

**Information Memorandum on the Connected Transaction of
I.C.C. International Public Company Limited**

According to the Board of Directors Meeting of I.C.C. International Public Company Limited (the “Company”) No. 13/2022 which held on March 13, 2023 at 13.30 hours resolved to approve and propose to the shareholders’ meeting to consider and approve the loan to Thanulux Public Company Limited (“TNL”), a connected person of the Company, as TNL's major shareholder is Saha Pathana Inter-Holding Public Company Limited (“SPI”) which holds 41.09 percent of TNL’s total issued and sold ordinary shares, which SPI is a connected person of the Company because SPI is the major shareholder of the Company. by holding 24.81 percent of the Company’s total issued and sold ordinary shares. Therefore, the financial assistance transaction with a non-revolving credit limit in the amount of not exceeding 500,000,000 THB is the transaction with the juristic person who has common major shareholders which is considered as a connected transaction.

The Company shall receive a return of the higher of an average interest rate at which Bangkok Bank Public Company Limited, Krung Thai Bank Public Company Limited, and Siam Commercial Bank Public Company Limited charges their most creditworthy major borrowers on loans (collectively “MLR”) – 1 percent or affixed rate of 6 percent per annum. In this regard, the financial assistance to TNL may have a return higher than 6 percent because the MRL -1 percent has a possibility to be higher than 6.00 percent if MLR higher than 7.00 percent in the future. However, the Company could not estimate MLR in the future. The transaction was calculated based on the higher of MRL – 1 percent or affixed rate of 6 percent per annum as of March 13, 2023 which resulted to the interest rate value of not exceeding to THB 60 million throughout the lending period.

The entering into a financial assistance transaction to TNL is considered as a transaction with a connected person of a listed company pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions, dated August 31, 2008 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003), dated November 19, 2003 (as amended) (the “**Notifications on Connected Transactions**”). In this regard, the connected transactions as detailed above is considered as a financial assistance to connected person or the company where the connected persons hold more shares than the listed company which requires the Company to consider the transaction size of less than THB 100 million or 3 percent of NTA, whichever lower. The transaction size of this financial assistance to TNL transaction 1.97 percent of the net tangible assets (NTA) (net tangible assets (NTA) according to the Company’s audited consolidated financial statements ending December 31, 2022 which equal to THB 28,418 million) and during the period between 6 months prior to the date of entering into this transaction, the Company has not entered into any other connected transactions with the same connected persons or related persons or close relatives of such persons, Since such transactions have a transaction size of exceeding THB 100 million or 3 percent of the Company’s net tangible assets, depends on which one is lower. As a result, the Company must acquire the approval from the Board of Directors as well as preparing and disclosing information regarding the entering into of the Company's transactions to the Stock Exchange of Thailand (“SET”) according to the Notification on Connected

Transactions and propose an approval from the shareholders meeting which shall resolve to approve with the vote of not less than three-fourths of the total votes of shareholders who attend the meeting and having the right to vote, excluding the shareholder who has conflict interest, and the appointment of an independent financial advisor (IFA) which must be approved by the Securities and Exchange Commission (“SEC”), to provide the opinion on this connected transaction to the Company’s shareholders.

Therefore, the Company would like to inform the details of the transaction as prescribed by the Notification on Connected Transactions as follows:

1. Date of Transaction

The Company will enter into the loan agreement and provide financial assistance to TNL within 2023.

2. Related Parties

Lender : I.C.C. International Public Company Limited
Borrower : Thanulux Public Company Limited

3. Relationship with the Company

The Company and TNL have Saha Pathana Inter-Holding Public Company Limited (“SPI”) as a common major shareholder. SPI holds ICC’s shares = 24.81% and holds TNL’s shares = 41.09%

4. Nature of the Transaction

- Providing the financial assistance to the connected persons for the credit limit of THB 500 million, non-revolving loan.
- The credit limit utilization period is no exceeding 2 years. The borrower can choose to withdraw the total loan amount at once or draw down the loan multiple times until the full amount of the credit limit.
- An interest rate not exceeding the interest rate of MLR - 1 per annum or a fixed interest rate of 6 percent per year, depends on which rate is higher. In this regard, the borrower must pay the loan interest. Upon the lapse of each 3 months period from the receipt of the loan.
- Repay the total loan amount which has been drawn back to the lender upon the lapse of 2 years period from each receipt of the loan.
- No collateral

5. Type and Size of the Transaction

Entering into this transaction is considered as a financial assistance pursuant to the Notifications of the Connected Transactions. The highest transaction size is equal to 1.97 percent of the net tangible assets (NTA) of the Company based on the Company’s audited consolidated financial statements ending December 31, 2022, with the following calculation details:

