



# FORM 56-1 One Report Annual Report 2021

**DV8 Public Company Limited**  
Bringing **Future**  
to the **Present**

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# **Business Operation and Operating Results**

01



# Organizational structure and operation of the group of companies

## 1. Policy and business overview

DV8 Public Company Limited, security symbol DV8 (the “Company”) are listed on the Stock Exchange of Thailand. Its main businesses are Media, Innovation and Technology. The Company started major restructuring, revised strategies and investments since the end of 2019 to accommodate the changes and uncertainties of the economy and society affecting the global business model; the economic slowdown from the COVID-19 pandemic, technology and innovations that are rapidly changing consumer demands, including the direct and indirect entering of the competitors. The Company has developed a strategy to grow by entering into businesses with high growth opportunities and relying on strength of the Company and its business partners to harmonize each other and create long-term sustainability.

The Company will be a leader in providing state-of-art media services in complete cycle and will invest in business development to achieve stable and sustainable growth in the Thai economy and generate profits to shareholders using a leap forward growth strategy and aiming to meet the ever-quick changing needs of customers. The Company’s main strategy is divided in parallel into 2 subjects. 1) Human Resources Development and 2) Business Development. For Human Resources Development strategy, starting from

refining the recruiting process, selecting and developing personnel in the organization to obtain necessary skills at all times, as well as creating an organizational culture for knowledge and growth. While Business Development strategy focus on changing of consumers’ needs caused by the influence of both the disruptive technology and the COVID-19 pandemic. With the development of a unified Radio Instore media service model, the Company is leading the market and investing in trendy businesses of the future. It uses technology driven in many industries to diversify and meet the needs of consumers.

The Company has structured the organization and has flexible working policy to ensure agility by using technology to support, and the Company has still committed to its intention to conduct business under the code of ethics, good governance, transparent and auditable working principles, including under good corporate governance guidelines, along with social responsibility to build long-term stability and sustainability for the Company and its shareholders

The Company's Management is committed to growing the business, strengthening stability by being responsible for stakeholders throughout the value chain, defined as the Company's mission and communicating to employees at all levels to become a cultural organization.

## DV8 Mission

**We aim to bring the ultimate experiences  
and creative innovations to the society**

**Innovation  
&  
Creativity**

**Reliability  
&  
Trust**

**Efficiency**

**Ethic  
&  
Integrity**

**Harmony  
in Diversity**

## Material changes and developments

The Company has been registered as Ao Kham Thai Co., Ltd. since June 29<sup>th</sup>, 1978 and has been listed on the Stock Exchange of Thailand since June 9<sup>th</sup>, 1994 which at that time the Company did tin mining operation in the sea and renting a tin dredger. In 2021, there has been no material changes in the nature of the business operations in the Company. Throughout over 26 years since the Company was listed on the Stock Exchange of Thailand, there have been significant changes and developments as follows:

### 1997

Changed the Company's name to "Sino-Thai Resources Development Public Company Limited (STRD) " since there were changes in business operations at that time to start industrial stone production business in Mwaklek District, Saraburi Province, and subleasing 4 mining concession certificates from Siam Hin Pradub Co., Ltd.

### 2004

The Company changed its business operations to a fuel distribution business. The Company is a ready-made oil trader (pursuant to Article 10 of Fuel Trade Act B.E.2545 (2002)). To do wholesale business to domestic independent oil traders (Jobbers) due to the change of majority shareholders from Stacon AMC Co., Ltd. to Suladda Asawapayukkul Group.

### 2005 - 2006

The Company began manufacturing and selling lubricant products in its own trademarks and subcontract manufacturing and acquired the assets of Apex Oil Co., Ltd., a company that manufactures and sells lubricants used in engines and machinery.

In 2006, the Company ceased to sell lubricants and started trading biodiesel and glycerin.

## 2009 – 2010

Due to Losses and impacts of business operations during the previous year that were not as expected. Therefore, the Company has established a subcommittee to prepare a rehabilitation plan and determine the direction of operations as 1) Cease the operation energy business 2) Possible dispose of investments, assets, liabilities 3) Bring in new business as the Company's core business.

By defining such directions, as a result, the Company changed its majority shareholder structure once again in 2010 from Suladda Asawapayukkul Group to Amrit Klomjit-charoen and Pipat Ratchakitprakarn Group, and changed its core business to operate satellite TV business, which the Company has acquired the right for co-production of TV programs through 8 channels from MV Television (Thailand) Co., Ltd. for periods of 10 years (December 1<sup>st</sup>, 2010 – November 30<sup>th</sup>, 2020)

## 2011 – 2013

The Company has been granted the right to participate in radio programs with A.C. Records Co., Ltd. and be an advertising agent and sell air times on The Broadcasting Authority of Thailand (FM97.00 MHz) effective from August 1<sup>st</sup>, 2011 – May 31<sup>st</sup>, 2012

However, the performance was not as expected, the Company ceased to operate its radio media business in 2012 and changed the Company's name for the second time from Sino-Thai Resources Development Public Company Limited to "Asia Joyt Pano-rama Public Company Limited (AJP)" and has expanded its investment in satellite TV business by entering into a contract to co-produce the programs with MV Television (Thailand) Co., Ltd. of additional 8 channels in 2013 for periods of 10 years (Totaling 16 TV channels). Besides, the Company received a broadcasting or television licenses to provide non-spectrum broadcasting networks or television services at the national level from the Office of the Broadcasting Commission. National Broadcasting and Telecommunication Commission (NBTC).

## 2014

The Company has increased its capital by 1) Allocating warrants to existing shareholders in proportion to rights offerings 2 : 1 of 100,000,000 units and 2) Allocating newly issued ordinary shares for private placement (PP) by selling to U Best Point Media Co., Ltd. (UBP) totaling 5,625,000 shares, to Media Agency Thai Co., Ltd. (MAT) 46,150,000 shares and Mr. Thana Benjatikul 12,000,000 shares and 28,000,000 new shares for rights adjustment in case the Company newly issued shares are being offered at lower prices.

From the above allocation of new shares, the Company has increased its ordinary shares from 200,000,000 shares to 291,775,000 shares. The Company had unpaid registered shares totaling Baht 100,000,000 which is the registered capital reserved for the exercise of warrants to purchase the Company's ordinary shares. The whole registered capital total Baht 391,775,000 after the allocation of share capital increase

## 2015

On January 21, 2015, the Board of Directors' meeting resolved to approve the establishment of 2 subsidiaries as follows:

- 1) AJP Information Technology Co., Ltd. ("AJPIT") operates information technology and related business in which the Company will take a stake in AJPIT for 99.99% of the total shares.
- 2) AJP Power Co., Ltd. ("AJP Power") operates energy and related business in which the Company will take a stake in AJP Power. 99.99% of the total shares.

In this same year, the Company added one more TV channel to produce the program under U Best Point Media Co., Ltd., which holds 100% of its shares and also had rights to manage advertisement of 5 TV channels from Media Agency Thai Co., Ltd. The company has changed its registered capital from Baht 391,775,000 to 590,547,570 as a result of the allocation of newly issued ordinary shares to existing shareholders in proportion to the rights offering and the issuance of newly issued ordinary shares to support the adjustment of the rights to purchase ordinary shares of the Company in accordance with the AJP-W1 warrants.

On August 7, 2015, the Company changed for the third time its name from Asia Joyt Panorama Public Company Limited to "Demeter Corporation Public Co., Ltd. (DCORP)" as well as changed the name of the 3 subsidiaries on August 13, 2015 as follows:

- 1) Demeter Media Co., Ltd. ("D - Media")
- 2) Demeter Power Co., Ltd. ("D - Power")
- 3) Demeter ICT Co., Ltd. ("D - ICT")

On August 26, 2015, the Company has entered into a memorandum of agreement to terminate the contract to co-produce TV programs before maturity with MV Television (Thailand) Co., Ltd. These satellite tv channels were gradually cancelled(return) the transponders with effective October 31<sup>st</sup>, 2015 onwards

On October 8<sup>th</sup>, 2015 The Board of Directors' Meeting No. 11/2015 passed the following resolutions:

- 1) Approved the transfer of rights to manage the advertising time of PGA EUROPEAN TOUR golf tournaments worth a total of Baht 254.79 Million from Media Agency Thailand Co., Ltd. (MAT) without any compensation
- 2) Approved the acquisition of 12,500 ordinary shares of Winchai Co., Ltd. (Wind), which operates power business from K-Shipping Co., Ltd. The shares account for 25% of WIND's registered capital at price Baht 13,700 per share, totaling Baht 171,250,000
- 3) Approved the establishment of a subsidiary of the Company under the name Demister Capital Co., Ltd. to operate a nano-finance for occupation business with a total registered capital of 50,000,000 baht. Baht divided into 10,000,000 ordinary shares at a par value Baht 5 per share

## 2016

The Company has disposed of all investments in Demeter ICT Co., Ltd., a subsidiary of which the Company holds 99.99% of the total registered capital, to Mr. Waranyu Sujiworapanpong and Global ICT Co., Ltd., which is not related to the Company, of 1,000,000 shares at Baht 8.10 per share (Book value as of December 31, 2015 equaled to Baht 6.15 per share). The Company has joint with Hainan Yingli New Energy Resources Co., Ltd ("Yingli") to invest in the production, distribution and export of solar panels by investing in Lison Solar Co., Ltd. ("Lison"), a subsidiary of Yingli, through its subsidiary Demeter Power Co., Ltd. ("D - power")

In the same year, the Company invested in a biogas power plant project in Suphan Buri, operated by Akarawat Renewable Plant Energy Co., Ltd. ("Akarawat") with investment value not exceeding Baht 290 Million. In addition, the Company entered into a share purchase agreement with Akarawat's existing shareholders. This caused the Company to take a stake in Akarawat totaling 16,810 shares or account for 33.64%.

## 2017

On May 3, 2017, the Board of Directors' Meeting No. 4/2017 approved the entering into conditional share purchase agreement between (1) Demeter Media Co., Ltd. ("D - Media"), its subsidiaries and (2) Thai Trade Communications Co., Ltd. ("Stock Purchase Agreement") to determine terms and conditions regarding the investment in the application and website development business for internet transactions operated by Blue Phoenix Digital Co., Ltd. ("Blue Phoenix") by acquiring shares from existing shareholders and acquiring new shares of Blue Phoenix. Total value of entering into these share purchase transactions totaling not exceed Baht 74,370,000. As a result, D - Media holds total 49,100 ordinary shares in Blue Phoenix or accounted for 30% of the registered capital and changed the name of its subsidiary from Demeter Media Co., Ltd. to Demeter Innovation Co., Ltd. ("D - Innovation")

In 2017, the Company invested in source of entertainment development business in digital and Hyper Reality project

named The Marvel Experience Thailand: Theme Entertainment Attraction - TMX of Hero Experience Co., Ltd. ("Hero Experience") by taking a shareholding of Hero Experience totaling 1,006,580 shares or account for 37.50% of registered capital).

And in that same year, the Company has also invested in Triple CH Holdings Company Limited ("Triple CH"), a company registered under Samoa law, with a bureau location at Hong Kong's Special Administrative Region of the People's Republic of China and hold a football broadcaster rights of programs Premier League, UEFA Champions League and La Liga in Philippines. Portion of joint venture is 35% with total investment value of Baht 30,000,000 for live football broadcasting in the Philippines. The Company signed the Business Collaboration and Investment Agreement on November 9<sup>th</sup>, 2017 to set the terms and conditions of joint investment and share the benefits of broadcasting football matches proportionally to joint ventures.

## 2018

The Board of Directors' Meeting No.2/2018 held on February 27, 2018 resolved to cancel the investment or disposition of the investment. The Company will seek investors interested in Akarawat's biogas power plant project as it considers that investing in such projects may result in the Company and its shareholders not receiving the expected benefits.

However, in that same year, the Company invested in organizing Sticky Fingers Live concerts in Bangkok held on December 6th, 2018.

Demeter Innovation Co., Ltd. ("D - Innovation"), a subsidiary of the Company has established a subsidiary named Hinoki Wood Works Co., Ltd. ("HINOKI") for processing, production and distribution of Hinoki wood products. D - Innovation holds 99.98% of HINOKI shares, making HINOKI an indirectly subsidiary of the Company.

## 2019

The Company has increased its registered capital by offering ordinary shares to its existing shareholders in proportion to its original shareholding (Rights Offering). As a result, the Company has registered paid-up capital from Baht 587,407,772 to Baht 1,430,416,192 divided into ordinary shares 1,430,416,192 shares at par value of Baht 1 per share.

On January 29<sup>th</sup>, 2019, Project the Marvel Experience Thailand: Theme Entertainment Attraction - TMX by Hero Experience Co., Ltd. has stopped operating the project due to a lack of financial liquidity.

## 2020

On February 25th, 2020, the Board of Directors' Meeting No.2/2020 approved acquisition of assets of N.E.X.T. Co., Ltd. ("NEXT"). The Company will pay by cash of Baht 40,000,000 cash to NEXT to purchase assets and the right to operate advertising media and equipment related to advertising business, patents for advertising media business, primary project administrators and key personnel to operate business.

On May 9th, 2020, the Company has signed a joint venture agreement "Public Awareness Establishment with Smart Signage Project" with Delighting International Co., Ltd. ("DLI") and named "DCORP-DLI Joint Venture" for e-bidding no. 8/2020 Hiring for Public Awareness Establishment with Smart Signage, according to the Office of the Permanent Secretary of the Ministry of Interior Announcement dated May 8th, 2020 (TOR). The Company has invested Baht 56,000,000 for this project, which is 80% of the joint venture's investment.

In 2020, the Company changed the company's name for the fourth time from Demeter Corporation Public Company Limited to DV8 Public Company Limited (DV8) and cancelled its subsidiary, Demeter Power Co., Ltd., which is not commercially operated any more.



## 2021

The Board of Directors' Meeting No. 1/2021 on January 21, 2021 made a resolution to approve the purchase of ordinary share of the Revolution of Digital Employ Experience Co., Ltd. ("ReDEX"), which operates the business of preparing and providing services related to applications for corporate management, of 20,000 shares (100 Baht/share par value) or in a portion of 40% of all issued and sold shares of ReDEX totaling Baht 6,000,000.

However, with the covid-19 pandemic in recent years resulting in ReDEX's revenues do not meet the target business plan. This makes ReDEX's cash flows tends to lack liquidity and may need to increase capital in the future. At the Board of Directors' Meeting No. 10/2021 on October 31, 2021, the Company has considered the risk factors and other impacts that may affect the Company and has made a resolution to approve the sale of 20,000 shares of ReDEX investments with a par value of Baht 100 per share, representing 40% of all issued and sold shares of ReDEX at the sale price of Baht 325 per share. Total trading value is Baht 6,500,000 (as of January 31, 2022, the Company has not received money from the disposal of such investment)

### **The use of fundraising funds is in accordance with the objectives as disclosed by the Company as follows:**

On April 26, 2019, the Board of Directors' meeting approved to increase the registered capital of the Company's in the amounts of Baht 1,174,815,544 from the original registered capital of Baht 587,407,772 to the registered capital of Baht 1,762,223,316 by offering ordinary shares to the existing shareholders of the Company in accordance with the rights offering. An offering of newly issued ordinary shares of not more than Baht 1,174,815,544 shares with a par value of 1 Baht per share to the existing shareholders of the Company shall not more than 200% of the total number of shares issued and sold of the Company. The Company has already registered the change of paid-up capital from the original 587,407,772. Baht to 1,430,416,192 Baht with the Department of Business Development, Ministry of Commerce on June 14, 2019.

