</td><td>344.00</td><td>Million Baht</td></tr> </table>	1. Bangna Branch	294.00	Million Baht	1.1 Building	235.00	Million Baht	1.2 Solar	9.00	Million Baht	1.3 Stock	50.00	Million Baht	2. Stock (Warehouse DHL Bangplee)	50.00	Million Baht	Total	344.00	Million Baht
1. Bangna Branch	294.00	Million Baht																		
1.1 Building	235.00	Million Baht																		
1.2 Solar	9.00	Million Baht																		
1.3 Stock	50.00	Million Baht																		
2. Stock (Warehouse DHL Bangplee)	50.00	Million Baht																		
Total	344.00	Million Baht																		
Insurance period	:	30 October 2024 at 16.30 – 30 October 2025 at 16.30																		
Insured	:	The Company																		
Beneficiaries	:	The Company																		

Pattaya Branch

Counterparties	:	Dhipaya Insurance Public Company Limited												
Protection Agreement	:	Assets related to operations as well as other assets and goods belonging to the insured used in business operations for Pattaya Branch, Stock (Chic Republic Pattaya)												
วงเงินประกันภัย	:	<table> <tr> <td>1. Building</td><td>220.00</td><td>Million Baht</td></tr> <tr> <td>2. Solar Roof</td><td>6.00</td><td>Million Baht</td></tr> <tr> <td>3. Stock</td><td>50.00</td><td>Million Baht</td></tr> <tr> <td>Total</td><td>276.00</td><td>Million Baht</td></tr> </table>	1. Building	220.00	Million Baht	2. Solar Roof	6.00	Million Baht	3. Stock	50.00	Million Baht	Total	276.00	Million Baht
1. Building	220.00	Million Baht												
2. Solar Roof	6.00	Million Baht												
3. Stock	50.00	Million Baht												
Total	276.00	Million Baht												
Insurance period	:	17 April 2024 at 16.30 – 17 April 2025 at 16.30												
Insured	:	The Company												
Beneficiaries	:	Land and House Bank Public Company Limited, under obligation												

Ramindra Branch

Counterparties	:	Dhipaya Insurance Public Company Limited												
Protection Agreement	:	Assets related to operations as well as other assets and goods belonging to the insured used in business operations for Ramindra Branch, Stock (Chic Republic Ramindra)												
Insurance limit	:	<table> <tr> <td>1. Building</td><td>220.00</td><td>Million Baht</td></tr> <tr> <td>2. Solar Roof</td><td>8.00</td><td>Million Baht</td></tr> <tr> <td>3. Stock</td><td>50.00</td><td>Million Baht</td></tr> <tr> <td>Total</td><td>278.00</td><td>Million Baht</td></tr> </table>	1. Building	220.00	Million Baht	2. Solar Roof	8.00	Million Baht	3. Stock	50.00	Million Baht	Total	278.00	Million Baht
1. Building	220.00	Million Baht												
2. Solar Roof	8.00	Million Baht												
3. Stock	50.00	Million Baht												
Total	278.00	Million Baht												
Insurance period	:	13 August 2024 at 16.30 – 13 August 2025 at 16.30												
Insured	:	The Company												
Beneficiaries	:	Land and House Bank Public Company Limited, under obligation												

Phuket Branch

Counterparties	:	Dhipaya Insurance Public Company Limited												
Protection Agreement	:	Assets related to operations as well as other assets and goods belonging to the insured used in business operations for Phuket Branch, Stock (Chic Republic Phuket)												
Insurance limit	:	<table> <tr> <td>1. Building</td><td>144.00</td><td>Million Baht</td></tr> <tr> <td>2. Solar Roof</td><td>9.42</td><td>Million Baht</td></tr> <tr> <td>3. Stock</td><td>50.00</td><td>Million Baht</td></tr> <tr> <td>Total</td><td>203.42</td><td>Million Baht</td></tr> </table>	1. Building	144.00	Million Baht	2. Solar Roof	9.42	Million Baht	3. Stock	50.00	Million Baht	Total	203.42	Million Baht
1. Building	144.00	Million Baht												
2. Solar Roof	9.42	Million Baht												
3. Stock	50.00	Million Baht												
Total	203.42	Million Baht												
Insurance period	:	25 December 2024 at 16.30 – 25 December 2025 at 16.30												
Insured	:	The Company												
Beneficiaries	:	United Overseas Bank (Thai) Public Company Limited, under obligation												

5.2 Third Party Liability Insurance Policy**Praditmanuthum Branch**

Counterparties	:	Dhipaya Insurance Public Company Limited
Insured location	:	Praditmanuthum Branch
Insurance limit	:	<p>The insurer will indemnify the claim on behalf of the Company for</p> <ol style="list-style-type: none"> 1. The Company's legal liability for accidents of bodily injury, loss of life and damage to third party property caused by defects in the insured premises or negligence of the Company or employees of the Company at the insured premises and occurred during the insured period. 2. Expenses, claims fees which the Company must reimburse the claimant with the written consent of the Company. <p>The limit of liability is not more than Baht 10.00 million per accident and throughout the insured period.</p>
Insurance period	:	31 October 2024 at 12.00 – 31 October 2025 at 12.00
Insured	:	The Company
Beneficiaries	:	Kasikorn Bank Public Company Limited, under obligation

Ratchapruek, McDonald's shop (Drive Thru) Ratchapruek Branch, Starbucks Ratchapruek Branch

Counterparties	:	Dhipaya Insurance Public Company Limited
Insured location	:	<ol style="list-style-type: none"> 1. Ratchapruek Branch 2. McDonald's shop (Drive Thru) Chic Republic Ratchapruek Branch 3. Starbucks Chic Republic Ratchapruek Branch
Insurance limit	:	<p>The insurer will indemnify the claim on behalf of the Company for</p> <ol style="list-style-type: none"> 1. The Company's legal liability for accidents of bodily injury, loss of life and damage to third party property caused by defects in the insured premises or negligence of the Company or employees of the Company at the insured premises and occurred during the insured period. 2. Expenses, claims fees which the Company must reimburse the claimant with the written consent of the Company. <p>The limit of liability is not more than Baht 10.00 million per accident and throughout the insured period.</p>

Insurance period : 31 October 2024 at 12.00 – 31 October 2025 at 12.00

Insured : The Company

Beneficiaries : The Company

Pattaya Branch

Counterparties : Dhipaya Insurance Public Company Limited

Insured location : Pattaya Branch

Insurance limit : The insurer will indemnify the claim on behalf of the Company for

1. The Company's legal liability for accidents of bodily injury, loss of life and damage to third party property caused by defects in the insured premises or negligence of the Company or employees of the Company at the insured premises and occurred during the insured period.
2. Expenses, claims fees which the Company must reimburse the claimant with the written consent of the Company.