The Value of Financial Assistance	The amount of not exceeding THB 500 million <u>Add</u> the return at the rate of 6 percent per annum ^{1/} <u>Add</u> the damage that may occur when debt is not paid Total THB 560 million * Remark: At present, the average MLR – 1 interest of Bangkok Bank PCL, Krungthai Bank PCL and Siam Commercial Bank PCL as of March 9, 2023 is 5.38 percent. Therefore, in considering the return for the calculation of the transaction size, it is calculated at the rate of 6 percent per year, which is a higher rate.
NTA of the Company as of December 31, 2022.	THB 28,418 million (3 percent of NTA is equal to THB 852 million)
Highest Value of the Transaction	1.97

emark: 1/ In this regard, the financial assistance to TNL may have a return higher than 6 percent because the MRL – 1 percent has a possibility to be higher than 6.00 percent if MLR higher than 7.00 percent in the future. However, the Company could not estimate MLR in the future. The transaction was calculated based on the higher of MRL – 1 percent or affixed rate of 6 percent per annum as of March 13, 2023 which resulted to the interest rate value of not exceeding to THB 60 million throughout the lending period.

In this regard, during the period of 6 months prior to the date of entering into this transaction, the Company has not entered into any other connected transactions with the same connected person or related person of such person. Therefore, the size of the transaction is higher than THB 100 million (a lower amount between THB 100 million and 3 percent of the net tangible assets value of the Company as of December 31, 2022).

6. Condition which may affect the rights of shareholders -None-

7. The Criteria which use to Determine the Total Value of the Transaction

The value of principal and interest throughout the term of the loan agreement and the value of damage which may occur when the debt is not paid.

8. Reasons and Expected Benefits

The Company's cash flow without financial costs which are higher than the interest rate that the Company entitled to receive. In order to manage the Company's cash flow to be more efficient, and for the Company to receive a return of an interest rate of not less than 6 percent per annum, which is a higher rate of return than investing in deposits money with the financial institutions.

9. Source of Fund

The Company's cash flow without financial costs which are higher than the interest rate that the Company entitled to receive.

10. Opinions of the Company's directors regarding the transaction which specified the reasonableness and the highest benefit to the Company when compared to the entering into a transaction with an independent third party

The Board of Directors (excluding director who has conflict of interest) has carefully considered that the entering into this transaction and is reasonable and benefit the Company and Company's shareholders, by having the reasonable interest rate and it is the management of the Company's cash flow for the utmost benefit of the Company. The Company considered that as the Company still has sufficient cash flow to operate the business according to the Company's business plan, therefore, the cash flow management by lending to TNL is an appropriate transaction when compared to lending to other parties, as TNL is a company which has strength, has the ability to repay the loan, and has a reliable major shareholder.

11. Opinions of the Audit Committee and/or the Company's Directors which are different from the opinions of the Board of Directors

-None-

Information Memorandum (Schedule 2)**Information about the Nature of Business and Business trends of the Company****1. Summary of the Company's information and business operations****1.1 Company's information**

Company's name	I.C.C. International Public Company Limited
Address of the registered office	530, Soi Sathu Pradit 58, Bang Pong Pang Sub-district, Yan Nawa District, Bangkok
Business category	Distribute the fashion product in both domestically and internationally, i.e. cosmetics and perfumeries, haircare and skincare, apparels, lingerie, clothing, sportswear and equipment, the product of washing and maintaining clothes, and, leather goods, etc.
Registered capital	THB 500,000,000
Paid-up capital	THB 290,633,730

The Company has 3 subsidiaries and 7 associated companies with details of shareholding as follows:

Company's name	Business operation	The Company holds (percent)
1. WBRE Company Limited	Real estate development	99.9997
2. Thai Itokin Co.,Ltd.	Manufacturing and distributing ready to wear clothing	58.16 ^{1/}
3. Canchana International Co., Ltd. (Kingdom Of Cambodia)	Product distributing	60.00 ^{2/}
4. Tiger Distribution and Logistics Co., Ltd.	Real estate rental and warehouse management	51.00 ^{3/}
5. Worldclass Rent A Car Company Limited	Car rental	25.00 ^{4/}
6. International Leather Fashion Corp.,Ltd.	Manufacturing the product from genuine leather and artificial leather	28.00 ^{5/}
7. Issara United Co.,Ltd.	Real estate development	25.00 ^{6/}
8. Boon Capital Holding Co.,Ltd.	Investment	32.00 ^{7/}
9. Nanan Cambo Solution Co., Ltd. (Kingdom Of Cambodia)	Investment in real estate	49.00 ^{8/}
10. Issara United Development Company Limited	Hotel	25.00 ^{9/}
11. Thai Secom Security Co.,Ltd.	Security service	25.501 ^{0/}