From the allocation of newly issued ordinary shares to shareholders in

proportion to the shareholder held by each shareholder (Right Offering) on May 7, 2019, which is in accordance with the resolutions of the 2019 Annual General Meeting of Shareholders on April 26, 2019 As a result, the Company has registered capital of 1,430,416,192 Baht divided into 1,430,416,192 ordinary shares at par value 1 baht per share. The amount received from the offering of such ordinary shares totaling Baht 421 Million which the purpose for use as working capital to support the Company's operations and/or to support the Company's business expansion in the future.

As of December 31, 2021, the Company has used the capital increase from the capital increase in proportion to its existing shareholding (Rights Offering) totaling Baht 189 Million in 12 months, According to the capital increase objectives. In summary, the details of the use of additional funds are as follows:

Spending	Amount of Spent Money (approximate)	Details /Progress of spending of funds
1. Used as working capital for business operations.	87 Million Baht	
2. Used in media business which is the Company's main business. at present	40 Million Baht	Enter into the transaction of buying and selling assets of N.E.X.T. Co., Ltd. ("NEXT") in accordance with the resolutions of the Board of Directors' Meeting No. 2/2020 on 25 Feb 2020 to acquire property and the right to operate advertising media and equipment related to advertising media business, patents in advertising media business, main project administrators and key personnel in business.
3. Used in public sector business	56 Million Baht	The Company has signed a joint venture agreement "Creation of Awareness among People by Smart Public Billboards" with Delighting International Co., Ltd. "DLI" and using the name "DCORP-DLI Joint Venture" for electronic bidding (e-bidding) no. 8/2020 according to the announcement of the Office of the Permanent Secretary of the Interior dated May 8, 2020 (TOR). The Company has invested in 80% of the joint venture in accordance with the resolutions of the Board of Directors' Meeting No. 6/2020 on 25 Jun 2020
4. Used in the business of innovation and technology.	6 Million Baht	Invest in Revolution of Digital Employ Experience Co., Ltd., a company that is engaged in the business of creating and providing services regarding applications for corporate management. The acquisition and holding the ordinary share in a portion 40% of the registered capital in accordance with the resolutions of the Board of Directors' Meeting No. 1/2021 on 21 Jan 2021

## Company General Information

DV8 Public Company Limited Ticker symbol DV8 securities (the "Company") is engaged in the business of providing, producing and/or coproducing advertising materials at the point of sale / events / online production, which is registered as a legal entity under the law on public limited companies on June 9, 1994, Registration No. 0107537002109

As of December 31, 2020, the Company has a registered and paid-up capital of Baht 1,430,416,192, representing 1,430,416,192 ordinary shares with a par value of Baht 1.

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## 2. Nature of Business

### Income structure

Business Group	2019		2020		2021	
	MB	%	MB	%	MB	%
<b>Media Business</b>						
- Income from Media-advertising	-	-	126.98	60.31	101.34	49.57
- Income from Concert	38.84	70.55	-	-	-	-
<b>Other Business operations</b>						
- Sales income	2.08	3.78	49.53	23.53	79.66	38.97
- Revenue from Construction	-	-	-	-	14.61	7.15
<b>Other</b>						
- Gain from sales of other long term investments <sup>1</sup>	-	-	14.00	6.65	-	-
- Other incomes <sup>1/2</sup>	14.13	25.67	20.03	9.51	8.81	4.31
<b>Total revenues</b>	<b>55.05</b>	<b>100.00</b>	<b>210.54</b>	<b>100.00</b>	<b>204.42</b>	<b>100.00</b>

Remark: <sup>1</sup> Profit from the sale of other long-term investments, due to the fact that in 2020 the Company sold its shares of the Company. Akkarawat Renewable Plant Energy Co., Ltd. at a price of Baht 14.00 Million. Such investment has already recognized the loss of impairment of the investment. As a result, the Company recognizes the profit from the sale of the investment in the whole amount.

<sup>1/2</sup> Most of the Company's other income is derived from interest income. For the year 2020, there is other income from the reversal of the allowance for damages, debt obligations from litigation set in 2019.

### Product information

#### 1. Characteristics of products or services and development of business innovation.

Currently, the Company focuses on doing business to the media business group, business innovation and technology. However, with the direction of business operations and strategies to create growth through investment in businesses with high growth opportunities. This requires the strength from the Company and its business partners to coordinate mutual benefits to be enable to create long-term sustainability and from which the Company has entered into a transaction to purchase the assets of N.E.X.T. Co., Ltd. ("NEXT"),

which the Company has received concessions to operate advertising media from customers after NEXT. This enables radio advertising media at the point of sale.

Radio advertising media production business at the point of sale is carried out by having the right to publish audio by broadcasting audio-type, Smart Radio programs by the type of exit pattern, uses control with Software through internet and/or CD broadcasting and/or in accordance with the format specified by

the rights holder, including the distribution of sound in the Audio Programs which is distributed through various department stores that the Company has obtained concessions. The Company must use the right to distribute the voice in the department store to customers or those who wish to advertise products or services to the consumers of the department store, to be aware of the news of the customer's products or services.

In addition, the Company is also outsourcing radio broadcasts for customers by producing radio broadcasts on Internet Radio, producing videos, as well as producing YouTube and Content online by orders from customers at a time. The company also organizes events in office buildings, which are among office staffs and individuals. However, due to the COVID-19 situation, the Company has not been able to hold events as planned, so the Company has adjusted its plans to focus on the production of Content online by the company itself, which is classified as follows:

#### **Series Y: Love with Benefit**

The trend of series Y (male lovers) is popular in the market and the main target audience, most of which is mainly used by both Thais and foreigners. The target audience will have purchasing power, so it is of interest from the manufacturer because in addition to earning income from showing up / doing making fan meetings / endorsing products or selling advertisement in a Platform online, Merchandise can also be produced to sell to the target audience.

#### **Live Gameshow: Please use your discretion to watch.**

In the current situation, Content online is very competitive. In the production of Content online, each of them requires a

huge amount of money to reach the target audience, both the production side and buying ads in various channels. By having collaboration with channels that already have a community or audience, is important to strengthen the Content online that the Company produces. The company therefore entered into a business with Nanek 555 Co., Ltd., which has a community in the largest online channels in Thailand, together to produce the first Gameshow online program in Thailand, which brings guests and home viewers to compete live to win prize every 2 weeks via the company's online channels and Nanek 555 Co., Ltd.

#### **Online Event: Cal-lak-kong**

The company has created a Sport community group by capturing office staffs who are stressed out with Work from Home, while at home able to exercise in different ways and then exchange calories for rewards.

#### **Facebook page: Urban Man**

Nowadays, online channels are extremely important, both to increase communication channels and sales at the same time. Therefore, the Company creates content targeted at working age groups, to make the Page to represent the communication and public relation among aged group in all urban areas.

However, in addition to the media business, the Company and Delighting International Co., Ltd. have agreed to jointly establish the DCORP – DLI joint venture ("DCORP – DLI") for the purpose of preparing and submitting proposals to perform service duties under the project of Creation of Awareness among People by Smart Public Billboards, which have signed joint venture agreements on May 9, 2020. The main condition is that the Company is

responsible for providing contract collateral in the amount equal to 5% of the rendered service price that be tendered electronically, guarantee for receiving upfront wages, performance collateral (if any) and financing cash flow fee for the implementation of the project total 80% of the cost limit for the project. The parties agree that The Delighting International Co., Ltd. is responsible for most of the operations under the contract, which the

Company must agree to before carrying out the work.

On June 18, 2020, Office of the Permanent Secretary of the Interior M.T.0203.4/9467 announced that the joint venture DCORP - DLI won the tender for the Project of Smart Public Awareness with intelligent public relations signs, valuing Baht 301,250,000 (VAT included) The project has a period of 3 years.

## 2. Marketing and competition

Media Agency and the Media Business Association of Thailand forecast the media budget for the year 2021 will return to negative 2.7 percent, a further decline from the previous year. The overall media usage was Baht 101,738 Million. From the direct impact of the new waves of covid-19 pandemic the budget for media used in 2021, along with the ongoing pandemic image, almost all advertising media will be in a negative condition continuously from the past year. It is in line with the impact of covid19 that effects consumer behavior. A factor that directly affects the advertising industry in 2021 is Gross Domestic Product (GDP), which grew at 0.7 percent, directly affecting the liquidity of people's spending and businesses as a whole, even with support from various governments and marketers' media use that would require diversity in the choice of strategies to access the new normal lifestyle of consumers. Combining with more multidimensional marketer measurements across all platforms especially online channels and the use of social commerce. Social Commerce will be useful for promotional activities during this period. 2021 will be another year when all businesses will continue with difficulties and have faced problems that have had to

adapt for the second consecutive year due to world the inevitable situations and all industries. Marketers and media planners must learn to adapt with new strategies with a consumer understanding and ingenious media planning, managing the available funds to meet the target audience and be worthwhile. Understanding how consumers are changing fast in the new normal rapid to adjust business plans to meet consumer needs correctly and in a timely manner. Everyone, both marketers and agencies, has to put the consumers first. If consumers can survive, brand, media and agencies will survive in crisis, there is always an opportunity.

From the abovementioned situation, affecting the business environment, the Company is unable to organize various events as planned by the Company, but the Company shall operates radio advertising at the point of sale within department stores and increase revenue through video production, radio production including producing more YouTube and Content online. The Company has channels to display radio advertising media at points of sale in more than 4,500 department stores nationwide through broadcasting to each branch divided into online and offline advertising media.

In 2021, the Company was able to produce radio advertising media at the point of sale to 6 department stores, which can be classified according to contracts into in 2 groups:

- A. Department stores where the Company has a concession right to sell advertising media comprising 4 persons with a concession period of 1 – 10 years, comprising Big C, Supercenter (Public) Company Limited (BIG C), Central Food Retail Company Limited (TOPS), CP All (Public) Company Limited (7-Eleven) and Siam Makro (Public) Company Limited (Makro), in which CP All (Public) Company Limited has the longest concession period of 10 years starting from 2020 to 2030.
- B. Department store where the company sells radio advertising media at the point of sale according to the department store's orders consisting of 2 companies, namely: Ek-Chai Distribution System Co., Ltd. (Lotus) and Central Family Mart Co., Ltd. (Family Mart)

In the production of radio advertising media at the point of sale within the department store, the Company will mainly consider the needs of the customers as to how to present the products and services of the customers to the target group in any manner. After the format has been determined, the information will be used to create advertising media by the Company's own specialist staff and present such media to customers to check their satisfaction before using the advertising media to advertise the radio at the point of sale in the department store.

The behavior of consumers who shop in each department store will vary depending on the location and type of department store, for example

- o BIG C, Lotus and Lotus Talad, the walking group were families, company employees, schoolchildren, average age was 20 – 39 years old.
- o TOPS, the walking group were families, company employees, schoolchildren, Premium mass people and had the average age of 35 – 60 years old.
- o Makro the walking group were families, SMEs, entrepreneurs and the average age is 25 years or older.
- o 7-Eleven, Lotus Express, Mini BIG C and Family Mart, the walking group were general public. The average of 14 years old and older.

In 2021, the Company's target customers in the media business were divided into 3 categories.

#### **A. Target customers of the Company who want to buy advertising materials.**

The Company has sales staff with expertise in radio advertising at the point of sale within the department store to acquire target customers, customer data in the market are analyzed to determine which companies should market to in-store radio advertising media, then to present the information so that customers can make a decision to use the Company's services. The Company's customers who buy radio advertising media at the point of sales in department store in 2021 can be divided as follows;

- 50% Direct customers such as Hua-Ka-Ti Think Co., Ltd., PFO FOOD Co., Ltd., Tia Ngee Hiang (Chao Sua) Co., Ltd., Berli Jucker Public Co., Ltd.
- 45% Media Agency customers such as Power Plus Communication Co., Ltd., Key to Success Co., Ltd., Kinetic Co., Ltd. Worldwide (Thailand) Co., Ltd.



- 5% Government agencies such as Bank for Agriculture and Agricultural Cooperatives, Office of the National Broadcasting and Telecommunications Commission (ONBTC), Office of the Election Commission of Thailand (OECT).

**B. Customers from video production, radio production, YouTube and Content online production.**

In 2021, the Company has customers from that production such as Central Food Retail Co., Ltd. to produce videos, YouTube and various Content online to publicize news and promotions of TOPS and produce radio program sound to open in various branches of customers for Central Food Retail Co., Ltd. and Boots Retail (Thailand) Co., Ltd.

**C. Customers from the Company's various Content online productions itself.**

In 2021, the Company has produced various Content online to increase revenue with the target audience of various content produced differently, such as the production of Series Y (Male lovers). Currently, there is a wide target audience, no age limit. These are both Thai and foreign audiences, most of whom have purchasing power to support Series' performers and other content targets, including YouTube and Facebook audiences, for people who love health including working age groups and people who love the rewards of participating in game.

Currently in Thailand, selling radio advertising media at the point of sale in department stores the Company is only one who operate the business, so there are

only indirect competitors: Out of Home Media, such as VGI Co., Ltd., Plan B Media Co., Ltd. and ActMedia (Thailand) Co., Ltd. With the present competitors in the operation, consumers will get the benefit. This also encourages the Company to develop the abilities of its employees and executives as well.

And since 2020, the Company has signed a joint venture agreement with Delighting International Co., Ltd., called the DCORP-DLI Joint Venture to tender electronics bidding. The employment of the Creation of Awareness among People by Smart Public Billboards, according to the Announcement of the Office of the Permanent Secretary of the Interior with a project value of Baht 301.25 Million. And when the established joint venture won the tender therefore, the plans and procedures for the construction of digital publicity signage under the project for the areas 76 provinces were submitted to the Parcel Inspection Committee. Upon approval, the joint venture entered into a sign construction contract in 2020 and will start construction in 2021, and has precured LED display monitors to achieve the project's goals. At present, the operation must be controlled according to the plan only. Due to the covid-19 pandemic, the survey of areas in each province has been delayed from normal due to the need to send a notice requesting to bring people to inspect the area that is in the risk group according to the Emergency Decree on Public Administration in Emergency Situations. However, the import of LED display monitors from abroad is on schedule and is not affected by such situations.

### 3. Procurement of products or services

In 2021, the Company has products and services mainly in the field of media business. From the epidemic situation within the year, the Company has adjusted various strategies to increase the Company's income by producing sound of radio programs, including video, as well as the production of more YouTube and Content online. And there is also a policy to produce radio advertising media at the point of sale in department store mainly in accordance with the customer of that department store. This is to create an atmosphere in shopping for customers as well.