The limit of liability is not more than Baht 10.00 million per accident and throughout the insured period.

Insurance period : 17 April 2024 at 16.30 – 17 April 2025 at 16.30

Insured : The Company

Beneficiaries : Land and House Bank Public Company Limited, under obligation

Bangna Branch and Warehouse DHL Bangplee

Counterparties : Dhipaya Insurance Public Company Limited

Insured location : Bangna Branch and Warehouse DHL Bangplee

Insurance limit : The insurer will indemnify the claim on behalf of the Company for

1. The Company's legal liability for accidents of bodily injury, loss of life and damage to third party property caused by defects in the insured premises or negligence of the Company or employees of the Company at the insured premises and occurred during the insured period.
2. Expenses, claims fees which the Company must reimburse the claimant with the written consent of the Company.

The limit of liability is not more than Baht 10.00 million per accident and throughout the insured period.

Insurance period : 30 October 2024 at 16.30 – 30 October 2025 at 16.30

Insured : The Company

Beneficiaries : The Company

Ramindra Branch

Counterparties	:	Dhipaya Insurance Public Company Limited
Insured location	:	Ramindra Branch
Insurance limit	:	<p>The insurer will indemnify the claim on behalf of the Company for</p> <ol style="list-style-type: none"> 1. The Company's legal liability for accidents of bodily injury, loss of life and damage to third party property caused by defects in the insured premises or negligence of the Company or employees of the Company at the insured premises and occurred during the insured period. 2. Expenses, claims fees which the Company must reimburse the claimant with the written consent of the Company. <p>The limit of liability is not more than Baht 10.00 million per accident and throughout the insured period.</p>
Insurance period	:	13 August 2024 at 16.30 – 13 August 2025 at 16.30
Insured	:	The Company
Beneficiaries	:	Land and House Bank Public Company Limited, under obligation

Phuket Branch

Counterparties	:	Dhipaya Insurance Public Company Limited
Insured location	:	Phuket Branch
Insurance limit	:	<p>The insurer will indemnify the claim on behalf of the Company for</p> <ol style="list-style-type: none"> 1. The Company's legal liability for accidents of bodily injury, loss of life and damage to third party property caused by defects in the insured premises or negligence of the Company or employees of the Company at the insured premises and occurred during the insured period. 2. Expenses, claims fees which the Company must reimburse the claimant with the written consent of the Company. <p>The limit of liability is not more than Baht 10.00 million per accident and throughout the insured period.</p>
Insurance period	:	25 December 2024 at 16.30 – 25 December 2025 at 16.30
Insured	:	The Company
Beneficiaries	:	United Overseas Bank (Thai) Public Company Limited, under obligation

5.3 Domestic Freight Insurance Policy

Counterparties	:	Dhipaya Insurance Public Company Limited		
Insured Property	:	Furniture, Decorations Glassware, marble wooden cabinets (standardized packaging and suitable for transportation)		
Insurance limit	:	1. 4 wheels car	150,000	Baht per trip
		2. 6 wheels car	500,000	Baht per trip
		Total not over	200.00	Million Baht per year
Insurance period	:	17 November 2024 at 12.00 – 17 November 2025 at 12.00		
Insured	:	The Company		
Beneficiaries	:	The Company		

6 Vehicle rental agreement

The Company leased vehicle rental with third parties for internal use and use for delivery products to customers. As at 31 December 2024, the Company has leased 12 vehicles.

7 Car insurance

The Company provides car insurance to cover the Company's vehicles. All insurance companies include Thaivivat Insurance Public Company Limited, Dhipaya Insurance Public Company Limited, LMG Insurance Public Company Limited, Tokio Marine Safety Insurance (Thailand) Public Company Limited, Bangkok Union Insurance Public Company Limited, Falcon Insurance Public Company Limited, Mitsui Sumitomo Insurance Co., Ltd. Thailand Branch and Muang Thai Life Assurance Public Company Limited. Cars rented by the Company for use in the Company's business operations. All cars have car insurance with various insurance companies. It is the duty of the contracting party to provide the car to the Company as the person responsible for insurance. In the event that the car rented by the Company is unusable due to an accident or repair that has a period of not being able to use the car for more than 24 hours, the lessor will provide a replacement vehicle to the Company for use temporarily during such repairs.

8 Policy for investment in subsidiary and associate

The Company has a policy to invest in companies that meet its goals, visions and strategic plan. This will enable the Company to increase its profitability or invest in synergy businesses to increase the Company's competitiveness. The Company, its subsidiaries and/or associated companies may consider investing in other businesses if they are businesses that have the potential to grow or expand their business or benefit the Group's business. By considering the investment of the Company, its subsidiaries and/or associated companies, the Company will conduct an investment feasibility analysis, consider the potential and risk factors from investment with appropriate investment analysis procedures which must be approved by the Board of Directors' meeting. In order to obtain investment approval from such subsidiaries and/or associated companies, it must comply with the Notification of the Capital Market Committee and the notification of the Stock Exchange of Thailand.

ATTACHMENT 5

Internal Control Sufficiency Evaluation Form

Concept and Objectives

Good internal control is essential for a listed company or a public company as it can help prevent, manage, and mitigate risks and damages that may occur to the company and the stakeholders. It is therefore a duty of the company's board of directors to ensure that the company has in place an appropriate and adequate internal control system for goals and objectives achievement, compliance with applicable laws and regulations, safeguarding of the assets from frauds and damage, and preparing reliable accounts and reports.