- Remark: 1/ List of shareholders of Thai Itokin Co., Ltd. The rest consists of Saha Pathana Inter-Holding PCL. 19.00 percent, Boon Capital Holding Co., Ltd. 13.11 percent, Mr. Viritpol Chaithavornsathien 5.18 percent and 4 corporations and other persons totaling 4.55 percent.
- 2/ List of shareholders of Canchana International Co., Ltd. The rest consists of Saha Pathanapibul PCL. Holding 40.00 percent.
- 3/ List of shareholders of Tiger Distribution and Logistics Co., Ltd. The rest consists of I.D.F. Co., Ltd. 21.28 percent, Saha Pathana Inter-Holding PCL. 15.49 percent and 3 other corporations totaling 12.23 percent.
- 4/ List of shareholders of World Class Rent a Car Co., Ltd. The rest consists of companies Leenutaphong Holding Co., Ltd. 25.00 percent, Budget Rent a Car System Inc. 23.68 percent, I.D.F. Co., Ltd. 15.07 percent Dusit Thani PCL. 5.26 percent and 2 other corporations totaling 5.99 percent.
- 5/ List of shareholders of the company International Leather Fashion Co.,Ltd. The rest consists of Ramsorn Thaveekarn Co., Ltd. 19.00 percent, Thanulux PCL. 18.00 percent, Saha Pathana Inter-Holding PCL. 14.00 percent, Thai Wacoal PCL. 12.00 percent, TPCS PCL. 6.00 percent and Total Way Image Co.,Ltd. Holding 3.00 percent.
- 6/ List of shareholders of Issara United Co., Ltd., the rest consists of Charn Issara Development PCL. 50.00 percent and Saha Pathanapibul PCL. Holding 25.00 percent.
- 7/ List of shareholders of Boon Capital Holding Co., Ltd. The rest consists of Saha Pathana Inter-Holding PCL. 36.00 percent and Saha Pathanapibul PCL. Holding 32.00 percent.
- 8/ List of shareholders of Nanan Cambo Solution Co., Ltd. The rest consists of Mr.Ben Kiasrithanakorn holding 51.00 percent.
- 9/ List of shareholders of Issara United Development Co., Ltd. The rest consists of Charn Issara Development PCL. 50.00 percent and Saha Pathanapibul PCL. Holding 25.00 percent
- 10/ List of shareholders of the company Thai Secom Security Co., Ltd. The rest consists of Secom Co., Ltd. 49.00 percent and Saha Pathana Inter-Holding PCL. holding 25.50 percent.

1.2 Summary of the business operation

The Company is a leader in the distribution business of fashion product in both domestically and internationally, and from the innovative knowledge of the Company's and the affiliates, the main industry of the Company is cosmetics and perfumeries industry, haircare and skincare industry, textile and apparel industry, lingerie, clothing, and sportswear, the product of washing and maintaining clothes, and, leather goods, etc. The Company operates a wholesale business for the both domestically and internationally stores. Most of the products are beauty products according to the motto of the Company that "To develop and create innovation of high quality products to satisfy the requirements, happiness and beauty of customers."

(1) Cosmetics and Perfumeries Industry

From its incorporation in 1964, the Company has been in the sale of cosmetics under the Japanese brand name PIAS. Since then, the Company has expanded the cosmetic business by continuously introducing various other brands where in October 2005, the Company introduced a new cosmetic brand - BSC Cosmetology, under Sahapat Group brand for international marketing. Compact powder is the main product for advertising to create brand awareness within the target group. The celebrity and testimonial marketing approaches have been adopted by using celebrities as its presenter to

generate trial interest. Consumer's behavior has changed into preference of following the news through TV as the main media causing several brands to turn publicizing their information in news programs. BSC Cosmetology, therefore, selected to publicize through the news programs in the following channels: TNN16, Nation, New18 similarly to other brands, in the present circumstance where the consumer's behavior is likely to change again as resulted from the pandemic of COVID-19, everything differentiates from previously which is identified as the 'New Normal'.