For Content preparation, the Company has hired individuals or partners to complete each task, but for advertising media and additional work from the production of various media to customers, the Company will use expert staffs in various fields of the Company to prepare but will purchase material and equipment from market vendors that are only generally available supplies. Also hire artists to record videos or hire someone to read the ad to get a voice that match the customer's satisfaction, as well as purchasing music rights from various labels to put in the advertising media at the appropriate time.

The company's main operations are selling radio advertising media at the point of sale in various department stores. After producing the media, there must still be a broadcast box with software to be installed at the department stores from Datapro Computer Systems Co., Ltd., which is purchase equal to the numbers of department stores that the Company has expanded its operations. And may be purchased to replace the original boxes that have been damaged. Currently, for the broadcast boxes with software that meet the Company's needs can be purchased solely from Datapro Computer Systems. Co., Ltd.

For projects, Creation of Awareness among People by Smart Public Billboards. From the Office of the Permanent Secretary of the Interior of the DCORP-DLI Joint Venture, the joint venture must purchase LED display screen and outsource the construction of publicity signs as presented to the Project's Procurement Inspection Committee. The procurement and outsourcing are in accordance with the term of the joint venture agreement: which are

oThe Company is responsible for the construction work in all 76 provinces of Thailand. The number of signs in each province is 1, which the details of the work consist of:

- Foundation work to support the structure of the LED display screen sign.
- Electrical work of LED display screen sign
- Installation of signal transmission system and related equipment on LED display screen
- Digital Public Relations Media Management and Software Nebula Client
- Digital Public Relations Media Management

In 2020, the Company has signed a construction contract and construction work will be carried out in 2021. The Company expects that all construction will be completed in 2023.

oDelighting International Co., Ltd. is the purchaser of LED display screen by purchasing and importing the above equipment. With the investments amount as agreed by the countered parties in writing and has common features and characteristics as approved by the Procurement Inspection Committee

#### 4. Assets used in business undertaking

In 2021, the Company and its subsidiaries have main assets used in business operation as follows:

Property Listings	Proprietary owner	Value (MB)	Obligation
1. Improvement of building	The Company	10.98	None
2. Furniture and equipment	The Company	2.40	None
3. Radio Equipment in Department Store	The Company	5.01	None
Total		18.39	

Remark: Property value shown is the residual value after deducting accumulated depreciation.

Therefore, the Company has entered into a lease agreement with an unrelated company. For a period of 3 years (and can be renewed for 3 years each time at the end of the contract date), starting from December 1, 2020 and ending on November 30, 2023. The lease agreement is in accordance with TFRS16, implemented since 2020, with a net value of the licenses as of December 31, 2021 in the amounts of Baht 19.12 Million.

#### Investment in Subsidiaries and Associates

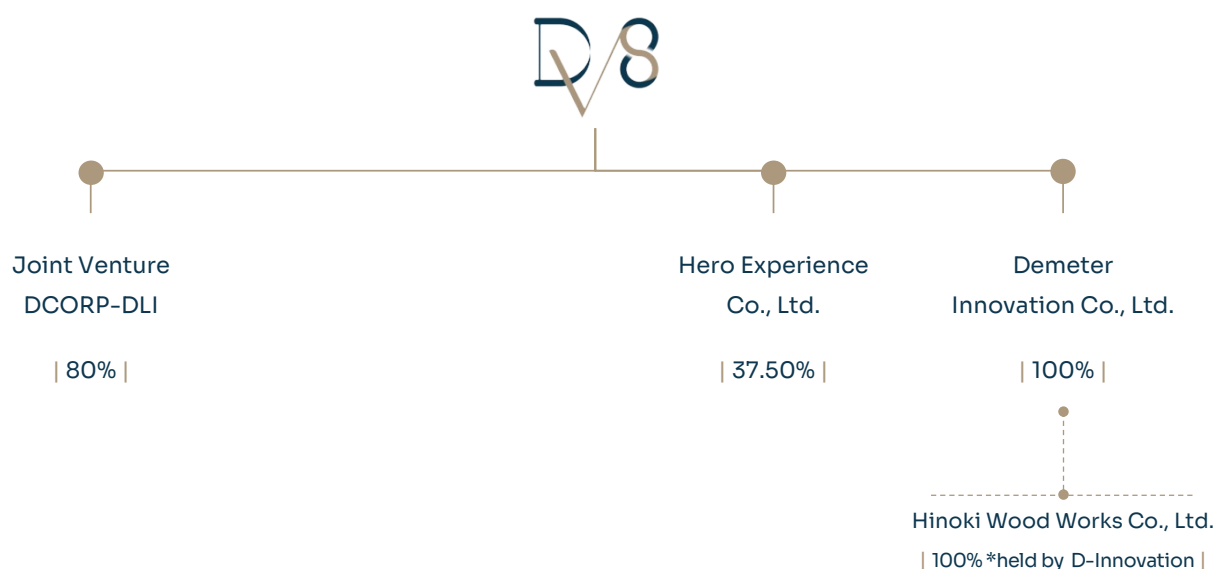
The Company has a policy to invest in subsidiaries and/or, associated companies whose business objectives will support the Company's business and resulting in increasing performance or profitability, including investing in Synergy business for the Company, which can support the core business operations and/or promote stability of the Company. However, investment in such subsidiaries or associated companies must be consider by the Board of Director and/or the shareholders' meeting, as the case may be.

As well as setting guidelines for subsidiaries and associated companies by appointing a representative who has qualifications suitable for the business that the Company will invest to take the position of Director or Executive in such subsidiaries or associated companies according to the shareholding proportion of the Company to participate in the management and jointly formulate important operational policies in accordance with the Company's policies.

As of December 31, 2021, the Company has a stake in subsidiaries and all associated companies accounted for 62.00 Million Baht representing 12.00% of total assets from investment in subsidiaries and associated companies of 2 companies, namely;

- o Joint Venture DCORP – DLI with a total valued at Baht 56,000,000, representing 80.00% shareholding.
- o the Revolution of Digital Employ Experience Co., Ltd. with a total valued at Baht 6,000,000, representing 40.00% shareholding.

### 3. Shareholding Structure



Company Name	Business Characteristics	Shareholding (%)
<b>1. Government Business</b>		
1.1 Joint Venture DCORP-DLI	A joint venture of Creation of Awareness among People by Smart Public Billboards Project.	80.00
<b>2. Media / Innovation</b>		
2.1 Demeter Innovation Co., Ltd. (D – Innovation)	Innovative media business including: Digital TV on mobile phones and artificial intelligence. (Artificial Intelligence) (As of December 31, 2021, D - Innovation has no revenue from business operations)	100.00
2.2 Hinoki Wood Works Co., Ltd. (HINOKI)	Trade, manufacture, design, distribution Import Export of Wood Products (At present, HINOKI does not have any such operations.)	100.00 *held by D – Innovation
2.3 Hero Experience Co., Ltd. (HERO)	A company that operates amusement park activities and theme parks. (At present, Hero has stopped operating such projects due to a lack of financial liquidity.)	37.50

## Juristic persons held by the Company or its subsidiaries at least 10%

### Demeter Information Co., Ltd. ("D – Innovation")

**Type of Business:**

Supply, produce and/or co-produce satellite TV programs

**Head Office Location:**

191/43 CPI Tower, 21st Floor,  
Ratchadapisek Road, Klong Toey  
Sub-District, Khlong Toey District,  
Bangkok

**Authorized and Paid-up Capital:**

Baht 48,000,000

**Type of Securities:** Common Stock

**Number of paid- up stock:**

480,000 shares

**Par value:** Baht 100 per share

### Hinoki Wood Works Co., Ltd. ("HINOKI")

**Type of Business:**

Manufacture and sales of wood products or wood components.

**Head Office Location:**

88/292 Moo 9, Khlong Ha, Khlong  
Luang, Pathumthani

**Authorized and Paid-up Capital:**

Baht 1,000,000

**Type of Securities:** Common Stock

**Number of paid- up stock:**

10,000 shares

**Par value:** Baht 100 per share

### Hero Experience Co., Ltd. ("HERO")

**Type of Business:**

Water Park, Amusement Park and  
Recreation Center

**Head Office Location:**

387 Moo 8, Bangkaew, Bangplee  
District, Samutprakarn

**Authorized and Paid-up Capital:**

Baht 268,421,200

**Type of Securities:** Common Stock

**Number of paid- up stock:**

2,684,212 shares

**Par value:** Baht 100 per share

### กิจการร่วมค้า DCORP-DLI ("DCORP-DLI")

**Objective:**

A joint venture of Creation of  
Awareness among People by Smart  
Public Billboards Project.

**Joint venture:**

- 1) DV8 Public Company Limited  
(formerly named DCORP  
Corporation Public Company  
Limited)
- 2) Delighting International Co., Ltd.

**investment proportion:**

- 1) DV8 PCL. - 80%
- 2) Delighting International Co., Ltd. -  
20%

## Relationship with major shareholders' business

- none -

## Shareholders

Top 10 Major Shareholders as of December 30, 2021

List of Shareholders	No. of Shares Held (Share)	Percentage (%)
1. Kasamvilas Group	370,484,877	25.90
Mr. Boonchai Kasamvilas	240,738,453	16.83
Mr. Nathaphol Kasamvilas <sup>1</sup>	87,986,424	6.15
Ms. Kingkamol Kasamvilas	26,760,000	1.87
Ms. Supalaxana Paebanyong	15,000,000	1.05
2. Ms. Sunant Ngamakaraku	140,668,431	9.83
3. Mr. Uthai Pun Jirakulpongthorn	127,046,100	8.88
4. Ms. Sriwan Raktapongpaisarn	98,799,800	6.91
5. Mr. Thanarath Thanavutwatthana <sup>2</sup>	63,230,000	4.42
6. Mr. Tawat Thanavutwatthana	61,238,100	4.28
7. Mr. Chaiyaporn Jarujantanakul	60,000,000	4.19
8. Ms. Oranuj Thanavutwatthana	50,159,100	3.51
9. Ms. Narinpas Kittisureethorn	46,604,400	3.26
10. Ms. Sirirat Imbu	40,000,000	2.80
<b>Total</b>	<b>1,058,230,808</b>	<b>73.98</b>

Remark: <sup>1</sup> Mr. Nathaphol Kasamvilas is a Director and Chief Executive Officer of the Company. From January 8, 2022

<sup>2</sup> Mr. Thanarath Thanavutwatthana is a Director of the Company.

## 4. Amounts of registered capital and paid-up capital

As at December 31, 2021, the Company registered capital with the Ministry of Commerce was Baht 1,430,416,192, of which Baht 1,430,416,192 had been paid up. The paid-up capital comprises of 1,430,416,192 ordinary shares with a par value of Baht 1 per share, entitling of 1 share with 1 vote.

## 5. Issuance of other securities

- none -



## 6. Dividend policy

The Company has a policy to pay dividends at the rate of not less than 50% of net profit from separate financial statements after deduction of corporate income tax and after appropriation of statutory reserve as required by law and as specified in the Company's Articles of Association. There must be no accumulated losses on Shareholders' Equity. These dividend payments are subject to change depend on the current Company financial

performance, financial position and investment plan.

In 2021, the Company omitted dividend payment for the year 2020 in accordance with the resolutions at the Annual General Meeting of Shareholders of the year 2021 on April 21, 2021 due to the Company's accumulated loss of Baht 1,984.87 million (Separate financial statement as of December 31, 2020).

### Historical Dividend Payment Information For the year 2016 – 2020

	2016	2017	2018	2019	2020
Basic loss per share (Baht/Share)	(0.17)	(0.26)	(0.83)	(0.27)	(0.007)
Dividend payout per share (Baht/Share)	-	-	-	-	-
Dividend Payout Ratio (%)	-	-	-	-	-

### Subsidiaries' Dividend Policy

The Board of Directors of subsidiaries has policies to distribute dividends in accordance with the operating performance of the relevant companies without determining a certain rate of dividend payment. The distribution of dividends will be based on financial position and future investment plans of each subsidiary.

# Risk Management

## 1. Risk management policy and plan

The Company realizes the importance of systematic risk management according to international standards. To be an important tool to help support the organization to execute its strategy and achieve its business goals as required. It can identify risks or business opportunities appropriately and in a time by manner to plan management. Prepare to prevent and reduce losses. Look for opportunities to create value-added business and respond effectively to changes in the environment, as well as to protect the interests of shareholders and stakeholders of the Company in accordance with good corporate governance principles.

The Company establishes policies, guidelines and roles and responsibilities in the company's risk management operations as follows:

### Risk Management Practices

- o The Company has established risk management policies and procedures throughout the organization in line with the Company's vision, business goals and in accordance with the International Risk Management Framework so that risk management can take steps to control or reduce the likelihood and impact of risk. Reduce uncertainty in performance and increase the chances of success so that the organization can grow steadily and sustainably.
- o The Company structures the organization's management to support quality risk management, with the Risk Management Committee and the Risk Management Working Group to supervise and support the effective implementation of risk management policies.

- o The Company provides a systematic risk management. Significant types of risks are analyzed according to the scope of responsibility in each segment, such as financial risks, investment risks, market risks, liquidity risks, operational risks, and risks affecting the Company's reputation, etc. Risk criteria and level of risks that the Company can accept are established, as well as methods for measuring and assessing risks that reflect the risks that arise appropriately.
- o The Company has established guidelines and methods for controlling various risks and supports an effective risk management system. By communicating to stakeholders to have knowledge and understanding about risk management. Assessing and reporting risk management results in a step-by-step, continuous and consistent manners.
- o The Company promotes risk management as a corporate culture and the policy is conveyed. Risk management guidelines for all employees to enhance their knowledge and understanding and shared responsibility for risks, controls and risk impacts to the Company both in management and operational processes.

### Roles and Responsibilities

- o Risk Management Committee have the authority of the Charter to establish risk management policies, supervise, recommend, monitor, and support the Company's risk management as well as evaluate the Company's risk management results.
- o Risk Management Working Group responsible for the preparation of risk management policies and guidelines and

present to the Risk Management Committee. Monitor, report and evaluate risk management as well as take any action as assigned by the Risk Management Committee.

- o Executives and all employees have a duty to comply with the risk management process set by the Company, cooperate in identifying Assess and analyze the risks of the agencies they are responsible for, jointly establish appropriate measures to manage risks and report on performance in accordance with the guidelines set by the Risk Management Committee.

In 2021, the Risk Management Committee considered hiring experts from the Office of Thammasat University Research and Consulting Center (TU-RAC) to be the consultants for the Company's risk management operations, from providing recommendations to review and improve risk management policies and risk management manuals, consulting on risk analysis and assessment throughout the organization, as well as providing training to educate the Company's employees to enhance understanding of analysis and assess risk that affect various operations covering all departments of the Company at present.

## 2. Risk factors on business operation

### Operational risk associated with the Company or the group of companies

#### 1) Risks in Media Business

Due to the coronavirus (COVID-19) pandemic, the Company is unable to organize various events, along with the country's overall economic slowdown in line with the global economy which may affect the policy of reducing the marketing support budget of its partners, as well as leisure shopping for different groups of customers. The Company is aware of these risk factors and has adapted its various strategies to maximize turnover to meet the set targets. By contracting to produce radio programs, produce more YouTube and Content online to help reduce the risk from business operations.