The Securities and Exchange Commission (the "SEC"), in cooperation with the PricewaterhouseCoopers Thailand ("PwC Thailand"), has developed this internal control sufficiency evaluation form ("evaluation form") as a guidance for companies to evaluate their internal control adequacy.

This evaluation form is based on COSO1s framework (The Committee of Sponsoring Organizations of the Treadway Commission) revised in May 2013. It was simplified for users to easily understand and was adjusted to be applicable for Thai listed companies. The main questionnaires in the evaluation form are classified into 5 components similar to the original COSO framework and elucidated into 17 principles to clarify the concept.

Application

The companies are recommended to use this evaluation form as a guidance for evaluating and reviewing the adequacy of the internal control at least once a year. Extra revision may be necessary in case of any incidents which have significant impacts on the companies' operations. Such assessment should be considered by the audit committee and the board of directors so that they can exchange their views, align their understandings and decide on appropriate practical guidelines for the companies.

The answers to each questionnaire should be based on actual practices. If the assessment results in deficiencies in any internal control components (whether it is the reason for neither system existence nor appropriateness of the existing one), the companies should provide the explanations and solutions from such findings

Control Environment

1. The organization demonstrates a commitment to integrity and ethical values.

Question	Yes	No	More detail
1.1 The Board of Directors and the management set up principles and guidelines based on integrity and codes of conduct in the following areas: 1.1.1 Daily routine operation and decision making; 1.1.2 Treatment of trade partners, clients and other parties	✓		The Company pays attention to control, therefore, guidelines and good corporate governance policies are established in the Good Corporate Governance Handbook. Ethical standards and business ethics by the Board of Directors and executives give importance to practices based on the principle of integrity and fairness to employees. Stakeholders, partners, customers and third parties

¹ เป็นคณะกรรมการร่วมของสถาบันวิชาชีพ 5 แห่ง ได้แก่ สถาบันผู้สอบบัญชีรับอนุญาตแห่งสหรัฐอเมริกา (AICPA) สถาบันผู้ตรวจสอบภายในสากล (Institute of Internal Auditors หรือ IIA) สถาบันผู้บริหารการเงิน (Financial Executives Institute หรือ FEI) สมาคมนักบัญชีแห่งสหรัฐอเมริกา (American Accounting Association หรือ AAA) และสถาบันนักบัญชีเพื่อการบริหาร (Institute of Management Accountants หรือ IMA)

Question	Yes	No	More detail
<p>1.2 Following written rules are provided to ensure that executives and employees perform the duties with integrity and ethics:</p> <p>1.2.1 Appropriate code of conduct for executives and employees;</p> <p>1.2.2 Prohibitions on any actions by the executives and employees that could cause conflicts of interest with the business; and prohibitions on corruptions which will cause damages to the organization.</p> <p>1.2.3 Appropriate penalties in the case of violation of the aforementioned rules.</p> <p>1.2.4 Communication of the aforementioned rules and penalties to the executives and the employees. For example: they are included in the orientation session for new employees; employees annually sign for acknowledgement of the rules and penalties; the code of conduct is publicized for employees and outsiders.</p>	✓		<p>The Company has established a Code of Conduct, good corporate governance policy and anti-corruption policy. Work regulations are established. Penalties are imposed. If there is any violation or disciplinary misconduct in the employee handbook and communicate to the employee through orientation before starting work.</p>
<p>1.3 There are procedures to monitor and assess whether the code of conduct is complied:</p> <p>1.3.1 Monitoring and assessment by an internal audit unit or a compliance unit</p> <p>1.3.2 Self -assessment by executives and employees</p> <p>1.3.3 Assessment by independent professionals, outsiders of the organization</p>	✓		<p>The Company monitors and evaluates the performance of executives and employees, the supervisor level is responsible for supervising, monitoring and evaluating the performance of subordinates, and reporting immediately according to the chain of command (at least once a year). If there is a violation of the company's guidelines, including reviewing, evaluating and monitoring the results of internal control by the internal audit department and hiring an internal auditor from outside the company (outsource). The internal control shall be reviewed in accordance with the internal audit plan and the results of the review shall be presented to the Audit Committee at least once a quarter.</p>
<p>1.4 There is timely management upon a detection of non-compliance with rules on integrity and code of conduct.</p> <p>1.4.1 There are procedures for timely detection of the violations</p> <p>1.4.2 There are procedures for suitable and timely punishment or management of the violations</p> <p>1.4.3 There are timely and suitable corrections for the violations of rules for integrity and code of conduct</p>	✓		<p>The Company has reviewed, evaluated and monitored its performance by establishing communication channels to be able to find non-compliance within a reasonable time. If it is found that the work is not in accordance with the requirements regarding integrity and maintaining the code of conduct. There will be penalties, which are specified in the employee handbook and work regulations.</p>

2. The Board of Directors demonstrates independence from the management and exercises oversight of the development and performance of internal control.