(2) Women's Wear Industry

The Company has been continually researching and promoting every brand of women product groups of which we have dealership. There are 5 main brands: Wacoal, BSC, BSC Signature, Elle and Kullastrri. Strategies have been adapted for each of these brands to enhance their marketing competitiveness in terms of product variety options and modern designs enhancing elasticity of the cloth to suit the wearers' sizes and increasing functionality of the products that enables customers to comfortably wear in order to satisfy requirements of children up to elderly persons. In addition to the products, the significant thing that our Company well realizes is the impressive service to provide new experience for customers, i.e. the self service which allows the customers to select the products by themselves through the information signage in the shops which gives full information of the products whereby the customers need not ask the sales staff. It matches the lifestyle of customers in the digital and new normal era.

(3) Men's Wear Industry

The Company is the distributor of men's wear under such brands as Lacoste, Arrow, Excellency, Daks, Guy Laroche, Elle Homme, Getaway, BSC Cool Metropolis, Hornbill, Le Coq Sportif, Maximus and Felix Buhler. The main distribution channels are department stores in Bangkok and upcountry, with regular sales personnel providing product advice and after-sales service. A new distribution channel has also been opened in discount stores, as well as in shops that have opened in shopping malls, TV channel and E-Commerce.

1.3 The future industry trend and competition

(1) Cosmetics and Perfumeries Industry

Abandoning the lockdowns caused by COVID-19 enables consumers to return living their normal life. Although there is still some work from home, most people turn to work as normally. They have turned to select products to buy and use and expended for the things needed even still not at the appropriate level as it should be because of the economic recession. The consumers are still careful in expenditure where they only pay for the necessary products abstaining from luxury goods or in case of unnecessary products they will pay much attention to selecting. That can indicate although direction of use of cosmetics products began to go better, there is certain change in the consumer's behavior as nowadays more Thai people have behavior of caring their beauty themselves at home especially their

use of hair coloring and toner products. Based on the survey, it shows that 35% of Thai people consider the beauty care at home is a new lifestyle. They are likely to use the cosmetics of natural compounds without chemicals or hazardous substances. Such products are then in the increase demand because the customers worry and concern about their health caused by the spread of COVID-19 and the PM 2.5. In that connection, everyone has to adjust their lifestyle a lot. To take care of skin against the weather condition and non normal pollution is necessary to live the life including to usually wear a surgical mask before going out of the house are the new normal lifestyle.

In 2022 the skin care cosmetics will have the significant growth resulted from the change in the consumer's behavior. In the previous year the consumers turned to pay much attention to their health and safety or interested in the products with natural compounds extracted from the new natural substance 'CBD', the extract from hemp, which will play a significant role of the natural mixture in cosmetics such as the skin nourishing cream and the skin care products. CBD will reduce facial oil which is a cause of acne, while it will moisturize the skin to become soft. Presently, the CBD cosmeceutical is gradually popular for the reason that the cosmeceuticals shall have treatment effect. Bathing cream is also a product which now is extracted more from hemp because the Food and Drug Administration (FDA) has officially approved the use of the CBD extract. Additionally, these cosmeceuticals have many items going to mix the CBD extract recently such as lipstick, shampoo, facial cleansing products, bathing salt and various skin nourishing cream

BSC Cosmetology has adjusted the products along with the marketing strategy by deploying the communication to directly access the customers 'the Direct to Customer Model', in collaboration with our business alliance such as shops and department stores in order to implement the marketing to support the goods distribution channel and to effectively supply the goods, launch various campaigns directly to the customers through every channel either the main communication channel of the Brand, the communication channel of shops and department stores including the direct communication through sales staff to provincial customers nationwide so as to access all customers. In this connection, BSC Cosmetology has spent rather high budgets for communication with the customers since there is stiff competition in the cosmetics market which is heavier than other categories of products. To render the communication directly to the customers is another adjusted way that quite successfully enhances the sales during the pandemic of COVID-19 when the customers are unable to go to buy products. (Source: Information from the research by Marketing Department of the Company)

(2) Women's Wear Industry

The overview of overall trends for the textiles and garment industry shows possible growth in both production and export sectors. Most of the production is for ASEAN markets, due to the advent of the ASEAN Economic Community. In 2023 the sales of wholesaling and retailing and services will

continually grow in compliance with the economic direction and the purchase power of consumers will restore to normal condition. It is forecast that the wholesaling and retailing markets and services will increase about 2.8 – 6.6% (Source: Kasikorn Research Center, December 2022), where the Tourism Authority of Thailand has forecast that in 2023 there will be 30 million foreign tourists visiting Thailand. (Source: Tourism Council of Thailand (TCT), February 2023)

In 3 years subsequently, technology and sustainability will be the significant vision of the wholesaling, retailing and service sectors. It is necessary to expedite to adjust to comply with the online trade through various platforms because the present and the future wholesaling, retailing and service markets will be the markets of consumers where they can rapidly select to purchase goods encouraging the fast turnover of products and services. Speed will be the answer to satisfy the requirements of consumers. The collaboration business model should be implemented jointly with the business alliances for sustainability as there will be tough competition both directly and indirectly. The BCG economy will be the business trend which the business doers shall be aware of and put into practice including to set the target for expanding the business together with protecting the environment and lessening the global warming. This will enhance the sustainable growth of business. The Metaverse Technology will support to enhance the markets under the idea when the customers do not come to shops, we should visit them at home. In addition, the AI Technology will assist the wholesaling and retailing business in assessment of the market requirements and sales with more correctness and accuracy.