#### 2) Risks arising from Dependence on Trading Partners

Since the Company operates in the business of producing radio advertising

media at the point of sale in department stores by selling advertising media to customers who want to advertise products to customers of department stores, the Company needs to obtain concessions from each department store. If the department store does not give the right to produce radio advertising media at the point of sale, it will affect the Company's revenue. The fact that department stores make concessions to the Company will receive a share of the Company's revenue. This makes it difficult not to grant the right to produce radio advertisement at the point of sale.

In this regard, the concessions received from the department store is one of which the Company must pay minimum income to the department store, therefore the

Company have fixed costs, but the minimum income paid by the Company to the department store is the minimum income that the Company will already sell, so it will not be affected if fewer customers will buy advertising media as a result of the COVID-19 pandemic.

The company currently purchases broadcasting boxes including software from Datapro Computer Systems Co., Ltd.

As a device to install at department store solely. If the above company does not continue its business or is unable to sell such equipment to the Company, the Company will be affected by the provision of equipment to generate revenue. However, the Company has communicated with DataPro Computer Systems Co., Ltd. Continually, which said the company is not likely to cause such incidents.

### **Investment risk imposed on the securities holders.**

The value of the Company's share price is more or less depending on the Company's business operations, and the Company is in the process of expanding its business to other alternative businesses in order to spread the risk of income which originally came from the media business only. At present, the government has promoted the development of technology and innovation, therefore the Company has formulated an operational strategy to invest in innovation business and business with the government in order to help generate stable income for the Company and will help reduce the risk of media business.

### **Foreign investment risk.**

- none -

# Business sustainability development

## 1. Policy and objectives of sustainable management

The Company realizes the importance of conducting business with responsibility. Under the principles of good corporate governance and adherence to accuracy, transparency and consideration of the interests and impact on stakeholders throughout the business value chain, the Company currently has established policies, operating guidelines and sustainability management goals which will be implemented as the first year in 2022. However, the Company is committed to developing sustainability management by taking the issue of sustainability management into a comprehensive business operation and in line with the Company's business strategy both short term and long term.

In 2022, the Company announced its sustainability management policy for the first time by focusing on the business which has significantly impacted the Company's core revenues, as well as planning operations to expand the scope of sustainability management to cover all businesses that the Company continues to operate by defining guidelines for sustainability management operations as follows:

1. The Company will conduct business under good corporate governance principles and strictly comply with code of conduct.
2. Pay attention to potential impacts on stakeholders throughout the business value chain, including responsible on economic, social and environmental impacts, with integrity, transparency, fairness and respect for human rights.
3. Striving to promote an integrated approach, Vision, Mission and Corporate Goals, as well as guidelines for sustainable business operations.
4. Committed to improving quality of work life management, environmental management and management of safety, occupational health and working environment continuously in order to meet relevant international requirements, laws and standards.
5. To measure, evaluate the efficiency and effectiveness of sustainability of the Company as a way to establish guidelines for improving business processes to integrate sustainability practices into international standards.
6. Cultivate ideas, knowledge, understanding. To conduct sustainable business for executives and employees at all levels of the Company to raise awareness and participation in sustainability management of the Company.
7. To review, evaluate and monitor the sustainable business development operations in economic, social and corporate governance.

## Driving and Monitoring Sustainability Operations

In 2022, the Company began its sustainability work for the first year, supervised by the Corporate Governance and Social Responsibility Committee, and pushed the management to have concrete sustainability management operations. The Secretary of the Corporate Governance and Social Responsibility Committee acting as the primary coordinator and report on environmental, social and

corporate governance to the Corporate Governance and Social Responsibility Committee regularly.

This is to achieve an integrated sustainability operation. The Risk Management Committee will conduct monitoring, monitoring and assessing risks or other impacts related to the Sustainability Management of the Company.

## Sustainability Management Goals

### Economic:

Improve and develop operational efficiency to meet consumers' needs and the best interests of customers to create sustainable returns.

1. Commit to develop and create innovation to provide efficient service to meet the needs of customers and maximizing benefits to consumers.
2. Security and privacy of customer data or service recipients by striving to develop information systems to protect against cyber threats and protect customer personal information.
3. Effective risk management by considering the opportunities, risks and impacts covering the Company's business value chain.
4. Conducting business under the principles of good governance, focusing on transparency, fair trade competition and business ethics.
5. Managing customer relationships to maintain high customer satisfaction levels while providing channels to receive complaints from customers or consumers who are affected by the Company's services.

### Social:

Conduct business with social and community responsibility, focus on supporting the development of quality of

life and prosperity for the community, as well as giving importance on developing the potential and caring for people fairly under the principles of human rights.

1. Care and fair treatment of workers under the principles of human rights and encourage universal respect for human rights both inside and outside the organization.
2. Development of personnel to promote the development of necessary skills and ensure stability, including career progression for employees is clearly defined as an operational plan.
3. The employee's health and safety care, pay attention to managing occupational safety, occupational health and on-site environments.
4. Building good relationships with organizations, both public and private sectors, to coordinate cooperation in community development and sustainable society.

### Environmental:

Focus on the environmental impact, which is related to the Company's business operations, including its commitment to encouraging employees to have a conscience and responsibility for the environment.



1. Promote and raise awareness of the efficient use of resources to reduce carbon content from the Company's operating activities. Reduce the amount of waste and promote proper waste treatment by promoting and understanding employees in the proper classification of waste, reducing usage and recycling properly.
2. Reduce the amount of waste and promote proper waste treatment by promoting and understanding employees in the proper classification of waste, reducing usage and recycling properly.

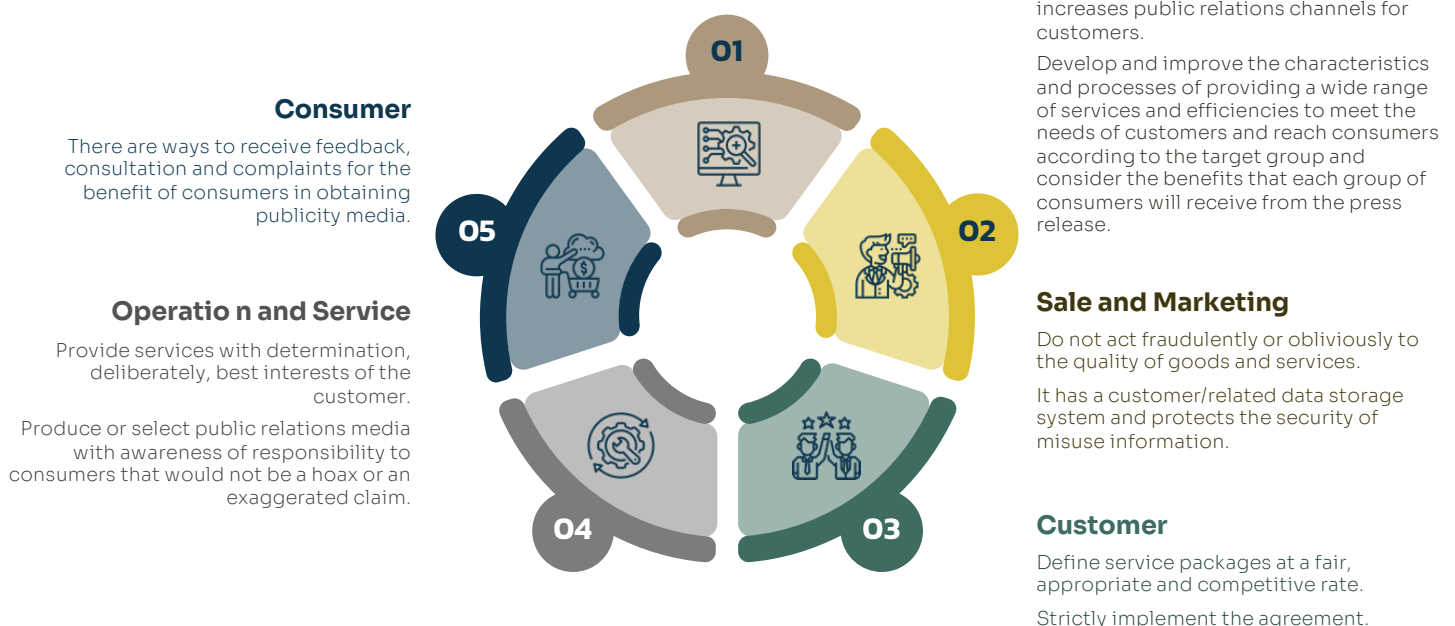
## 2. Management of impacts on stakeholders in the business value chain

### Business value chain

Supply chain management is at the core of corporate business operations. Efficient supply chain management is part of driving the competitiveness of the organization.

The Company focuses on business operations to the media business group, innovation business, technology and investment in developing business for stable and sustainable growth. However, at present, in-store radio production business remains an operational activity and generates main revenue for the Company. The Company is an intermediary between the owner of the product/product

or the service provider (customer) who must communicate the awareness of the product/product or the nature of the service for the benefit of sales or marketing activities with the consumer of goods or service recipients, which the Company promises that the Company will produce publicity media or select media relations with the awareness of responsibility to the consumer or the recipient of the service as a priority, while also being responsible for the customer in order to deliver effective services and maximize customer efficiency



## Analysis of stakeholders in the business value chain

The Company gives importance to all stakeholders because it recognizes that the opinions of stakeholders have a significant stake in improving the company's operations to be more efficient, which will build confidence in shareholders, partners, customers and stakeholders under the framework of the Company's Business Ethics Manual.

### Shareholders / Investors

Stakeholder Expectations	Companies' Responses	Engagement Channels
<ul style="list-style-type: none"> <li>• Increase competitiveness and capable in profitable and pay good dividends.</li> <li>• Management and risk management that will affect the Company's business operations both short and long term.</li> <li>• Transparent access to information with supervision and disclosure</li> <li>• Disclosure of information and performance of the Company in a timely and accurate manner.</li> </ul>	<ul style="list-style-type: none"> <li>• Develop quality and management strategies to compete effectively, as well as develop management systems by modern technology.</li> <li>• Analyze, monitor, verify, cautious control and prepare for short-term, long-term and potentially emerging risks</li> <li>• Allow shareholders to propose comments and complaints directly to the Company.</li> <li>• Disclose information accurately in accordance with the information disclosure practices of listed companies.</li> </ul>	<ul style="list-style-type: none"> <li>• Annual General Meeting of Shareholders</li> <li>• Annual Report</li> <li>• The Company's complaint channels</li> <li>• Contact via Company Secretary</li> <li>• Company website</li> </ul>

### Customer / Consumer

Stakeholder Expectations	Companies' Responses	Engagement Channels
<ul style="list-style-type: none"> <li>• Get quality products and impressive service.</li> <li>• Easy access when customers have problems</li> <li>• Treat customers with equality.</li> <li>• Respect human rights Do not exploit customers</li> <li>• Maintain trade secrets very well.</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct business in accordance with morality, ethics and business ethics.</li> <li>• Develop and innovate to achieve modern services that meet the needs of customers/consumers.</li> <li>• Do nothing that is deceptive or oblivious to the quality of products and services.</li> <li>• There is a process for receiving complaints.</li> <li>• Through multiple channels</li> <li>• Adhere to the principle of treating customers with fairness, equity. Do not exploit consumers.</li> <li>• It has a customer data storage system and protects the security of the data being used incorrectly.</li> </ul>	<ul style="list-style-type: none"> <li>• The company's media such as newsletters and social media</li> <li>• Complaint channels</li> <li>• Company website</li> </ul>

## Partners

Stakeholder Expectations	Companies' Responses	Engagement Channels
<ul style="list-style-type: none"> <li>• Conduct business with integrity, transparency and fairness.</li> <li>• Treat each customer equally.</li> <li>• Do not exploit partners, pay on time.</li> <li>• Be professional</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct business ethics.</li> <li>• Create professionalism in business operations and good partnerships</li> <li>• Support and promote socially and environmentally responsible partners</li> <li>• Provide information to all partners equally, without prejudice, no discrimination.</li> </ul>	<ul style="list-style-type: none"> <li>• Partner Registration</li> <li>• The company's media such as newsletters and social media</li> <li>• Complaint Channels</li> <li>• Company Website</li> </ul>

## Employees

Stakeholder Expectations	Companies' Responses	Engagement Channels
<ul style="list-style-type: none"> <li>• compensation Benefits &amp; Benefits</li> <li>• Career stability and income</li> <li>• Opportunities to progress in the field</li> <li>• Workplace Safety and Occupational Health</li> <li>• Knowledge development</li> <li>• Happiness at work</li> </ul>	<ul style="list-style-type: none"> <li>• Define fair and appropriate management of remuneration and benefits in the duties of responsibility by regularly evaluating and analyzing the work values to be up to date.</li> <li>• Respect and protect the right to privacy and the right to express the opinions of all employees fairly.</li> <li>• Support and encourage the development of employee potential at all levels.</li> <li>• Maintain a safe working environment for the life and property of employees.</li> <li>• Complaints via Whistleblowing</li> </ul>	<ul style="list-style-type: none"> <li>• Communication via various channels and online systems within the Company</li> <li>• Complaint channels</li> <li>• Company website</li> </ul>

## Community / Society

Stakeholder Expectations	Companies' Responses	Engagement Channels
<ul style="list-style-type: none"> <li>The company's business operations must not affect society, community and Environment</li> <li>Receive the right amount of useful publicity media</li> </ul>	<ul style="list-style-type: none"> <li>Conduct business with prudence and care to prevent impact to society, community and environment</li> <li>Respect human rights and create social equality</li> <li>Comply with laws and other requirements or related international practices.</li> </ul>	<ul style="list-style-type: none"> <li>CSR Events</li> <li>The Company's media such as newsletters and social media</li> </ul>

## Environment

Stakeholder Expectations	Companies' Responses	Engagement Channels
<ul style="list-style-type: none"> <li>Valuable use of natural resources</li> <li>Environmental Impact Reduction</li> </ul>	<ul style="list-style-type: none"> <li>Encourage activities or projects that help society and keep the environment in line with business.</li> <li>Promote and raise awareness of the efficient use of resources to reduce carbon content from the Company's operating activities.</li> <li>Proper waste management within the Company</li> </ul>	<ul style="list-style-type: none"> <li>Social and Environmental Activities</li> <li>The Company's media such as newsletters and social media</li> </ul>

## Creditor

Stakeholder Expectations	Companies' Responses	Engagement Channels
<ul style="list-style-type: none"> <li>Receive on-time payment and comply with agreed term.</li> <li>Reporting financial positions in a transparent manner and monitoring</li> </ul>	<ul style="list-style-type: none"> <li>Strictly comply with conditions and/or contracts.</li> <li>Do not use fraudulent means or conceal any important facts that may cause damage to creditors.</li> </ul>	<ul style="list-style-type: none"> <li>Online and offline communication channels</li> </ul>

## competitor

Stakeholder Expectations	Companies' Responses	Engagement Channels
<ul style="list-style-type: none"> <li>Behave within the rules of good competition and good faith.</li> </ul>	<ul style="list-style-type: none"> <li>Act within good competition rules and related laws, as well as not exploit competitors in unlawful ways.</li> <li>It does not damage the reputation of commercial competitors by making malicious accusations, not attacking competitors without truthful information.</li> </ul>	<ul style="list-style-type: none"> <li>Complaint channels</li> </ul>

## 3. Management of environmental sustainability

### Environmental Policy and guidelines

The Company pays attention to the environmental impact related to its business operations with a determination to encourage employees to have a conscience on responsibility towards the environment. The Company defines the guidelines for community, society and the environment treatment as follows:

1. Raise awareness about responsibility towards the environment and natural resources for all-level employees.
2. Encourage and raise awareness about efficient resources usage to reduce the amount of carbon from the Company's operation.