Question	Yes	No	More detail
2.1 The roles and duties of the Board of Directors are set separately from those of the management. The authorities of the Board of Directors are clearly defined.	✓		The Company has defined its jurisdiction. The duties of the Board of Directors and sub-committees are as follows: Executive Committee, Audit and Risk Management Committee and Nomination and Remuneration Committee. The specific powers of each committee, which are separate roles and duties from the executive branch, are reserved in the charter, and the approval powers are defined in the "Table of Authorisation".
2.2 The Board of Directors oversees whether the Company goals are clear and measurable to be used as guidelines for executives' and employees' operation.	✓		The Company has set annual goals and plans, which have been approved by the Board of Directors, and communicated to management and employees about the annual plan, including the targets and plans of each party, and the performance report at the Board of Directors' meeting on a monthly basis. Business operations and communicate to executives and employees at employee meetings each year.
2.3 The Board of Directors oversees that the Company follows the laws and charters in specifying roles and duties of the Board of Directors, the executives, the Audit Committee, auditors, internal auditors, and the personnel who are responsible for financial statements.	✓		The Board of Directors oversees the roles and responsibilities of the Board of Directors and defines their roles and responsibilities. The Charter of the Board of Directors, sub-committees and executives is specified in the Charter and the Board of Directors is responsible for considering and acknowledging the opinion of the Audit Committee on the financial statements. To consider and approve financial statements and internal audits.
2.4 The Board of Directors are knowledgeable for the Company business and have expertise beneficial to the Company or can seek advice from experts in a particular area.	✓		The Board of Directors is qualified and does not have any prohibited characteristics as required by law, as well as having knowledge, expertise and experience that will be useful for the business operations of the Company and its subsidiaries. It must be considered and approved in accordance with the procedure.
2.5 The Board of Directors is comprised of independent directors who are knowledgeable, reliable and truly independent in performing the duties. For example, the independent directors should have no business relationship with the Company or any relationship that could influence their judgment and independent performance.	✓		The Board of Directors is knowledgeable, capable, reliable and truly independent in performing its duties. Without business relationship with the company. There is no other relationship which may influence the exercise of discretion and the independent performance of duties. At least one audit committee member has sufficient knowledge and experience to review the reliability of the Company's financial statements.

Question	Yes	No	More detail
2.6 The Board of Directors oversees the development and implementation of the internal control in the organization. This includes creating a control environment, risk assessment, control activities, information and communication, and monitoring activities.	✓		The Board of Directors assigns the Audit Committee the authority and responsibility to ensure that the Company has an adequate and effective internal control system, which includes reviewing the risk management system and appropriate risk management measures. Review the internal processes regarding whistleblowing and complaint receipt, provide the Company with an appropriate and effective internal audit system, and direct the internal audit department to comply with internal audit standards. The audit report is reported to the Audit and Risk Management Committee on a quarterly basis. The Audit and Risk Management Committee will prepare the Audit Committee's report and report to the Board of Directors, which will cover the adequacy of the Company's internal control system.

3. Management establishes, with board oversight, structures, reporting line, and appropriate authorities, and responsibilities in the pursuit of objectives

คำถาม	ใช่	ไม่ใช่	รายละเอียดเพิ่มเติม
3.1 Top management set up the organizational structure which supports the pursuit of the Company's objectives by considering the appropriateness of business functions and legal requirements. Also, there is an effective internal control function. For example, there is a separation of duties in important business units which would result in checks and balances; there is an internal audit unit which reports directly to the Audit Committee; there is a clear line of report.	✓		The Board of Directors provides an organizational structure that is appropriate for the Company's business operations and in accordance with the relevant rules of the Securities and Exchange Commission of Thailand. The company's management structure consists of: Board of Directors, Audit Committee Executive Committee, Risk Management Committee The Nomination and Remuneration Committee shall determine the scope, powers, duties and responsibilities of the various committees in writing. The Company has established an organizational structure by separating duties in key areas. In addition, the Company has hired internal auditors from external agencies who report directly to the Audit and Risk Management Committee.
3.2 Top management establishes a reporting line by considering appropriateness of authorities, responsibilities and communication.	✓		Senior management requires reporting along the chain of command according to a clear organizational structure, as well as a clear job description of each position. In addition, the Company has set the approval authority for the operation and transactions of the Company in writing, which has been approved by the Board of Directors' meeting.
3.3 Authorities and responsibilities among the Board of Directors, top management, management and employees are appropriately defined and assigned.	✓		The Company has defined the scope, authority and responsibilities of the Board of Directors. Audit Committee Executive Committee, Risk Management Committee Nomination and Remuneration Committee Senior executives, executives, and executives in writing, which have been approved by the Board of Directors' meeting, including the preparation of a clear job description of each position, and the authority to approve the company's operations and transactions in writing.

4. The organization demonstrates its commitment to attract, develop and retain competent individuals in alignment with objectives.

คำถาม	ใช่	ไม่ใช่	รายละเอียดเพิ่มเติม
4.1 The Company has policies and practices to recruit, develop and retain competent employees and regularly reviews such policies and practices.	✓		The Company has prepared an annual personnel rate plan and compared the personnel spent each month with the defined personnel rate plan and procured the personnel who are still lacking according to the specified personnel rate. By considering the selection of personnel according to the certificate. In addition, the Company has prepared an employee training plan, personnel retention plan and personnel development plan which is in line with the needs of employees. And there are clear personal development goals.
4.2 The Company has an evaluation process, incentives or rewards to employees with good performance, and management measures for employees who do not achieve the targets. Such processes are well informed to executives and employees.	✓		The Company has established a personnel management policy. In providing fair returns, evaluate performance. Providing rewards and incentives in line with the quality of work. The employee's job achievement, attitude and potential, as well as the equitable reward and punishment of employees, will be used as supporting information for promotion, salary adjustment and bonus payment, as well as communicating relevant information and news to employees.
4.3 The Company has a process of timely solutions and preparation when lacking competent employees.	✓		The Company has a policy to recruit and select personnel who are knowledgeable, experienced and capable of suitable for the position.
4.4 The Company has a process of recruitment, development and retention for executives and employees such as providing a mentoring system and training.	✓		The Company has a process for recruiting, developing and retaining all executives and employees by defining training by surveying the development and training needs of employees in each position and preparing an annual training plan.
4.5 The Company has a succession plan for important positions.	✓		The company has prepared a recruitment plan and process. Key successors by providing a succession plan to prepare the organization for the future. All key positions must be developed and recruited and thoroughly planned. The company is in the process of recruiting knowledgeable personnel. Ability includes experience in the retail business and development to prepare successors.

5. The organization holds personnel accountable for their internal control responsibilities in the pursuit of objectives.