(3) Men's Wear Industry

Although the purchase power remains sluggish in 2022, the industry at large tends to remain stable and continue growing because of the relaxation of the COVID-19 control measure and the consumers still continue to pay more attention to buy clothing products of quality, and number of foreign tourists is likely to increase. However, fierce market competition still exists not less than last year due to foreign rivals including influx of cheap products from the People's Republic of China. Local producers will have to analyze the market and consumer behavior in each area, create innovations in various forms in terms of products, communication, marketing including develop strengths of each product for each target group of buyers in order to survive in the market amid the more intense competition. (Source: Information from the research by Marketing Department of the Company)

2. The list of directors, executive, and first 10 shareholders of the Company

2.1 The list of directors as March 13, 2023.

No.	List of directors	Position
1.	Mr. Boonkiet Chokwatana	Chairman
2.	Mr. Thamarat Chokwatana	President and Chairman of Executive Committee
3.	Mr. Somphol Chaisiriroj	Director
4.	Miss Munchusa Terapongpipat	Director
5.	Mrs. Kobsuk Saengsawad	Director
6.	Surat Wongrattanapassorn, Ph.D.	Director
7.	Mrs. Chailada Tantivejakul	Director
8.	Mrs. Nualphan Lamsam	Director
9.	Thiraphong Vikitset, Ph.D.	Independent Director, Chairman Of The Audit Committee
10.	Mr. Amorn Asvanunt	Independent Director, Audit Committee
11.	Mr. Nophorn Bhongsvej	Independent Director, Audit Committee
12.	Anuchit Anuchitanukul, Ph.D.	Independent Director, Audit Committee

2.2 List of the executives as of March 13, 2023

No.	List of Executives	Position
1.	Mr. Thamarat Chokwatana	President and Executive Committee
2.	Ms. Munchusa Terapongpipat	Vice President Company Administration Division
3.	Surat Wongrattanapassorn Ph.D.	Vice President Information and Technology Division
4.	Ms. Ramida Russell Maneesatien	Vice President Division B
5.	Mr. Viritpol Chaithavornsathien	Vice President Division I
6.	Ms. Nonglaks Techaboonanek	Vice President Division O
7.	Mr. Nattapat Petchratanaporn	Vice President Sales Administration Division
8.	Mr. Yothin Suvannakate	Vice President Business Support and Second Vice President Information Technology Division
9.	Mrs. Kityaporn Chaithavornsathien	Vice President Division D
10.	Mr. Sawat Posinsomwong	Vice President Division W
11.	Mr. Thitipoom Chokwatana	Vice President Division X
12.	Ms. Yauwaluk Namakorn	Vice President Accounting & Finance Division

2.3 List of top 10 shareholders of the Company as of November 9, 2023

No.	List of Shareholders	Number of shares	percent
1.	Saha Pathana Inter-Holding Public Company Limited	72,092,990	24.81
2.	I.D.F. Co., Ltd.	27,724,910	9.54
3.	Mr. Weerapat Punsak-Udomsin	25,937,940	8.93
4.	Saha Pathanapibul Public Company Limited	24,777,100	8.53
5.	Thai Wacoal Public Company Limited	11,097,070	3.82
6.	U.B. Chemical Industries Co., Ltd.	10,667,400	3.67
7.	Uniwealth Co., Ltd.	10,154,550	3.49
8.	BTS Group Holdings Public Company Limited	10,006,070	3.44
9.	Universe Beauty Co., Ltd.	9,953,920	3.43
10.	Mr. Boonsithi Chokwatana	6,558,940	2.26
Total		208,970,890	71.90