3. Reduce the amount of waste and encourage the accurate method of waste management by supporting and creating understanding among the employees about the correct way of waste segregation, usage reduction and recycling.
4. Support the sharing of environmental information and various activities beneficial to the environment, both inside and outside the country, including regularly participating in activities to create awareness on environmental impacts.

### Environmental operating results

Although company's business nature does not have a direct impact on the environment or causing obvious pollution, the Company always values and pays attention to environmental issues. The Company is aware of the world climate change and the effects on all people's life. Thus, it continuously encourages and raise the employees' awareness on

environmental responsibility. The Company operates the environmental management with the purpose to promote natural resource usage reduction and reuse, including seeking alternative materials or method to help lower resource usage and using material and equipment to reduce the global warming.

**1) Energy Management** Since the company's operating site is an office building where it needs electricity to illuminate the work area, air conditioner and various office electrical devices. The Company encourages the employees to be aware of the value of the energy and use it appropriately and necessarily in work performing. However, in 2021 the Company had Work from Home policy to help lower the risk for the employees during the Covid-19 pandemic. It had caused the amount of energy use in the previous year to lower, compared to the regular operation period. In 2022, the Company aims to reduce the amount of electricity in office by at least 5% compared to the energy consumption during the normal operating period.

**2) Water Management** Similar to energy management, the Company has raised the employees' awareness about using water while aware of its value and decrease water wasting. It also arranged inspection on equipment in the office's water system regularly to ensure there was no water leakage which cause water wasting.

**3) Waste and Pollution Management** The Company encourages the employees to be conscious when taking out the trash. Raising the employees' awareness and

knowledge about the office waste management, complying with international guidelines, it aims to reduce the amount of waste affecting the environment which cause pollution and diseases in the office. The Company encourages the employees to learn how to dispose of waste according to set sorting system by separating food, plastic and paper waste and taking out to the clearly specific disposal point.

**4) Greenhouse Gas Issue Management** The Company pays attention to management to reduce the greenhouse gas problem. The Company finds that it's activity with most greenhouse gas emitting was office electricity use and air conditioner. The Company thus arrange air conditioner maintenance regularly in accordance with energy preservation plan. It also set the electricity use reduction goal as in 1). In 2021, the Company has yet to record the amount of greenhouse gas emitting since most of the operation was changed to Work from Home. However, the Company has established the corporate sustainable development plan which includes the management to reduce the greenhouse gas problem, to be effective for the first time in 2022.

## 4. Social sustainability management

### Social policy and guidelines

The Company values the respect for human rights, equality, fair treatment of employees and prioritize the safety of the community and society, which are related to the Company's operations. It has established related guidelines as part of the Good Corporate Governance Policy and Code of Conduct. All-level employees

must hold and strictly follow. The summarized practice guidelines are:

#### 1) Respect of Human Rights

The Company commits to the human rights basis as the principle of working together. All employees must respect human rights principles, care for labor practices and respect for human rights fairly and equally

without discrimination, in terms of employment compensation, promotion and staff training and development without bias on gender, age, educational background, race and religion. The Company support hiring the underprivileged groups such as disabled, elderly, ex-convict to create opportunities, career and stable income and as a part to achieve the Sustainable Development Goals (SDGs) of the country and the world. Such act was defined as a policy and guideline for all employees to follow. (Full-version guidelines available on the Company's website: <https://www.dv8.co.th/corporate-governance>)

## 2) Fair Treatment to Labor

The Company is well aware of the value of its employee as the important factor for the Company's achievement. Thus, it is the Company's commitment to treat the employee based on human rights basis and not against the law, by focusing on the employees' need to enhance the skills, creating stability and professional growth. Such act was established as the treatment to employee policy and guideline: Safety, Occupational Health and Environment Policy, Remuneration, Compensation and Well-fair Management Policy and Employee Development and Treatment Policy. (Full-version guideline available on the Company's website: <https://www.dv8.co.th/corporate-governance>)

## 3) Responsibility to Consumer

The company is committed to delivering efficient services that satisfy and provide highest benefit to the customers. Such act was established as the treatment to customer guideline: (Full-version guideline available on the Company's website <https://www.dv8.co.th/corporate-governance>)

- o Develop and create innovation to obtain up-to-date service that meets people's needs.
- o Perform no deceptive action or misleading product and service information.
- o Set customer/related person data storage system and protect information security from misuse.
- o Create a channel for receiving suggestions, complaints and giving advice to satisfy and provide highest benefit to the clients.

## 4) Development of Community or Society

The Company values the community and society's safety and is committed to encouraging the employees to be aware and responsible for the community and society. It also supports the development of living quality and prosperity of the community. Such act was established as the treatment to community, society and environment guideline: (Full-version guideline available on the Company's website <https://www.dv8.co.th/corporate-governance>)

- o Take responsibility and provide appropriate assistance to society and communities, considering the culture and local customs in the area.
- o Arrange or participate in activities to contribute to the community and society regularly.
- o Build good relationships with organizations, both government and private sectors, to cooperate in community and society sustainable development.
- o Create a conscience for social and community responsibility for all-level employees.



## Social operating results

The Company strictly complies to the policies and guideline for treatment to employees, customers, and communities. In 2021, it has performed the following activities.

- 1) Due to the Covid-19 pandemic in the previous year, the Company's operating has adapted, allowing the employees to work from home. The Company thus collected online training courses regarding the working skills enhancement and the skills training that can be developed to create additional income for the employees. 100% of the employees can participate in the training via online channel if they are willing to.
- 2) 2021, no injuring case that cause the employees to take a leave.
- 3) For the last 3 years, the Company has no labor dispute.
- 4) In 2021, there was no complaint from the consumers or clients regarding the service and claiming or exaggerating

advertising production. There was also no illegal conduct or violation of regulations regarding the Company's operation.

- 5) The Company has encouraged and supported social contributing activities continuously, especially, the ones that meet the needs of the community which will create value for the community and society. In 2021, the Company donated Covid-19 test kits and other equipment that help lower the risk from Covid-19 for underprivileged and remote communities.
- 6) The Company operates with community and social-responsible mindset, emphasizing on lowering the impact on the environment and avoiding operating business that might negatively affect the living quality of the community. In 2021, there was no complaint regarding social and environmental issue from the community or the people outside the Company.

# Management Discussion and Analysis (MD&A)

## 1. Operation, financial condition and material changes

### Revenue

In 2021, the Company and its subsidiaries' operating revenues and other revenues were 204.42 million baht in total, decreased 6.12 million baht or 2.91% from the previous year revenues of 210.54 million baht. Details are as follow.

- o Advertising revenues: In 2021, the Company's advertising revenues were 101.34 million baht, decreased 25.64 million baht or 20.19% from the previous year advertising revenues of 126.98 million baht, due to the effect from Covid-19 that caused a decrease in product owners' point of purchase radio advertising usage.
- o Sale revenues: In 2021, the Company's sales revenues were 79.66 million baht, increased 30.13 million baht or 60.83% from the previous year of 49.53 million baht. Most of the revenues were from sale of LED displays to the Office of the Permanent Secretary for the Interior in "Public Awareness Raising via Smart Signage" project.
- o Income from construction contract: In 2020, the Company signed a joint venture agreement with Dee Lighting International Co., Ltd., under the name of DCORP-DLI Joint Venture to participate e-bidding for "Public Awareness Raising via Smart Signage" project in accordance with the announcement of

Office of the Permanent Secretary for the Interior. After the joint venture won the bidding, it delivered plan and construction procedure of the digital signage project for 76 provinces to the Parcel Inspection Committee. Receiving the approval, the joint venture entered the signage construction agreement in 2020 and started the construction in 2021. It generated income from construction of 14.61 million baht. The Company did not generate this type of income in 2020.

- o Profit from sales of other long-term investment: In 2020, the Company sold the capital of Aukkrarawat Plants Renewable Energies Co., Ltd. at 14.00 million baht. Such investment impairment loss had been recognized in full amount, and the Company recognized profit from the sale of the investment in full amount. The Company did not generate this type of income in 2021.
- o Other income in 2021 was 8.81 million baht, decreased 11.22 million baht or 56.02% from the previous year of 20.03 million baht. Most differences were from transferring back damage allowance from litigation liability established in 2019.

## Cost

In 2021, the Company's total cost was 171.03 million baht, increased 38.87 million baht or 29.41 from the previous year of 132.16 million baht. It consisted of

advertising cost of 88.43 million baht, sale cost of 71.49 million baht and construction cost of 11.11 million baht as mentioned above.

## Expense

- o Administrative expenses were 47.57 million baht, decreased 9.16 million baht or 16.15% from the previous year of 56.73 million baht. Since the Company's media income was decreased, the administrative expenses were reduced.
- o The executive compensation was 27.15 million baht, increased 9.55 million baht or 54.26% from the previous year of 17.60 million baht. Since in 2021, there was

- organization restructure to support the Company's operation plan, the expense regarding the executives increased.
- o The loss share in the associated companies was 1.98 million baht due to the Company's investment in Revolution of Digital Employee Experience Co., Ltd. to operate business in making and providing service regarding organization management application.

## Operating Result

The net loss was 46.63 million baht; it had included profit of the non-controlling interests of 0.75 million baht. Thus, the parent company's net loss was 47.38 million

baht, decreased from the previous year which had resulted as net profit, due to the operating result mentioned above.

## Financial Position

### Total Asset

The Company's total asset in 2021 was 536.53 million baht, decreased 77.07 million baht or 12.56% from the previous year of 613.60 million baht. The Company's asset as of the end of 2021 consisted of 77.43% of current asset and 22.57% of fixed asset. the details of significant asset can be summarized as follow.

- o Account receivable and other receivable were 127.78 million baht, decreased 27.50 million baht or 17.71% from the previous year of 155.28 million baht. Most account receivable were from advertising income. Most other receivable for operating consisted of awaiting VAT refund, other receivable and advanced contractor allowance.

- o Asset from contracts in 2021 was 37.64 million baht. It was from the amount the Company had not collect from the Office of the Permanent Secretary for the Interior for construction regarding "Public Awareness Raising via Smart Signage" project.
- o Inventory consisted of Hinoki wood products and LED display screens, in the amount of 17.91 million baht, decreased 31.99 million baht from the previous year of 49.90 million baht. Most of the decrease was because the LED display screens had been delivered to the Office of the Permanent Secretary for the Interior.
- o Other current financial assets were 160.00 million baht since the Company's fixed cash deposit at a financial institution.

- o Collateral deposit at the end of year 2021 was 60.42 million baht. The purpose was to issue the letter of guarantee for receiving advanced payment and guarantee contract of employment regarding “Public Awareness Raising via Smart Signage” project.
- o Investment in associated companies in 2021 was 4.02 million baht. It was from the Company’s investment in Revolution of Digital Employee Experience Co., Ltd. in order to operate business in making and providing service regarding organization management application.
- o Right-of-use asset at the end of year 2021 was 19.12 million baht, decreased from the previous year of 20.56 million baht. The asset was from consideration of lease contract to be in accordance with Thai Financial Report Standards no.16. It was the office lease contract with an unrelated company, implemented since 2020.
- o Intangible asset at the end of year 2021 was 7.96 million baht, decreased from the previous year of 16.01 million baht. It was from writing off advertising business patent that the Company had acquired asset from N.E.X.T. Company Limited by the term of patent.

### Total Liability

The Company’s total liability in 2021 was 79.37 million baht, decreased 37.71 million baht or 28.55% from the previous year of 111.08 million baht. The Company’s liability as of the end of 2021 consisted of 70.19% of current liability and 20.81% of non-current liability. the details of significant liability are summarized as follow.

- o Account payable and other current payables were 28.68 million baht, decreased 15.89 million baht from the previous year of 44.57 million baht. The reduced account payable was mostly from advertising business operating. Other current payables consisted of accrued expense, not-due output tax, other payables and deferred income.
- o Liability from contracts was 25.77 million baht, decreased 15.44 million baht or 37.47% from the previous year of 41.21 million baht. It was from a gradual writing-off of advanced payment from the Office of the Permanent Secretary for the Interior when delivering works regarding “Public Awareness Raising via Smart Signage” project.
- o Liability under the lease agreement was 18.82 million baht, decreased 1.26 million baht or 6.27% from the previous year of 20.08 million baht due to the consideration of lease contract to be in accordance with Thai Financial Report Standards no.16. It was the office lease contract with an unrelated company, implemented since 2020.

## Liquidity

### Cash Flow

The Company's cash and cash equivalent as of 31 December 2021 were 66.99 million baht, decreased 204.96 million baht from the end of 2020. The details on sources and applications of cash are as follows.

- o Net cash used in operating activities was 43.47 million baht, mostly from the decrease in account payable and operating loss.
- o Net cash used in investing activities was 159.18 million baht, mostly from the increase in other current financial assets.
- o Net cash used in financing activities was 2.31 million baht, mostly from the cash paid for financial lease liability.

### Liquidity Ratio

The Company's liquidity ratio during 2020-2021 was 5.53 times and 7.46 times, in the respective order. The Company's current asset decreased in cash and cash equivalent, inventory, account receivable and other current receivables. The current liability decreased in contract liability, account payable and other current payables. However, in case the Covid-19 continues in 2022, the Company still maintains liquidity for operating since the Company's current asset is adequate for paying off current liability under the liquidity ratio mentioned above.

## 2. Factors or events that may significantly affect financial position or operations in the future

Due to the economic situation of the country and the Covid-19 pandemic, may affect the Company's revenue in future operations. As its main business is the sale of advertising media at the point of sale in department stores. If there is a decrease in consumers at various points of sale, whether it comes from the country's economic conditions, which results in consumers being more cautious in their spending or measures to control the spread of COVID-19 from the government, it may result in partners who want to advertise their products through advertising media at the point of sale to

consider the benefits that will be obtained through advertising and then reducing the purchase of advertising media business segment. In this regard, the Company has planned operations to increase revenue in business segments by organizing more activities and event through online channels such as Meet & Greet activities, producing series through online channels and cooperate with production partners activities through online channels as well as considering and studying the possibility of new businesses to further enhance revenues of the Company's core business.