Question	Yes	No	More detail
5.1 The Board of Directors and executives have procedures and communication tools to enforce all employees to take responsibilities in internal control and to provide corrective measures for such procedures, if necessary.	✓		The Company requires all executives and employees to study the Good Corporate Governance Manual, ethical standards and business ethics of the Company, including the study of good internal control standards and compliance with procedures. Work strictly in accordance with internal control (ISO) standards. If someone fails to comply, they will be investigated and disciplinary action will be taken as appropriate. The Company has guidelines for laying the foundation for the Company's personnel to have knowledge, understanding and cooperation in the internal control system and internal audit. In addition, the Company has established an organizational structure to have an internal audit unit which reports directly to the Audit Committee, and the Internal Audit Unit will report the performance results and the internal audit department's follow-up plan on a quarterly basis to the Audit and Risk Management Committee.
5.2 The Board of Directors and executives set suitable indicators for performance appraisal, incentives and rewards with regard to code of conduct, and the Company's short-term and long-term objectives.	✓		The Company defines performance indicators (KPIs) and reports KPIs on a monthly basis. In determining KPIs, the overall plan and goals and the necessary features in the work, as well as compliance with the Code of Conduct, are taken into account.
5.3 The Board of Directors and executives continuously assess the incentives and rewards by focusing on the connection between success of the performance and the compliance with the internal control.	✓		The Company encourages all personnel to demonstrate their full abilities in accordance with the performance evaluation criteria based on clear key performance indicators (KPIs), as well as compliance with the Code of Conduct by providing appropriate work returns and creating motivation to work.
5.4 The Board of Directors and executives do not put excessive pressures on each personnel duties.	✓		The Company has defined the job description of each position and the criteria for evaluating the performance based on clear and appropriate key performance indicators (KPIs) in order to inform the management and employees of the Company of the Company's goals and expectations. The Company evaluates the performance of its management and the manager will report the results of the assessment and action plan to the employees in order to review the criteria for performance evaluation based on key performance indicators (KPIs) to be appropriate and in line with the situation and potential of the personnel.

Risk Assessment

6. 6. The organization specifies the objectives with sufficient clarity to enable the identification and assessment of risks relating to objectives.

Question	Yes	No	More detail
6.1 The Company is able to comply with the generally accepted accounting principles which is suitable to the business at that time by presenting that transactions in financial statements exist, are complete, correctly show the rights or obligations of the Company, have the right value as well as properly disclosed.	✓		The Company prepares draft financial statements for the year and quarterly in accordance with generally and business-appropriate accounting standards, which have been audited/reviewed by a certified public accountant approved by the SEC, who has expressed an unconditional opinion on the Company's financial statements and has submitted them through management for consideration and submission to the Audit and Risk Management Committee and the Board of Directors.
6.2 The Company determines materiality of the financial statement by considering key factors including financial report users, transaction sizes, and business trends.	✓		The Company has defined the essence of the financial transaction by considering the user of the report and the size of the transaction, taking into account the relevant requirements. In addition, the Company prepares draft financial statements for the year and quarterly in accordance with generally accepted accounting standards.
6.3 Financial statements reflect true business operation activities of the Company.	✓		The Company prepares draft financial statements for the year and quarterly in accordance with the facts and reflects the Company's operating activities and in accordance with generally accepted accounting standards. The Company's financial reports have been audited/reviewed by auditors approved by the SEC and approved by the Company's Audit and Risk Management Committee, which reflects the Company's operations.
6.4 The Board of Directors or Risk Management Committee approves and communicates risk management policy to executives and all employees. The policy is acknowledged and accepted for practices as a part of the organization's culture.	✓		The Company requires executives and employees to have meetings. Report performance, problems, analyze various risks, and assess the impacts that may affect business operations and jointly determine ways to manage risks to achieve the specified goals.

7. The organization identifies risks to the achievement of the objectives across the entity and analyzes risks as a basis for determining how the risk should be managed.

Question	Yes	No	More detail
7.1 The Company identifies all risks which may affect business operation at the levels of organization, business unit, department, and working functions.	✓		The Company has established a Risk Management Committee to consider, evaluate, review and propose the Company's risk management guidelines.
7.2 The Company analyzes all risks that could come from both internal and external factors. This includes risks from business strategies, operations, reporting, compliance with laws and regulations, and information technology.	✓		The Company has established a Risk Management Committee to consider, evaluate, review and propose the Company's risk management guidelines.
7.3 Executives at all levels participate in risk management.	✓		In the preparation of corporate risk reports. The Company's Risk Management Committee has worked with the executives of each unit to analyze the risks that may affect the Company.
7.4 The Company assesses the significance of risks by considering the likelihood and the possible effects.	✓		The Company has established a Risk Management Committee to consider, evaluate, review and propose the Company's risk management guidelines.
7.5 The Company has measures and operational plans to handle risk by either accepting, reducing, avoiding or sharing risks.	✓		The Company has established a Risk Management Committee to consider, evaluate, review and propose the Company's risk management guidelines.

8. The organization considers the potential for fraud in assessing risks to the achievement of the organization's objectives.

Question	Yes	No	More detail
8.1 The Company assesses the potential for fraud covering all types of fraud including fraudulent financial reporting, losses of assets, corruption, management override of internal controls, manipulations on important financial information, unauthorized acquisition or disposition of assets, etc.	✓		The Company has conducted various assessments of the likelihood of corruption covering the company's main units according to the nature of each party's work, including checking and balance and reporting the results to the Board of Directors.
8.2 The Company carefully reviews the operational objectives, considering the possibility of achieving the goals. Also, incentives and rewards granted to the employees should be reasonable and would not instigate wrong doing. For example, the Company does not set expected sales much higher than its capabilities so that it will lead to sales manipulation.	✓		The Company has formulated a plan according to the annual plan, which has been approved by the Executive Committee meeting, with criteria for performance evaluation based on clear key performance indicators (KPIs). The overall plan and goals were considered. Performance, abilities and attributes required in the job by providing appropriate work compensation and motivation in the form of salary and bonus as appropriate.
8.3 The Audit Committee considers and inquires about executives in accordance with the potential for fraud and measures that the Company establishes to prevent or correct the frauds.	✓		The Audit and Risk Management Committee has asked the Internal Audit Department about past incidents. In view of the incidents of corruption within the organization, the internal audit department is assigned the task of reporting to the Audit and Risk Management Committee. In the event of fraud in the future, in order to be able to take action to prevent or correct such fraud.