3. Connected transactions

Connected person	Connected transaction	Transaction Value (THB million)			Reasonability of related party transaction
		2020	2021	2022	
Thanulux Public Company Limited	Purchase of finished goods (for sales as a normal business) such as shirts, pants, other apperels, etc.	425.43	457.00	631.88	This transaction is a normal business operating transaction. The connected price is a contract price which is under the same general trading terms and conditions with the third parties and that The Audit Committee and the auditor have considered the appropriateness of the connected transactions in the annual audit of the financial statements. and reviewed quarterly financial statements
	Other expenses such as as service fee for fixing finished cloths etc.	1.05	0.40	0.10	This transaction is a normal business operating transaction. The connected price is a contract price which is under the same

Connected person	Connected transaction	Transaction Value (THB million)			Reasonability of related party transaction
		2020	2021	2022	
					general trading terms and conditions with the third parties and that The Audit Committee and the auditor have considered the appropriateness of the connected transactions in the annual audit of the financial statements. and reviewed quarterly financial statements.
	Other income relating to marketing and sales such as marketing support, etc	4.99	0.63	-	This transaction is a normal business operating transaction. The connected price is a contract price which is under the same general trading terms and conditions with the third parties and that The Audit Committee and the auditor have considered the appropriateness of the connected transactions in the annual audit of the financial statements. and reviewed quarterly financial statements Other income from marketing support by the manufacturer depends on the mutual agreed deal .depending on marketing activities which depends on economic conditions, competition, etc.

4. Summary of the Company's financial statements

Summary of the financial statements

(Unit : million THB)

	December 31, 2020	%	December 31, 2021	%	December 31, 2022	%
Total Assets	32,228	100.00	33,468	100.00	34,255	100.00
<i>Total Current Assets</i>	<i>7,132</i>	<i>22.13</i>	<i>7,177</i>	<i>21.44</i>	<i>7,501</i>	<i>21.90</i>
<i>Total Non-current Assets</i>	<i>25,096</i>	<i>77.87</i>	<i>26,291</i>	<i>78.56</i>	<i>26,754</i>	<i>78.10</i>
Total Liabilities	5,111	15.86	5,606	16.75	5,678	16.58
<i>Total Current Liabilities</i>	<i>1,671</i>	<i>5.18</i>	<i>1,771</i>	<i>5.29</i>	<i>1,962</i>	<i>5.73</i>
<i>Total Non-current Liabilities</i>	<i>3,440</i>	<i>10.67</i>	<i>3,835</i>	<i>11.46</i>	<i>3,716</i>	<i>10.85</i>
Total Shareholders' Equity	27,117	84.14	27,861	83.25	28,577	83.42
Total Shareholders' Equity – Parent Company	27,128	84.18	27,868	83.27	28,499	83.20
Revenue from sales	7,809	93.76	6,803	91.40	8,479	89.67
Total Revenue	8,329	100.00	7,443	100.00	9,456	100.00
Gross Profit	2,320	27.85	1,942	26.09	2,552	26.99
Total Expenses	8,302	99.68	7,286	97.89	8,818	93.25
Share of Profit (Loss) of the associated companies based on equity method	(30)	-0.36	15	0.20	15	0.16
Corporate Tax Expenses	56	0.67	58	0.78	41	0.43
Net Profit (Loss)	(59)	-0.71	114	1.53	612	6.47

Analysis of financial position and performance

(1) Analysis of financial position

Total Assets

As of December 31, 2020 – 2022, the Company has total assets of THB 32,228 million, THB 33,468 million, and THB 34,255 million, respectively.

As of December 31, 2021, total assets rose by THB 1,240 million or 3.85% from December 31, 2020, mainly due to an increase in short-term investment of THB 715 million to optimize the efficiency of liquidity management by investing exceeded cash in short-term investment for higher return, an increase in non-current financial assets of THB 864 million from the investment in common shares in the businesses related to the core business, and other business, and an increase in Right of Use of THB 325 million from a long-term financial lease for retail areas. However, there was a

decrease in Inventory of THB 326 million due to the improvement of inventory management efficiency. There is a control of purchasing process, distributing process to distribute goods to the appropriate sales area in each type of store to meet the target customers, implementing of optimum stock in stores. Property, Plant, and Equipment of THB 150 million due to depreciation charges for the year.

As of December 31, 2022, total assets grew by THB 787 million or 2.35% from December 31, 2021. This increase was primarily driven by an increase in short-term investment of THB 1,289 million due to enhanced liquidity management by investing the exceed cash in short-term investment for higher return, and an increase in non-current financial assets of THB 550 million from the investment in common shares and debenture, Other receivable increased of THB 73 million mainly due to the increase of deposit from export, Other current assets increased of THB 185 million mainly from the investment in gold. However, there was a decrease in cash and cash equivalents of THB 266 million from the investment in short-term investment, Inventory decreased by THB 266 million due to higher sales at the end of the year. This was resulted from the spread of Coronavirus 2019 (COVID-19) from the end of December 2019 until 2022, the situation has been resolved. More tourists come to the country. The tourism and service sectors in severely affected countries are improving. The economic situation is not very strong. People's purchasing power started to return in the 3rd-4th quarters, which resulted in the products that were purchased which led to higher sales. Additionally, Property, Plant, and Equipment of THB 152 million due to sales of 7 land plots and depreciation charges for the year.