### 3. Disclose information from the financial statements and significant financial ratios

#### Significant Financial Ratios

	2019	2020	2021
<b>LIQUIDITY RATIO</b>			
Current Ratio (times)	12.24	5.53	7.46
Quick Ratio (times)	11.94	4.96	6.46
Cash Flow Liquidity Ratio (times)	3.48	0.81	0.61
Account Receivable Turnover (times)	0.52	1.41	1.38
Average Collection Period (days)	700	258	264
Inventory Turnover (times)	3.39	4.25	3.24
Average Sale Period (days)	108	86	113
Account Payable Turnover (times)	4.08	4.83	4.67
Average Payment Period (days)	89	76	78
Cash Cycle (days)	718	268	298
<b>PROFITABILITY RATIO (%)</b>			
Gross Profit Margin	(4.48)	25.13	12.57
Operating Profit Margin	(667.06)	1.01	(23.18)
Other Revenue to Revenue Ratio	34.53	19.28	4.51
Operating Cash Flows to Operating Profit Ratio	(64.61)	2,932.19	(95.88)
Net Profit Margin	(495.85)	0.55	(23.18)
Return on Equity	(66.13)	0.24	(9.87)
<b>EFFICIENCY RATIO</b>			
Return on Assets (%)	(58.31)	0.20	(8.24)
Return on Fixed Assets (%)	(170.17)	28.18	(25.20)
Assets Turnover (times)	0.09	0.31	0.34
<b>FINANCIAL POLICY RATIO</b>			
Debt to Equity Ratio (times)	0.09	0.22	0.17
Interest Coverage Ratio (time)	(1,855.18)	14.61	(13.75)
Debt to EBITDA (times)	(0.01)	0.92	(0.75)
Debt Service Coverage Ratio (Cash basis) (time)	(110.18)	20.53	(22.17)
Dividend Payout Ratio (%)	-	-	-

Remark: Inventories are calculated from Contract assets for the Revenue from Construction.

## consolidated financial statements

STATEMENTS OF FINANCIAL POSITION						
	2019		2020		2021	
	MB	%	MB	%	MB	%
<b>ASSETS</b>						
<i>Current assets</i>						
Cash and cash equivalents	7.86	1.47	271.95	44.32	66.99	12.49
Current investments	393.39	73.81	-	-	-	-
Trade and other current receivables, net	94.38	17.71	155.28	25.31	127.79	23.82
Contract assets	-	-	-	-	37.64	7.02
Inventories	12.23	2.30	49.90	8.13	17.91	3.34
Other current financial assets - net	-	-	-	-	160.00	29.82
Current tax assets	0.29	0.05	2.46	0.40	3.48	0.65
Other current assets	1.11	0.21	1.31	0.21	1.66	0.31
<b>Total current assets</b>	<b>509.26</b>	<b>95.55</b>	<b>480.90</b>	<b>78.37</b>	<b>415.46</b>	<b>77.43</b>
<i>Non-current assets</i>						
Deposits pledged as collateral	-	-	60.25	9.82	60.42	11.26
Investments in associates - net	-	-	-	-	4.02	0.75
Improvement of rental building, Furniture and equipment - net	14.76	2.77	27.37	4.46	18.40	3.43
Right of use assets - net	-	-	20.56	3.35	19.12	3.56
Intangible asset - net	-	-	16.01	2.61	7.96	1.48
Other non-current assets - net	8.97	1.68	8.51	1.39	11.16	2.08
<b>Total non-current assets</b>	<b>23.72</b>	<b>4.45</b>	<b>132.70</b>	<b>21.63</b>	<b>121.07</b>	<b>22.57</b>
<b>TOTAL ASSETS</b>	<b>532.98</b>	<b>100.00</b>	<b>613.60</b>	<b>100.00</b>	<b>536.53</b>	<b>100.00</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>						
<i>Current liabilities</i>						
Trade and other current payables	10.15	1.90	44.57	7.26	28.69	5.35
Contract liabilities	-	-	41.21	6.72	25.77	4.80
Current portion of lease liabilities	0.26	0.05	1.18	0.19	1.26	0.23
Short-term borrowing	2.17	0.41	-	-	-	-
Other current liabilities	29.04	5.45	-	-	-	-
<b>Total current liabilities</b>	<b>41.61</b>	<b>7.81</b>	<b>86.97</b>	<b>14.17</b>	<b>55.71</b>	<b>10.38</b>



## STATEMENTS OF FINANCIAL POSITION

	2019		2020		2021	
	MB	%	MB	MB	%	MB
<b>Non-current liabilities</b>						
Lease liabilities - net	-	-	20.08	3.27	18.82	3.51
Long-term borrowing	0.56	0.11	-	-	-	-
Non-current provisions for employee benefit	0.95	0.18	1.20	0.20	0.85	0.16
Other non-current liabilities	2.83	0.53	2.83	0.46	3.99	0.74
<b>Total non-current liabilities</b>	<b>4.35</b>	<b>0.82</b>	<b>24.11</b>	<b>3.93</b>	<b>23.66</b>	<b>4.41</b>
<b>TOTAL LIABILITIES</b>	<b>45.96</b>	<b>8.62</b>	<b>111.08</b>	<b>18.10</b>	<b>79.37</b>	<b>14.79</b>
<b>SHAREHOLDERS' EQUITY</b>						
Share capital						
Registered						
1,430,416,192 common shares of Baht 1.00 each			1,430.42	233.12	1,430.42	266.60
1,762,223,316 common shares of Baht 1.00 each	1,762.22	330.64				
Issued and paid-up						
1,430,416,192 common shares of Baht 1.00 each	1,430.42	268.38	1,430.42	233.12	1,430.42	266.60
Share premium	1,487.41	279.07	1,487.41	242.41	1,487.41	277.23
Share discount	(461.10)	(86.51)	(461.10)	(75.15)	(461.10)	(85.94)
Share discount for convertible debts	(6.60)	(1.24)	(6.60)	(1.08)	(6.60)	(1.23)
Retained earnings (Deficit)						
Appropriated - statutory reserve	13.00	2.44	13.00	2.12	13.00	2.42
Unappropriated	(1,976.10)	(370.76)	(1,974.87)	(321.85)	(2,020.99)	(376.68)
<b>Total shareholders' equity attributable to owners of the Company</b>	<b>487.02</b>	<b>91.38</b>	<b>488.25</b>	<b>79.57</b>	<b>442.13</b>	<b>82.41</b>
Non-controlling interests	-	-	14.27	2.33	15.03	2.80
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>487.02</b>	<b>91.38</b>	<b>502.52</b>	<b>81.90</b>	<b>457.16</b>	<b>85.21</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>532.98</b>	<b>100.00</b>	<b>613.60</b>	<b>100.00</b>	<b>536.53</b>	<b>100.00</b>

## STATEMENTS OF COMPREHENSIVE INCOME

	2019		2020		2021	
	MB	%	MB	MB	%	MB
Income from Media-advertising	-	-	126.98	71.94	101.34	51.81
Income from Concert	38.84	94.90	-	-	-	-
Sales income	2.09	5.10	49.53	28.06	79.66	40.72
Revenue from Construction	-	-	-	-	14.60	7.47
<b>Total revenues</b>	<b>40.92</b>	<b>100.00</b>	<b>176.51</b>	<b>100.00</b>	<b>195.61</b>	<b>100.00</b>
Cost of Media-advertising	-	-	(81.25)	(46.03)	(88.43)	(45.21)
Cost of Concert	(41.40)	(101.18)	-	-	-	-
Cost of sales	(1.35)	(3.31)	(50.91)	(28.84)	(71.49)	(36.55)
Cost of construction	-	-	-	-	(11.11)	(5.68)
<b>Total costs</b>	<b>(42.76)</b>	<b>(104.48)</b>	<b>(132.16)</b>	<b>(74.87)</b>	<b>(171.03)</b>	<b>(87.43)</b>
<b>Gross profit</b>	<b>(1.84)</b>	<b>(4.48)</b>	<b>44.35</b>	<b>25.13</b>	<b>24.58</b>	<b>12.57</b>
Gain from sales of other long term investments	-	-	14.00	7.93	-	-
Other incomes	14.13	34.53	20.03	11.35	8.81	4.51
<b>Profit before expenses</b>	<b>12.29</b>	<b>30.04</b>	<b>78.38</b>	<b>44.41</b>	<b>33.40</b>	<b>17.07</b>
Administrative expenses	(40.45)	(98.85)	(56.73)	(32.14)	(47.57)	(24.32)
Doubtful accounts	(90.99)	(222.35)	-	-	-	-
Administrative of litigations	(29.04)	(70.96)	-	-	-	-
Loss from impairment of investment	(2.86)	(7.00)	-	-	-	-
Loss from dissolution of a subsidiaries	-	-	(0.50)	(0.28)	-	-
Loss from impairment of investments in associates	(0.08)	(0.19)	(0.11)	(0.06)	-	-
Management benefit expenses	(14.54)	(35.52)	(17.60)	(9.97)	(27.15)	(13.88)
Finance costs	(0.14)	(0.35)	(1.66)	(0.94)	(2.03)	(1.04)
Share of loss from associates	(107.17)	(261.89)	-	-	(1.98)	(1.01)
<b>Total expenses</b>	<b>(285.27)</b>	<b>(697.11)</b>	<b>(76.60)</b>	<b>(43.40)</b>	<b>(78.73)</b>	<b>(40.25)</b>
<b>Profit (loss) before income tax expense</b>	<b>(272.97)</b>	<b>(667.06)</b>	<b>1.78</b>	<b>1.01</b>	<b>(45.34)</b>	<b>(23.18)</b>
Income tax expense	-	-	(0.34)	(0.19)	(1.29)	(0.66)
<b>Net profit (loss) for the years</b>	<b>(272.97)</b>	<b>(667.06)</b>	<b>1.44</b>	<b>0.81</b>	<b>(46.63)</b>	<b>(23.84)</b>

## STATEMENTS OF COMPREHENSIVE INCOME

	2019		2020		2021	
	MB	%	MB	MB	%	MB
<i>Other comprehensive income (expense) for the years</i>						
<b>Components of other comprehensive income that will not be reclassified to profit or loss subsequently</b>						
Gains on remeasurement of defined benefit plans	-	-	0.06	0.04	1.26	0.65
<b>Total comprehensive income (expense) for the years</b>	<b>(272.97)</b>	<b>(667.06)</b>	<b>1.50</b>	<b>0.85</b>	<b>(45.37)</b>	<b>(23.19)</b>
<b>Profit (loss) attributable to:</b>						
Owners of the Company	(272.97)	(667.06)	1.16	0.66	(47.38)	(24.22)
Non-controlling interests	-	-	0.27	0.15	0.75	0.39
<b>Total profit (loss) for the years</b>	<b>(272.97)</b>	<b>(667.06)</b>	<b>1.44</b>	<b>0.81</b>	<b>(46.63)</b>	<b>(23.84)</b>
<b>Comprehensive income (expense) attributable to:</b>						
Owners of the Company	(272.97)	(667.06)	1.23	0.70	(46.12)	(23.58)
Non-controlling interests	-	-	0.27	0.15	0.75	0.39
<b>Total profit (loss) for the years</b>	<b>(272.97)</b>	<b>(667.06)</b>	<b>1.50</b>	<b>0.85</b>	<b>(45.37)</b>	<b>(23.19)</b>
<b>Basic profit (loss) per share (Baht per share)</b>	<b>(0.260)</b>		<b>0.001</b>		<b>(0.033)</b>	

## STATEMENTS OF CASH FLOWS

	2019	2020	2021
	MB	MB	MB
Cash flows from operating activities	(176.37)	(52.11)	(43.47)
Cash flows from investing activities	(249.08)	318.62	(159.19)
Cash flows from financing activities	420.35	(2.41)	(2.31)
Net increase (decrease) in cash and cash equivalents	264.10	264.10	(204.96)

# General information and other material facts

## 1. General information

<b>DV8 public Company Limited</b>	Symbol	: DV8
	Type of Operation	: To supply, produce and/or co-produce media and advertising at the point of sale / organize event / online production
	Head Office Location	: 191/43 CPI Tower, 21st Floor, Ratchadapisek Road, Klong Toey Sub-District, Khlong Toey District, Bangkok
	Telephone	: +66 2204 2601
	Facsimile	: +66 2204 2616
	Website	: www.dv8.co.th
	Company Registration No.:	0107537002109
	Authorized Capital	: THB 1,430,416,192
	Paid-up Capital	: THB 1,430,416,192
	Type of Securities	: Common Stock
	Number of paid- up stock:	1,430,416,192 shares
	Par value	: Baht 1 per share

### Reference Data

#### Securities Registrar

Thailand Securities Depository Co., Ltd.  
93 The Stock Exchange of Thailand  
Building, Ratchadapisek Road, Dindaeng,  
Bangkok 10400

#### Auditor

Karin Audit Co., Ltd.  
72 CAT Telecom Building 24th Floor,  
Charoen Krung Road, Bangrak Sub-  
District, Bangrak District, Bangkok 10500

## 2 Other material facts

- none -

### 3. Legal disputes

Summary of the status of litigation between the Company and/or its subsidiaries underway as of December 31, 2021

#### 1) Muse Group Bangkok Co., Ltd. – Defendant

Status as of report date	It's pending by the Supreme Court
Litigation Start Date	January 8, 2015
History	<ul style="list-style-type: none"> <li>o Muse Group Bangkok Co., Ltd. is a debtor under the contract to operate the European Thailand Classic Golf Program, since the tournament ended in February 2015, Muse Group Bangkok Co., Ltd. has only partially settled to the Company and has been deflecting the repayment of the remaining debt.</li> <li>o The Company filed a lawsuit against Muse Group Bangkok Co., Ltd. as a defendant in Bangkok South Civil Court under the contract to run the Thai Classic Golf Tournament. Total litigation capital of Baht 113,574,762.20</li> <li>o On November 27, 2017, the Court of Justice ruled that the defendants should pay Baht 18,253,248.40 with interest rates of 7.5% per annum from the following June 15, 2015 until the payment is completed to the plaintiff. Customary fees to be folded</li> <li>o Both parties have filed an appeal against the judgement of the Court of First Instance.</li> <li>o On March 25, 2019, the Bangkok South Civil Court read the appeals court's decision to "sentence the defendant to pay Baht 57,201,682.21 with interest rate of 7.5% per annum from July 14, 2016 onwards until the payment is completed to the plaintiff. The customary fees in the appeal stage to be folded."</li> </ul>

#### 2) Siam Hin Pradub Co., Ltd. – Defendant

Status as of report date	In the process of pursuing and investigating additional assets – The Enforcement Officer receiver has frozen the debtor's deposit account and has partially seized some machines at auction.
Litigation Start Date	January 11, 2015
History	<ul style="list-style-type: none"> <li>o Siam Hin Pradub Co., Ltd. is a judgement debtor by the Bangkok South Civil Court, which the court has sentenced to repay debt to the company of Baht 73,544,313.75 with a certain amount of interest. But Siam Hin Pradub Co., Ltd. did not manage any settlement. The Company later proceeded with the investigation to enforce the case. But it turned out that Siam Hin Pradub Co., Ltd. did not have enough assets to pay off all the debts.</li> <li>o December 11, 2015: The Company filed a lawsuit against Siam Hin Pradub Co., Ltd. as a bankruptcy case with the Central Bankruptcy Court, Black case no. 3496/2558, total capital of Baht totaling 91,031,285.38.</li> <li>o March 7, 2016: The Central Bankruptcy Court has ordered the absolute receivership of the debtor.</li> <li>o July 25, 2016: The Company submitted an application for debt payment to the Comptroller as the number 1 creditor.</li> </ul>

History  
(continued)

- o The debtor made a statement of no intention to reconcile the debt before bankruptcy, so the creditor's meeting unanimously approved the petty officer to report to the court, asking the court to adjudicate bankruptcy the debtor.