Question	Yes	No	More detail
8.4 The Company communicates to all employees to understand and comply with the policies and guidelines.	✓		The Company requires executives and employees to study the Good Corporate Governance Manual. The Company's ethical standards and business ethics, as well as policies that are thoroughly and carefully followed, constitute operational discipline.

9. The organization can identify and assess changes that could have impacts on the system of internal control.

Question	Yes	No	More detail
9.1 The Company assesses changes of external factors which could affect the business operations, internal control, and financial reporting. Moreover, the Company launches measures to deal with the changes sufficiently.	✓		The Company has assessed the risks of the organization, both from internal and external factors that may affect the business operations.
9.2 The Company assesses changes in business models which could affect business operations, internal control, and financial reporting. Moreover, the Company launches measures to deal with the changes sufficiently.	✓		The Company has assessed the risks of the organization, both from internal and external factors that may affect the business operations.
9.3 The Company assesses changes of the organizational leaders which could affect the business operation, internal control, and financial reporting. Moreover, the Company launches measures to deal with the changes sufficiently.	✓		The Company has set clear goals, policies and plans for business operations. The Managing Director leads the goal. Policies and plans lead to the implementation of the goals.

Control Activities

10. The organization selects and develops control activities that contribute to the mitigation of risks to the achievement of the objectives to the acceptable levels.

Question	Yes	No	More detail
10.1 The Company's control measures are suitable to the risks and specific characteristics of the organization such as the environment; the work complexity, the characteristics of work, the scope of the operations, and other specific conditions.	✓		The Company has established internal control measures and operational processes of various departments in accordance with the control standards (ISO) in order to comply with the Group's operations and control environment.
<p>10.2 The Company has written internal control measures covering all procedures appropriately. For example, the Company has policies and procedures in regard to financial transactions, procurement, and general administration. The Company also gives clear scope of authorities and approval hierarchy of each management level to prevent fraudulence. For example, the Company establishes: chart of authority approval to each management level to limit amounts of expenditures; project/ investment approval manual; procurement and vendors selection manual; decision making on procurement process manual; or equipment/ tools disbursement manual. Therefore, the following procedures are provided:</p> <p>10.2.1 Collection of information of major shareholders, directors, executives and related persons, as well as connected persons benefits for monitoring and reviewing on related transactions or transactions with conflict of interests. The collection will be consistently up-to-date.</p> <p>10.2.2 In the case that the Company has already approved transactions or entered into the contracts with long-term obligations, such as purchasing and selling contracts, lending, guaranteeing, the Company monitors whether the conditions of the agreements are followed through the contracts periods. For example, monitoring compliance with loan repayment agreements or the contracts are regularly reviewed for appropriateness.</p>	✓		The Company has established internal control measures in writing and covered various processes appropriately, such as having policies and procedures regarding financial transactions, purchasing, selling products, selling project products and selling products through online channels, warehouse management and delivery and installation, technology and information systems, personnel management, and general administration, as well as clearly defining the scope, authority, and approval hierarchy of executives at each level in the "Table of Authorities". To be able to prevent fraud. In addition, the Company collects information about major shareholders, executives and persons related to such persons, including connected persons. For the purpose of monitoring and reviewing transactions between each other or transactions that may have conflicts of interest. The information is always updated and all directors and executives are required to disclose and authenticate. Complete information about directors and executives as well as connected persons of such persons. In order to monitor and review transactions or transactions that may have conflicts of interest, directors and executives must inform the Company's secretary. If the information provided has changed.
10.3 The Company sets up suitable varieties of internal control such as manual and automated controls or preventing and monitoring controls.	✓		The Company has established both manual and automated internal controls as well as checks and balances as part of the process. Operating at the organizational level and various operational processes according to the business cycle appropriate to the business operation and control environment.

Question	Yes	No	More detail
10.4 The Company builds internal control throughout all levels of the organization such as the group of companies, business unit, function, department, division or process.	✓		The Company has established internal controls at all levels of the organization, such as group level, business units, line of work, departments, or business cycle compliance processes.
10.5 The Company conducts segregation of duties to the 3 parts as followed for check and balance purposes: (1) Authorization; (2) Recording accounting entries and information and; (3) Custody of assets.	✓		The Company has clearly separated its responsibilities in all 3 areas. Before approving every transaction, it must be checked for accuracy and completeness by the relevant authorities before submitting it to the approver. The approval authority for the operation and transaction is determined in accordance with the "Table of Authorisation" in writing approved by the Board of Directors. For the duty of records the entries, the Company requires the officer responsible for recording each accounting entry must not review and approve the item. For the duty of care, storage, property, the Company has set up a separate asset storage agency to supervise, manage, control, transfers and moves, prepare control registers, and counts to confirm the identity of assets.

11. The organization selects and develops general control activities over technology to support the achievement of objectives.

Question	Yes	No	More detail
11.1 The Company should define the relationship between uses of information technology in the operation process and the general control of the information technology system.	✓		The Company has established information technology system policies and communicated to employees within the organization in order to perform various tasks in accordance with the requirements, regulations and proper supervision and penalties. If there is a non-compliance with the information technology system policy.
11.2 The Company should define suitable control measures for infrastructure of technology systems.	✓		The Company assigns the Information Technology Department to be responsible for maintaining the infrastructure of the information technology system by procuring, installing various systems (POS and Navision), network administration, computers, etc. Notebooks, tablets, ready-made programs and other peripherals that are sufficient and suitable for the Company's operations.
11.3 The Company should define suitable security control for the technology system.	✓		The Company has established information technology system policies by specifying operational guidelines related to various processes. In addition, such policies will be disseminated to employees within the organization through the sharing of information in the ISO Document in order for employees to read the rules and operational guidelines to take into account the safety of information technology systems appropriately.