Total Liabilities

As of December 31, 2020 - 2022, the Company has total liabilities of THB 5,111 million, THB 5,606 million, and THB 5,678 million, respectively.

As of December 31, 2021, total liabilities rose by THB 495 million or 9.68% from December 31, 2020. The increase was mainly due to an increase in financial lease liabilities of THB 308 million in line with the increase in Right of Use, and an increase in Deferred tax liabilities of THB 229 million due to the measurement of fair value of long-term investment.

As of December 31, 2022, total liabilities rose by THB 72 million or 1.28% from December 31, 2021 mainly due to an increase of trade and other liabilities of THB 62 million mainly due to the higher purchase during the end of the year, an increase of Deferred tax liabilities of THB 69 million from consignment, which caused the gross profit of the allowance for goods returned to decrease. and the adjustment of employee benefit estimates, and an increase of current financial liabilities of THB 26 million. However, there was a decrease in provision for employee benefits of THB 99 million due to the assessment of employee benefits according to the Financial Reporting Standard which is revised

every 3 years. The change of the provision was due to the Company has controlled the personnel expenses which is not efficient by reorganizing.

Total Shareholder's Equity

As of December 31, 2020 - 2022, the Company has total shareholder's equity of THB 27,117 million, THB 27,861 million, and THB 28,577 million, respectively, which consisted of retained earnings, paid-up capital and premium on capital, etc.

As of December 31, 2021, total shareholder's equity increased by THB 744.26 million or 2.74% from 2020 was mainly driven by the other comprehensive income which was caused by the adoption of Thai Financial Reporting Standard No. 9 Financial Instruments (TFRS 9). It was related to the fair value measurement of general investments in the amount of THB 525.32 million. In addition, retained earnings increased by THB 214.76 million from the performance of the period.

As of December 31, 2022, total shareholder's equity increased by THB 715.57 million or 2.57% from 2021 was mainly due to the increase of retained earnings of THB 625.51 million which was resulted from the performance of the year and gain on revalue of provision of employee benefit. In this regard, non-controlling interests increased by THB 84 million to THB 77.50 million in 2022 was due to the acquisition of Tiger Distribution and Logistics Co., Ltd and additionally invested to have the control over Tiger Distribution and Logistics Co., Ltd.

(2) Analysis of financial performance

Total Revenue

In 2020 - 2022, the Company recorded total revenue of THB 8,329 million, THB 7,443 million and THB 9,456 million, respectively as follows;

(unit : million THB)

	December 31, 2020	%	December 31, 2021	%	December 31, 2022	%
Revenues from sales	7,809	93.76	6,803	91.40	8,479	89.67
Dividend received	343	4.12	380	5.11	340	3.60
Gain from sales of land	-	-	-	-	393	4.16
Other income	177	2.13	261	3.51	244	2.58
Total Revenue	8,329	100.00	7,443	100.00	9,456	100.00

In 2021, there was a decrease of revenues from sales of THB 1,006 million or 12.88% when compared to 2020. This was mainly due to the new lockdown period from mid-July to the end of August 2021, the control of cross-provincial travel, and the curfew period announced by the

Government to cope with the new outbreak situation of Covid-19. As a result, all department stores were temporarily closed, and sales decreased in 2021. Other income increased THB 84 million or 47.46% compared to 2021 due to gains from reversal of impairment losses on investments.

In 2022, there was an increase of revenues from sales of THB 1,677 million or 24.65% when compared to 2021. This was mainly due to business recovery from the COVID-19 situation and various government measures to stimulate the economy that continued to exist, resulting in increased revenue.

Furthermore, the Company sold 7 land plots which has the book value of THB 165 million to related company at the market price of THB 557 million. This led to a gain of THB 393 million from the sale of the land. The decision was made because the Company was not utilizing the land and wanted to alleviate the responsibility of managing it.

Other income decreased by THB 17 million or 6.51% compared to 2021 due to subsidized income from marketing activities to stimulate sales during the COVID situation from manufacturers decreased from the previous year due to the reduction in marketing activities due to the economic slowdown.