### 3) 94 Entertainment Co., Ltd. – Defendant

Status as of report date

In the process of execution in the enforcement class. – The Enforcement Officer has proceeded to seize assets at the defendant's office and it appeared that the defendant's company did not have any assets.

Litigation Start Date

December 8, 2016

History

- o 94 Entertainment Co., Ltd. is a co-production contractor owed a total of approximately Baht 40 Million for co-production. The Company later terminated the contract, cut the broadcast signal, and called on 94 Entertainment Co., Ltd. to repay all debts.
- o July 1, 2015: 94 Entertainment Co., Ltd. has contacted for negotiations and has agreed to a debt restructuring contract and accepted debt conditions, but the debtor has paid only three installments (totaling Baht 1.5 Million) and defaulted.
- o December 8, 2016: The Company filed a lawsuit against 94 Entertainment Co., Ltd. With the Civil Court, total capital litigation of Baht 44,418,907.18, Black case No. 5872/2559.
- o May 15, 2017: The court had a verdict under the compromise agreement. The defendant agreed to repay the principal amount to the plaintiff of Baht 39,304,000, agreeing to complete the payment within 3 years, starting the first payment by August 10, 2017 onwards. If default, the plaintiff can fully enforce the case according to the lawsuit, with the payment details. as follows
 

1st year	payment not less than	Baht	500,000 per month
2nd year	pay not less than	Baht	700,000 per month
3rd year	payment not less than	Baht	1,000,000 per month
- o After 94 Entertainment Co., Ltd. defaulted on the debt, the Company issued a warrant for execution and proceeded with the investigation to enforce the case, but no assets were found.
- o The company filed a request for a warrant to set up a law Enforcement Officer to the court. Further inspecting the defendant's assets, no assets were found to be seized or enforced.
- o September 23, 2020: The Company filed a petition with the Legal Execution Department to seize the debtor's assets, setting a date for seizure and attachment on February 17, 2021.
- o February 17 In 2021, the Enforcement Officer was brought into foreclosure at the defendant's office, it turned out. The defendant moved out of the said office. The Enforcement Officer then refrained from the execution action.

#### 4) MCQ Magic Square Co., Ltd. – Defendant

Status as of report date	In the process of execution. - to bring the Enforcement Officer to pursue and seize the assets of the defendant or the judgment debtor at the company office.
Litigation Start Date	March 13, 2014
History	<ul style="list-style-type: none"> <li>o MCQ Magic Square Co., Ltd. is a debtor under the co-production contract, and the Company has filed two lawsuits: <ul style="list-style-type: none"> <li>Case 1 - March 13, 2014, filed as a civil lawsuit with approximately Baht 5.6 Million under the co-production contract to demand settlement to Nonthaburi Provincial Court.</li> <li>- June 16, 2014, the Nonthaburi Provincial Court ruled that MCQ Magic Square Co., Ltd. To pay the debt of Baht 5,666,579.17 along with some interest to the Company.</li> <li>Case 2 - February 28, 2014 filed as a criminal case under the Cheques Act, the Company filed a lawsuit against MCQ Magic Square Co., Ltd. as the 1st defendant and Ms. Naina. Sapawong (Director) as the 2nd defendant.</li> </ul> </li> <li>o April 21, 2014, the Appeal Court did a preliminary hearing and ordered a stamp the prosecution.</li> <li>o June 16, 2014: Upon testimony appointment, but the defendant escapes. The court ordered the temporary disposition of the case and issued an arrest warrant for Ms. Naina. Saphawong</li> <li>o January 15, 2018: The court is scheduled to testify against the defendant because the defendant surrendered the day of the appointment. The defendant confessed to the lawsuit and requesting payment by cheque completely to the company within 2 years and 6 months because the defendant was jobless.</li> <li>o The defendant has breached the terms of settlement to the Company, the court therefore made an appointment to hear the verdict on September 17, 2019. But, the 2nd defendant, who was also a director of 1st defendant, deliberately failed to show up to the court, so the court issued an arrest warrant for the 2nd defendant to hear the verdict.</li> <li>o October 30, 2019, the court ruled that both defendants were guilty under the Cheque Act 1991, Section 4(1)(3) in conjunction with Section 83 of the Penal Code, punished the 1st defendant with a fine of Baht 40,000, and the 2nd defendant was imprisoned for a period of 4 months. Both defendants pleaded guilty of the trial. There is a mitigating cause to reduce the sentence by half according to Section 78 of the Penal Code, the 1st defendant may be fined Baht 20,000 and the 2nd defendant's imprisonment is a term of 2 months under Section 56 of the Penal Code. If he 1st defendant fails to pay the fine, to be dealt in accordance with Section 29 of the Penal Code, first paragraph.</li> <li>o In this case, the court read the verdict behind the defendant and issued an arrest warrant to 2nd defendant to enforce the judgment within the limit which is still in the process of being pursued expiration to the 2nd defendant under the arrest.</li> <li>o Of the civil case, additional examination of the defendant's assets, no assets were found to be seized or enforced.</li> <li>o The company has submitted a request for a warrant execution office before the court.</li> <li>o Legal Enforcement Officer to seize assets indefinitely due to COVID-19.</li> </ul>



## 5) Hot Idea & Ventures Co., Ltd. – defendant

Status as of report date	Legal Enforcement Officer then refrained from the enforcement action because the Enforcement Officer had taken over the property at the defendant's office, it turned out that the defendant had moved out of that office.
Litigation Start Date	January 25, 2016
History	<ul style="list-style-type: none"> <li>Hot Idea &amp; Ventures Co., Ltd. is a debtor under a co-production contract.</li> <li>January 25, 2016, File a debtor's complaint with Nonthaburi Provincial Court for Black case No. 151/2559, litigation capital of Baht 1,909,225.18.</li> <li>May 23, 2559, The Nonthaburi Provincial Court issues the verdict against red case No. 831/2559 by adjudicating Hot Idea &amp; Ventures Co., Ltd. Baht 1,348,200 plus some fines to the Company</li> <li>In this case, the Company did not appeal because the court ruled that the Company receive the full principal amount. The court has reduced the penalty fee from 24% per annum to only 7.5% per annum, which was at the discretion of the court.</li> <li>This case, the lawyer has already carried out the debtor's investigation, but the debtor's assets have not been found.</li> <li>The company has filed a request for a warrant Enforcement Officer to the court.</li> <li>December 1, 2020: The company took the Enforcement Officer into foreclosure, but the Enforcement Officer postponed the appointment indefinitely due to covid-19 situation.</li> <li>March 29, 2021, Lead the Enforcement Officer to foreclosure at the defendant's office. The defendant moved out of the office. The Enforcement Officer then refrained from the enforcement action.</li> </ul>

## 6) Kuru TV Group Co., Ltd. – Defendant

Status as of report date	The defendant is in the process of repaying all debts to the Company, with the court ordering the case to be disposed of temporarily.
Litigation Start Date	December 19, 2016
History	<ul style="list-style-type: none"> <li>Kuru TV Group Co., Ltd. Limited is a debtor under the joint production agreement with outstanding debt obligations to the Company as of March 31, 2016 of Baht 3,420,057.38. Subsequently a debt restructuring letter was made and received the debt condition of such amount to the Company. The said amount is agreed to the Company by requesting to in installment and ordering cheque to pay-off debt in advance. However, checks for September, October and November 2016 (installment of 3 periods), the bank refused payment and to prevent damages, the Company filed a lawsuit against Kuru TV Group Co., Ltd. as a criminal case, Act on Offences from the use of cheque B.E. 2534.</li> <li>December 19, 2016t The Company filed a lawsuit against Guru TV Group Co., Ltd. Limited to criminal case against Bangkok North District Court, Black case no. 10473/2559</li> <li>July 17, 2017, the court holds a preliminary hearing. After the witness examination was completed, the court issued an order stamping and accepting the lawsuit.</li> <li>August 21, 2017, the three defendants came to court and pleaded guilty to the charges, wishing to repay all debts, but requested a gradual installment of the payment. The court ordered the temporary disposal of the case. If the defendant defaults, the case shall be brought for further consideration and judgment.</li> </ul>

## 7) Ms. Naiyana Sapong – Defendant

Status as of report date	It is pending by the Court of Appeal.
Litigation Start Date	March 20, 2017
History	<ul style="list-style-type: none"> <li>Ms. Naiyana Sapong is an authorized director of the Company. MCQ Magic Square Co., Ltd., a judgment debtor of the Company. After the Nonthaburi Provincial Court has sentenced MCQ Magic Square Co., Ltd. to pay the debt to the Company Then Ms. Naiyana Sapong registered the dissolution of the company and completed the liquidation by Ms. Naiyana Sapong, a liquidator of MCQ Magic Square Co., Ltd., such action is considered a conduct that requires creditors not to receive debt payments, which is an offense to defraud creditors.</li> <li>March 20, 2017, the Company filed a criminal lawsuit against Ms. Naiyana Sapong for defrauding creditors with the Nonthaburi District Court. However, if the court convicted, the Company could claim damages in the case, which MCQ Magic Square Co., Ltd. is owed with the verdict.</li> <li>May 16, 2017 Nonthaburi District Court held a preliminary hearing. The defendants had appointed lawyers to fight the case, on the day of the hearing. The Company brought the delegate (Mr. Ekkavit Kaewvichian) to the trial. The court adjourned to a hearing on June 28, 2017.</li> <li>June 28, 2017 Nonthaburi District Court considered the evidence, the lawsuit that plaintiff sued has ground. The court ordered that the plaintiff's case be stamped out and summoned the defendant to appear in court on August 30, 2017.</li> <li>August 30, 2017: The defendant came to court with appointed lawyer, has denied all allegations and asks for bail to fight the lawsuit.</li> <li>December 19, 2017: The prosecution's witness examination was completed. The court is scheduled to hear the verdict.</li> <li>February 1, 2018: The court dismissed the lawsuit, with the court raising the issue of interpretation of the law.</li> <li>The Company filed an appeal on April 2, 2018. At present, the case is being considered by the Appeal Court.</li> </ul>

## 8) Media Agency Thai Co., Ltd. – Defendant

Status as of report date	In the process of execution - to bring the Enforcement Officer to pursue the assets of the defendant or debtor according to the judgment at the Company's office.
Litigation Start Date	September 21, 2017
History	<ul style="list-style-type: none"> <li>Media Agency Thai Co., Ltd. is a contractual debtor to purchase airtime management rights, and the debtor is unable to fulfill the contract. The debtor later requested a debt reconciliation with the Company by agreeing to a contract to determine how to pay the debt. Under the contract to purchase the rights to the broadcast time management, that is, the debtor agrees to repay the Company in accordance with the purchase agreement for the broadcast time management rights, bringing the advertising rights to the broadcast time of European golf to pay the debt. When advertising can be sold, and one part of (approximately Baht 93.5 Million) has entered into a debt restructuring agreement. However, after entering into a contract, the debtor defaulted, was unable to pay the debt according to the contract, the Company has followed up with the inquiry, but the debtor did not have a clear guideline for resolving the debt.</li> </ul>

History (continued)	<ul style="list-style-type: none"> <li>o September 21, 2017, the Company filed a debtor lawsuit with Thonburi Civil Court for Black case No. 1726/2560 with a total litigation capital lawsuit of Baht 323,296,077.43.</li> <li>o July 16, 2018, the Court ruled that the defendants should pay Baht 314,995,077.20 with interest at the rate of 12% per annum of the principal of Baht 243,362,657.56 from June 30, 2017, and to pay interest at the rate of 7.5% per annum of the principal of 68,756,301.30 Baht from the following date of the indictment (filed on September 21, 2017) until the payment is completed to the plaintiff and the defendant shall pay the customary fees on behalf of the plaintiff by setting a lawyer fee of Baht 10,000. The court fee, to be used in place of the plaintiff wins the case.</li> <li>o In this case, the defendant did not file an appeal, the case to the end, the Company issued a warrant for enforcement and proceeded with the investigation of the defendant. The defendant was found to no longer operate in any business.</li> <li>o The company filed a request to appoint an Enforcement Officer to the court.</li> <li>o April 25, 2021: Enforcement Officers postponed foreclosure indefinitely due to COVID-19 situation.</li> </ul>
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## 9) Mr. Tajkorn Natchakrut (Power Infinity Co., Ltd.) – Defendant

Status as of report date	The defendant fled.
Litigation Start Date	October 6, 2017
History	<ul style="list-style-type: none"> <li>o Mr. Thachakorn Natchakrut is a debtor associated with Power Infinity Co., Ltd., a co-production contractor of approximately Baht of 1.5 Million. Power Infinity Co., Ltd. later requested a debt restructuring with the Company by gradually repaying the debt. Mr. Tajkorn Nashkruth agreed to become a payer instead and made a payment to the company, but 2 cheques could not be collected. The company followed up on demand to pay all the cheque but has been deflected.</li> <li>o October 6, 2017, the Company filed a lawsuit against Mr. Tajkorn Nashchakrut. The criminal case under the Bangkok North District Court is a criminal case under the Act. On offenses caused by the use of cheques</li> <li>o March 26, 2018, witness hearings are completed. The court ordered the stamp to accept the lawsuit for consideration.</li> <li>o June 4, 2018, testimony appointment is scheduled to take place. The defendant failed to show up for the court, so the court issued an arrest warrant and disposed of the case temporarily until he was arrested.</li> </ul>

## 10) MIC Broadcast co., Ltd. – Defendant

Status as of report date	In the process of execution.
Litigation Start Date	December 28, 2017
History	<p>The Company has filed 3 lawsuits against this debtor, arising from different debts as follows.</p> <p>Case 1: File a lawsuit against the debtor under the co-production contract with the civil court. The total litigation amounted to Baht 1,024,774.96 on December 28, 2017. The court ordered that the defendants were absent from the plea and absent the hearing and let the plaintiffs bring witnesses to the unilateral investigation.</p>

History  
(continued)

The court later sentenced the Company to win the case and to get paid the full debt according to the lawsuit.

- Additional checks of the defendant's assets. No assets were found to be seized, frozen or enforced.
- The Company filed a request to appoint Enforcement Officer.
- The case is in the process of execution. To bring the Enforcement Officer to pursue the assets of the defendant or the judgment debtor at the Company's offices.
- November 4, 2021, lead the Enforcement Officer to foreclosure at the defendant's office. The defendant moved out of the office. The Enforcement Officer then refrained from the enforcement action.

Case 2: Lawsuit was filed against the debtor under the Broadcast License Agreement (Movie Rights) Baht 20,528,521.12 on January 10, 2018.