Question	Yes	No	More detail
11.4 The Company should define suitable control measures on the process of procurement, development, and maintenance of the technology system.	✓		The Company assigns the information technology department to be responsible for such matters. By specifying the scope, includes consulting and resolving issues notified by users, and coordinating with external agencies such as Phatra Progress (outsourced) that administers the Navision system or third parties hired by the Company to maintain the Company's website. In addition, the annual PM Maintenance Plan must be prepared and maintained in accordance with the specified PM plan.

12. The organization deploys control activities through policies which establish what is expected and procedures that put the policies into action

Question	Yes	No	More detail
12.1 The Company has strict policies to monitor that transactions made by major shareholders, directors, executives, or the related persons must be passed through approval procedures as defined in, for example, by the articles of corporation, the regulation of the Stock Exchange of Thailand and SEC etc. This is to prevent exploitation of company benefits against the use for personal gains.	✓		The Company has prepared measures and procedures for approving transactions between each other and operating manuals on inter-related transactions, as well as written reports and approvals from the Board of Directors.
12.2 The Company has a policy that a transaction must be approved by the person who has no personal interests in such a transaction.	✓		The Company has a policy regarding transactions between each other. There are details relating to the consideration of the approval authority of the transaction by the person who has no interest in the transaction.
12.3 The Company has a policy to approve transactions by considering the company's best interests, and consider the transactions as at arm's length basis.	✓		To make transactions between each other. The Audit Committee will consider the reasonableness of the transaction. The pricing and terms of trade shall be in accordance with the arm's length basis and shall not impair the Company's benefits.
12.4 The Company has a monitoring process for operations of subsidiaries or associated companies. This includes setting guidelines to the person who is appointed as a director or an executive in the subsidiaries or associated companies. (The answer to this question is not required if the Company is not invested in the subsidiary or associated companies).	✓		The Company has a process to monitor and supervise the operations of subsidiary, including identifying the duties, responsibilities and procedures of employees in the subsidiary in accordance with the Company.
12.5 The Company assigns roles and responsibilities that executives and employees are to implement regarding the policies and procedures in their operation.	✓		The Company has specified the duties and responsibilities of employees to comply with the Company's policies in the operating manual of all parties. The policy will be announced to all employees via email by the Quality Management Representative (QMR).

Question	Yes	No	More detail
12.6 The Company's policies and procedures are timely implemented by competent personnel including the process of operation correction.	✓		The Company has specified the duties and responsibilities of employees to comply with the Company's policies in the operating manual of all parties. The policy will be announced to all employees via email by the Quality Management Representative (QMR) and the company's compliance with the company's operational procedures will be monitored by the ISO team. In addition, the Company employs an external internal audit unit (outsourced) to evaluate the performance and regularly audit the Group's internal control system.
12.7 The Company regularly reviews its policy and procedures.	✓		The Company reviews its policies and procedures to ensure that they are appropriate every year. In case the performance is not in accordance with the policies or plans set by the Company. The Company will conduct a review of operations or improve the work process so that the Company can achieve its goals.

Information & Communication

13. The organization obtains or generates and uses relevant and quality information to support the functioning of internal control as intended.

Question	Yes	No	More detail
13.1 The Company specifies information required for business operations. The information should be from both internal and external sources, which are quality and related to the Company business.	✓		The Company will collect and consider relevant information, both internal and external, for the purpose of analyzing and making decisions on various matters. Check the information and approve systematic information such as accounting information, etc. before submitting the information.
13.2 The Company reviewed cost and benefit to gain the information, including quality and accuracy of such information.	✓		The Company collects and considers important information with regard to accuracy, the adequacy and expected benefits of such information to the matters to be considered, including the consideration of the cost of providing such information.

Question	Yes	No	More detail
13.3 The Company provides the Board of Directors with essential and sufficient information for their decision-making. Examples of essential information include details of the proposed agenda, reasons and impacts on the Company, and alternatives available.	✓		The Company has taken steps to ensure that the Board of Directors has sufficient vital information for assembly. Decisions on matters made by the Company Secretary and the subject agency are primarily responsible for providing sufficient vital information. In order for the Board of Directors and executives to use the information to make decisions in considering and approving various matters, the Company Secretary will schedule a meeting of the Board of Directors. Invitation letter, record and prepare minutes of meetings, annual reports, and documents/forms as required by applicable laws or regulations. In case external data is required, the Company will consider appointing specialists such as consultants to evaluate the internal control system, etc., to prepare important information and present it to the Board of Directors for further consideration.
13.4 The Company provides the Board of Directors with the invitations to the Board of Directors' meetings and documentation for the meetings which contain necessary and sufficient information for consideration. The documents should be delivered before the meeting date at least as minimum requirement period by the regulations.	✓		The Company Secretary shall prepare an invitation letter to the Board of Directors and supporting documents containing the matters to be considered and complete information for consideration at least 7 days prior to the meeting, which is required by law.
13.5 The Company provides minutes of Board of Directors meeting with sufficient details in order to be used for subsequent audit on appropriateness of each director's responsibilities; such as: records of directors' questions; directors' views and remarks of the issues; their opposing views and reasons against the proposed agenda, etc.	✓		After the Board of Directors' meeting, the Company Secretary will prepare the minutes of the meeting, and the Company Secretary will keep the report as an orderly category for easy reference in the future. The minutes of the meeting will contain details of the matters considered. Questions and opinions of directors Including the results of the approval or consideration of the agenda.
13.6 The Company has the following procedures: 13.6.1 Filling and classification with completeness on important documents. 13.6.2 In the case of a report of deficiency found by the external auditor or internal auditor on deficiencies in internal control, the Company fixes the deficiency thoroughly.	✓		The Company assigns the responsible authorities to document and keep important documents in order. For easy reference in the future, if the auditor or internal audit department has a suggestion. Amendments or recommendations to improve the company's document storage and inspection system The Company will assign the relevant parties to take corrective action. Improve the issues detected in order to determine the guidelines for corporate governance as well as internal control in various aspects to be adequate and suitable for the Company's business operations.

14. The organization internally communicates information, including objectives and responsibilities for internal control, necessary to support the functioning of internal control.