Total Expenses

In 2020 - 2022, the Company recorded total expenses of THB 8,302 million, THB 7,286 million and THB 8,818 million, respectively as follows;

(unit : million THB)

	December 31, 2020	%	December 31, 2021	%	December 31, 2022	%
Costs of sales	5,489	66.12	4,861	66.72	5,927	67.21
Distribution expenses	1,825	21.98	1,496	20.53	1,880	21.32
Administrative expenses	976	11.76	919	12.61	1,000	11.34
Finance costs	12	0.14	10	0.14	11	0.12
Total Expenses	8,302	100.00	7,286	100.00	8,818	100.00

In 2021, there was a decrease of costs of sales which mainly consisted of cost of purchase of finished goods and freight-in cost, of THB 628 million or 11.44% compared to 2020 which was consistent with the decrease in sales revenue. Distribution and administrative expenses decreased by THB 386 million or 13.79% compared to 2020. This decrease was mainly due to the reduction in sales staff expenses and the government compensation received by the Company. Additionally, the Company continued to implement measures to reduce inefficient operational costs, non-contributed costs to sales growth, and to reduce personnel costs by more efficiently utilizing of existing personnel.

In 2022, there was an increase of costs of sales, which mainly consisted of cost of purchase of finished goods and freight-in cost, of 1,066 million or 21.93% compared to 2021, which was in line with an increase in revenue from sales. Distribution and administrative expenses increased by THB 465 million or 19.25% compared to 2021. This increase was primarily driven by an increase in distribution expenses which is consisted of personnel expenses of sales staff, marketing and promotion expenses of THB 383 million, which is directly proportional to the increase in sales. Additionally, there was an increase in administrative expenses of THB 82 million due to the increase of bonus expense

Gross Profit

(unit : million THB)

	December 31, 2020	%	December 31, 2021	%	December 31, 2022	%
Revenue from sales	7,809	100.00	6,803	100.00	8,479	100.00
Costs of sales	5,489	70.29	4,861	71.45	5,927	69.90
Gross profit	2,320	29.71	1,942	28.55	2,552	30.10
Profit margin (%)	29.71		28.55		30.10	

During 2020 - 2022, the Company has profit margins of 29.71%, 28.55% and 30.10%, respectively.

In 2021, gross profit of the Company decreased by THB 378 million or 16.29% comparing with 2020 due to the Covid-19 situation. Sales of cosmetics and perfume decreased and affected Product Mix, thus, profit margins also decreased.

In 2022, gross profit of the Company increased by THB 610 million or 31.41% due to the Covid-19 situation has been resolved and the economic was back to normal. The consumer has more purchasing power so sales of expensive products also increased especially textile business of gentlemen and lady, thus, the capability of making gross margin was increased

5. Other information which significantly impacts the consideration of the investor (if any)

- None -

6. The director who has conflict of interest and the shareholder who has conflict of interest which has no right to vote

6.1 Mr. Thamarat Chokwatana, the Company's director is the Chairman of the Board of Directors of TNL.

6.2 The following Company's shareholders are considered as a connected person and/or being a shareholder who has an interest in considering the agenda related to the transaction of financial assistance to TNL. Therefore, such shareholder shall not have the right to vote in such agenda.

In this regard, the interested shareholders were consisted of 1) Saha Pathana Inter-Holding Public Company Limited as a major shareholders of the Company and TNL which was considered as an interested person in this transaction, 2) BTS Group Holdings Public Company Limited as an interested person in this transaction because of being a major shareholders of TNL by holding 41.17 percent of total issued shares of TNL. The list of interested shareholders as of the date for specifying the shareholders who are entitled to attend the meeting (Record Date) on March 27, 2023 can be shown as follows:

List of Shareholders	Number of shares (share)	Proportion of registered and paid-up capital of the Company (percent)
Saha Pathana Inter-Holding Public Company Limited	72,092,990	24.81
BTS Group Holdings Public Company	10,006,070	3.44

7. Proxy form for the shareholders to vote and nominate at least one member of the Audit Committee as a proxy

The details of an information of the audit committee nominated by the Company for shareowners to appoint as a proxy, and the proxy forms are as shown in the supporting documents for the Annual General Meeting of shareowners No. 58 for the year 2023 (Enclosure 8 and Enclosure 11).

The Company hereby certifies that the information contained in this information memorandum is true and correct in all respects, and has been prepared prudently and cautiously with regard to the interests of the shareholders as the main priority. The information in this information memorandum is correct complete in essence and not misleading. In addition, this information memorandum is prepared for the purpose of information disclosure only, it is not for an invitation or an offer to acquire or subscribe the securities.