Question	Yes	No	More detail
14.1 The Company has an effective process of internal communication and appropriate channels of communication to support internal control.	✓		The Company has appropriate and effective processes and channels for communicating internal information, such as using the email system for internal communication and using the whistle-blower hotline in case the employee has a complaint about the matter. The process covers all levels of employees.
14.2 The Company regularly reports important information to the Board of Directors. The Board of Directors has access to information sources that are vital to the operations or to review any transactions as required. For example, the Company assigned contact personnel for providing other information except those received from management; requesting information from external auditor and internal auditor; arranging meetings between the Board of Directors and executives as requested by the Board of Directors; conducting other meetings for the Board of Directors and executives except the regular Board of Directors' meetings, etc.	✓		The Company Secretary will regularly report important information to the Board of Directors. The Board of Directors can obtain additional important information for consideration.
14.3 The Company establishes a whistle-blower hotline in order that personnel could safely inform information or traces of fraud or corruption to the Company.	✓		The Company has established a clear and written policy for receiving complaints and clues of wrongdoing and corruption. Identify transparent and fair investigation procedures and related actions, including communication channels with third parties and/or the Company's stakeholders.

15. The organization communicates with external parties about matters affecting the functioning of internal control.

Question	Yes	No	More detail
15.1 The Company has effective procedures of communication with external stakeholders and appropriate channels of communication to support internal control. For example, the Company sets up an investor relations officers/ center or compliant center, etc.	✓		The Company will assign investor relations agencies as the main agencies to contact, coordinate and communicate information with third parties. In addition, the Company also provides channels for third parties to contact the Company by contacting/complaining through the Company's website. (http://www.chicrepublicthai.com)
15.2 The Company establishes a whistleblower hotline in order that external stakeholders can safely inform information or traces of fraud or corruption to the Company.	✓		The Company will assign investor relations agencies as the main agencies to contact, coordinate and communicate information with third parties. In addition, the Company also provides channels for third parties to contact the Company by contacting/complaining through the Company's website. (http://www.chicrepublicthai.com)

Monitoring Activities

16. The organization monitors and evaluates to ascertain whether the components of internal control are completely present and suitably functioning.

Question	Yes	No	More detail
16.1 The Company has a process to monitor the compliance with code of conduct and prohibit the executives and employees from conducting themselves in a manner that is likely to cause conflicts of interest. The Company, for example, assigns each individual unit to monitor operation and report to the respective supervisors. Alternatively, the Company assigns the internal auditor to monitor operation and report to the Audit Committee, etc.	✓		The Company attaches importance to good corporate governance by requiring its personnel to adhere to the Good Corporate Governance Manual. Ethical standards and business ethics guide the company's practices along with the company's regulations and regulations, such as the determination of approval authority in the operation and entering into transactions of the company. In addition, the Company requires all directors and executives to disclose information in the form of disclosure of conflicts of interest transactions of the Company on an annual basis or when the occurrence of events in the form specified by the Company to report the transactions and the nature of transactions that may be in conflict of interest with the Company. In addition, the Company's internal audit department, which reports directly to the Audit and Risk Management Committee. Compliance with policies and requirements is regularly monitored and the results of the monitoring will be reported to the Audit and Risk Management Committee of the Company.
16.2 The Company provides inspection on compliance with internal control procedures by self-assessment and/or by independent assessment of internal auditors.	✓		The Company's internal audit unit, which reports directly to the Audit and Risk Management Committee. The Company's internal control performance is regularly audited and evaluated in various areas, removing any deficiencies or improvements in the Company's internal control system. Report directly to the Audit and Risk Management Committee so that the Company can follow up and revise as soon as possible.
16.3 The frequency of monitoring and assessment activities is suitable to the Company's change.	✓		The Company requires the Internal Audit Department to present the results of the internal control assessment to the relevant parties or the Audit and Risk Management Committee at least once a quarter.
16.4 The monitoring and assessment activities on the internal control are carried out by knowledgeable and competent personnel.	✓		The Company monitors and evaluates the internal control system by knowledgeable and capable persons by hiring external agencies to audit and evaluate the results and report directly to the Audit and Risk Management Committee.
16.5 The Company specifies that the internal control evaluation is directly reported to the Audit Committee.	✓		The Company's internal audit unit is directly dependent and reports directly to the Audit and Risk Management Committee.
16.6 The Company encourages the internal auditors to comply with International Standards for the Professional Practice of Internal Auditing (IIA).	✓		The Internal Audit Department has determined that in performing internal audit work, the internal auditor must comply with international standards for professional performance of internal audit.

17. The organization evaluates and communicates internal control deficiencies in a timely manner to those parties responsible for taking corrective action, including senior management and the Board of Directors, as appropriate.

Question	Yes	No	More detail
17.1 The Company evaluates and communicates internal control deficiencies and monitors for correcting immediately, in case that results of the performance significantly deviates from the target.	✓		The internal audit body will remove any defects or improvements to the company's internal control system. Report directly to the Audit and Risk Management Committee so that the Company can take steps to monitor, improve, and correct as soon as possible, including monitoring and reporting the status of such revisions directly to the Audit and Risk Management Committee.
17.2 The Company has a reporting policy as follows:	✓		The Company has established a policy that in the event of an incident or suspected serious fraud. There are practices that violate the law or other unusual actions that may significantly affect the Company's reputation and financial position. Management must report to the Board of Directors as soon as possible. To jointly find appropriate solutions. It's not. The Internal Audit Department is responsible for reporting any deficiencies or improvements to the Company's internal control system and guidelines for revising the report directly to the Audit and Risk Management Committee. This includes monitoring and reporting the status of such revisions directly to the Audit and Risk Management Committee.
17.2.1 Management must report to the Board of Directors immediately if there is an incident or a suspicion of serious fraudulence, law violation, or other unusual actions that could significantly affect the reputation and financial position of the Company.			
17.2.2 Significant internal control deficiencies including solutions (although the problems may have already been managed) are timely reported to the Board of Directors/the Audit Committee for consideration.			
17.2.3 The progress on remedies of the significant internal control deficiencies is reported to the Board of Directors/Audit Committee.			

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