- In this case, the Court ruled under a conciliatory, with the 1st defendant admitting to owe the plaintiff Baht 20,582,521.12, the 2nd defendant admitting to owed Baht 10,329,384.24, with the 2<sup>nd</sup> defendant agreeing to pay the plaintiff Baht 8,827,500 on a monthly basis of not less than Baht 300,000 and to be completed within 29 months (at the end of November 2020). The remaining Baht 11,755,021.22, the 1st defendant agreed to complete the payment in December 2022.
- The company submitted a statement not interested in filing a lawsuit against the 2nd defendant to the court.
- In the process of installment payment of 1st defendant.

Case 3: Lawsuit was filed against the debtor under the broadcast license agreement (Edge Sport broadcast rights) of Baht 78,795,266 on January 18, 2018.

- The court ruled under a conciliatory agreement, with the defendant admitting to owe the plaintiff a debt to the prosecution by agreeing to pay the plaintiff. Baht 44,223,200 divided into two installments of Baht 22,111,600 each, starting the first instalment at the end of December 2018, the second installment at the end of June 2019. In the event of default, all defaults will be considered. The defendant consented to the plaintiff to complete the full payment with interest.
- The company filed a request to appoint as Enforcement Officer.
- Further investigation of the defendant's assets did not find any assets to be frozen or enforced.
- The case is in the process of execution. To bring the Enforcement Officer to pursue the assets of the defendant or the judgment debtor at the Company's office.
- The Enforcement Officer went to the defendant's office to process the foreclosure, and it turned out that the defendant's company had no assets for the Enforcement Officer to seize.

## 11) GTC Media Co., Ltd. – Plaintiff

Status as of report date	The case was over.
Litigation Start Date	March 30, 2018
History	<ul style="list-style-type: none"> <li>o GTC Media Co., Ltd. filed a lawsuit with the Bangkok South Civil Court on March 30, 2018 for breach of the trading agreement and claiming damages from the Company with a total of Baht 25,653,371.51 since GTC Media Co., Ltd. was not entitled to advertising time in European golf tournaments in 2017 and 2018.</li> <li>o October 10, 2019, the prosecution's witness examination was completed. The court was scheduled to hear the verdict on December 19, 2019.</li> <li>o December 19, 2019: The Court ruled that the Company had lost the case (the defendant was sentenced to pay Baht 25,653,371.51 with interest at the rate of 7.5% per annum of the principal from the date of the indictment (filed on March 30, 2018) onwards until the payment was completed to the plaintiff, allowing the defendant to use the customary fee on behalf of the plaintiff by setting the lawyer fee of Baht 10,000).</li> <li>o The Company has filed a request to withdraw the charges against Anis Osanukroh and Mr. Kantpot Kittiratsiri and HD Commerce Co., Ltd., which were the same group as the plaintiff. And paid Baht 19,300,000 to the plaintiff, who on the same day filed a statement not indulging in the remaining debts from the defendant.</li> </ul>

## 12) Khun Anis Osanukroh and Khun Kantpot Kittiratsi

Status as of report date	The case was over.
Litigation Start Date	May 16, 2018
History	<ul style="list-style-type: none"> <li>o The case was against the Company's former directors to be liable to pay back damages to the Company, in case of violating the regulations because they did not seek approval to pay the commission from the Board of Directors of Baht 10 Million to HED Commerce, it is a compulsory act. They were not careful to preserve the Company's interests. A lawsuit was filing on May 16, 2018.</li> <li>o The case is currently under investigation, with the court scheduled to examine the defendants on May 12, 13, 14 and 15, 2020.</li> <li>o As a result of the Company losing the lawsuit from GTC, Media Co., Ltd. as a plaintiff sued the Company in Bangkok South Civil Court on March 30, 2018 for breach of the contract, trading and seeking claim damages from the Company with a total of Baht 25,653,371.51 of the litigation capital with interest at the rate of 7.5% per annum of the said principal from the date of the filing, which is the same group as Khun Anis Osanukroh and Khun Kantpot Kittiratsiri. The company therefore filed a request to withdraw the lawsuit against the two defendants to the court in this case for paying the difference to GTC Media Co., Ltd. the amounting of Baht 19,300,000.</li> </ul>

### 13) HD Commerce Co., Ltd.

Status as of report date	The case was over.
Litigation Start Date	May 16, 2018
History	<ul style="list-style-type: none"> <li>o HD Commerce Co., Ltd. was owed a deposit under the brokerage contract dated November 1, 2016 for the acquisition of shares in Akkarawat 50% of the issued and paid-up shares, provided that if the Company received the transfer shares in full amount. Such deposit shall be treated as compensation in full amount that the broker is entitled to. But, if unable to receive the transfer of shares in full or the shares purchase agreement expired for any reason, the broker agreed to refund all deposits to the Company within 30 days, after which the debtor refused to return the money to the Company.</li> <li>o Filed the lawsuit against the debtor with Taling Chan Provincial Court on May 16, 2018.</li> <li>o October 21, 2019, the prosecution witness examination was completed and able to examine one witness of the defendant, the court postponed the last witness testimony of the defendant on February 18, 2020.</li> <li>o As a result of the company losing the lawsuit from GTC, Media Co., Ltd. as the plaintiff sued the Company in Bangkok South Civil Court on March 30, 2018 for breach of the contract, trading and claim damages from the Company with a total litigation capital of Baht 25,653,371.51 with interest at the rate of 7.5% per annum of the said principal from the date of the filing, which is the same group as HD Commerce Co., Ltd. The Company therefore filed a statement not satisfied with the appeal of this case in order to pay the difference to GTC Media Co., Ltd. in the amounting of Baht 19,300,000.</li> </ul>

### 14) IT Professional Co., Ltd.

Status as of report date	It is under consideration by the Supreme Court.
Litigation Start Date	November 1, 2018
History	<ul style="list-style-type: none"> <li>o IT Professional Co., Ltd. was in debt under a contract for the purchase and installation of electrical, lighting and air conditioning systems of 2 contracts, whereby this debtor was unable to negotiate a settlement.</li> <li>o The Company filed a lawsuit on November 1, 2018, filing two contractual lawsuits to the Civil Court. as follows             <ul style="list-style-type: none"> <li>Case 1 - Black case No. 6411/2561 Total litigation capital of Baht 27,089,318.75 (including interest) The case is a couple of inability to mediate. The court is scheduled to examine the prosecution/defendant's witnesses on January 23, 24, 2020.</li> <li>- On March 24, 2020, the Lower Court ruled that the defendants should pay the plaintiff amounting to Baht 25,596,979.77 with interest at the rate of 7% per annum of the funds from January 1, 2018 onwards until the payment is completed to the plaintiff, but the interest to the date of the lawsuit shall not exceed 1,492,338.98 Baht as requested by the plaintiff to pay the plaintiff's customary fee. The lawyer fee are Baht 50,000 and prosecution cost is Baht 10,000.</li> <li>- The defendant has filed an extension of the appeal period to the court.</li> </ul> </li> </ul>

## History (continued)

- On July 5, 2021, the Appeal Court of upheld the decision to dismiss the plaintiff's lawsuit but did not preclude the plaintiff's right to filing a new lawsuit against the defendant within the age limit. Return the court fee in the Trial Court to the plaintiff and in the Appeal Court to the defendant. Customary fees unless ordered by the court to be returned to be folded.
- On October 1, 2021, the plaintiff filed a petition with the Supreme Court case for the court to proceed with the trial.
- Case 2 - Black case No. 6412/2561, total litigation Capital Baht 63,408,087.02 (including interest)
- December 27, 2019, the verdict was made by the Civil Court for the company to win the case as follows: "The defendant shall pay Baht 59,914,962.62 with interest at the rate of 7% per annum of the said principal from January 1, 2018 onwards until payment is completed to the plaintiff, but the interest to the date of the prosecution shall not exceed Baht 3,493,124.40 as requested by the plaintiff, and the defendant shall pay the customary fee on behalf of the plaintiff by setting the lawyer Baht 150,000 and the prosecution cost 10,000 baht."
  - The defendant has filed an extension of the appeal period to the court.
  - March 31, 2021, the Court of Appeal ruled that the defendant should pay Baht 49,456,250 with interest at a rate of 7% per annum from October 11, 2018 onwards until the payment is completed to the plaintiff (filed on November 1, 2018), but the interest until the date of the prosecution must not exceed Baht 3,493,124.40, unless it's resolved by the Trial Courts.
  - The Supreme Court is scheduled to hear the order of the Supreme Court on February 8, 2022.

## 4. Secondary market

The Company has not listed its security in other country.



# Corporate Governance

02

# Corporate Governance Policy

## 1. Overview of the Policy and Guidelines

The Company is committed to conduct business with responsibility and fairness to all stakeholders of the Company through controlling of business operations within the framework of the Company's corporate governance policy and communicating through the Code of Conduct manual, which employees at all levels must adhere to.

The Company's Good Corporate Governance Policy is like a measure for supervision to create value and sustainability for the business. The board of directors has considered and formulated a policy together with the good corporate government (CG Code) of the Securities and Exchange Commission (SEC), which has 8 practical guidelines as follows:

- |             |  |
|-------------|--|
| Principle 1 | Recognize the roles and responsibilities of the Board of Directors an organization leader that creates sustainable value for business. |
| Principle 2 | Define the main objectives and goals of sustainable enterprise   |
| Principle 3 | Strengthen effective committees  |
| Principle 4 | Recruit and develop of Senior Executives and Personnel Management  |
| Principle 5 | Promote innovation and responsible business practices  |
| Principle 6 | Ensure proper risk management and internal control systems   |
| Principle 7 | Maintain financial credibility and disclosure  |
| Principle 8 | Support engagement and communication with shareholders   |

### Principle 1

#### **Recognize the roles and responsibilities of the Board of Directors as organization leaders that creates sustainable value for business.**

The Board of Directors recognizes the roles, duties and responsibilities in supervising the directors. and executives to perform their duties responsibly, cautious (duty of care) and honesty to the organization. (Duty of loyalty) through written policymaking and fining the scope of authority, duties and responsibilities of the Board of Directors in writing, forming the Charter of the Board of Directors and reviewing it at least once a year. Require the Board of Directors to comply with laws, objectives, regulations, resolutions of the Shareholders' Meeting and other policies or guidelines set forth, including the

approval authority table, as well as the approval process for important operations such as investments, transactions that have a significant impact on the Company, making transactions with connected persons acquisition or disposition of assets and dividend payment, etc.

Roles, duties and responsibilities of the Board of Directors appears in the report titled information about the Committee page 74 - 75

### Principle 2

#### **Define the main objectives and goals of sustainable enterprise.**

The Board of Directors recognizes the importance of defining and supervising the objectives and main goals of the organization are for sustainability, as well as in line with creating value for the business, customers, stakeholders and society as a

whole. The guideline for practice are as follows.

1. Focus on sustainable growth alongside society, as well as creating value for the benefit of all stakeholders. This is the main factor in determining the objectives and goals of the Company's business operations and will promote communication, as well as strengthen the organization's main objectives and goals reflected in the decision making and the operation of personnel at all levels to become a corporate culture.
2. Prepare annual strategies and plans to be consistent with the objectives and main goals of the organization. Taking into account the business environment at that time, as well as opportunities and acceptable risks including issues related to society, environment and stakeholders and encourage a review of objectives, goals and strategies as appropriate according to the business situation.
3. Supervise to ensure that objectives and goals, as well as strategies in medium term and/or year of the business, are in line with the achievement of main objectives and goals by applying innovation and technology appropriately and safely.

### Principle 3

#### Strengthen effective committees

The Board of Directors is responsible for determining and reviewing the Directors structure, including considering the nomination and supervision of duties for the appropriateness and need to lead the organization to its objectives and main goals set forth. The guideline for practices is as follows.

##### 1. Board structure

- 1.1 The Company requires 5 to 12 board members and must consist of independent directors at least one-

third of the total number of directors.

- 1.2 There are executive directors who are involved in daily management or have the power to sign to bind the Company in proportion of not more than half of all directors.
- 1.3 Appoint Company Secretary to oversee the activities of the Board of Directors and help to ensure that the Board of Directors and the Company have acted in accordance with applicable laws and regulations.
- 1.4 Chairman of the Board of the Company must be an independent director and not be the same person as the Chief Executive Officer to independently balance the work of the Management Department. The Company will separate the roles and duties between the Board of Directors and management clearly (details appear in report titled Information about the Board of Directors. page 75)

##### 2. Qualifications of Directors

- 2.1 Being knowledgeable, capable and experience appropriate to Company's business operations such as finance, banking, business, administration, marketing, human resources management, law and management, as well as considering the ability to help make the Board of Directors' actions be more prudent, including being ethical, visionary, independent in decision-making and must devote time to full performance.
- 2.2 Be qualified and no prohibited characteristic as stipulated in the law on Public Limited Companies, Securities and Exchange Act or other applicable laws.
- 2.3 Not being a director in more than 5 other listed companies unless be able to demonstrate that they can

attend the Board of Directors meeting.

- 2.4 Executive Directors can serve as directors of no more than 2 other listed companies.
- 2.5 The Chief Executive Officer can serve as a director of no more than 3 other companies.
- 2.6 Independent directors must be fully qualified in accordance with the qualifications of independent directors designated by the office of the Securities and Exchange Commission (SEC). And have a term of office for up to 9 years, except The Board of Directors shall consider that such person deserves to serve as an independent director of the Company for the best interests of the Company.
- 2.7 Directors, Chief Executive Officer and Senior Executive Officer must not be an employee or partner of an external audit company that has used for the past 2 years.

### 3. Diversity of Directors

The Board of Directors realize the benefits of diversity of the Board of Directors. With the view that it is an important factor, which will increase the efficiency of decision making and the work of the Board of Directors. Diversity is not limited only to gender, but also to age, educational background, professional experience, skills and knowledge. Therefore, in the nomination and appointment of directors of the Company, it is based on knowledge and ability using of selection criteria which take into account the benefits of diversity.

### 4. Sub-committee

To consider important matters of the Company, it is considered with thoroughness. Therefore, the Board of Directors appoints a sub-committee to perform specific duties and proposes to

the Board of Directors for consideration or acknowledgement. as follows

#### 4.1 Audit Committee

Consists of at least 3 independent directors who hold portion as directors of the Company at least 3 members and 1 director are knowledgeable and experienced in relation to accounting or finances sufficiently to be able to act in review the reliability of the financial statements with a term of office according to the term of the Company's directorship.

Name list and the roles, duties and responsibilities of the Audit Committee appears in the report titled Information about Subcommittee, page 77.

#### 4.2 Human Resources and Remuneration Committee

Consists of directors at least 3 persons and with more than half of independent directors. The chairman is an independent director with a term of 3 years at a time.

Name list and roles, duties and responsibilities of the Human Resources and Remuneration Committee appears in the report titled Information about Subcommittee, page 79.

#### 4.3 Corporate Governance and Social Responsibility Committee

Consists of directors at least 3 persons with a term of 3 years at a time

Name list and roles, duties and responsibilities of the Corporate Governance and Social Responsibility Committee appears in the report titled Information about Subcommittee, page 81.

#### 4.4 Risk Management Committee

Consists of directors at least 3 directors with a term of 3 years at a time.

Name list and roles, duties and responsibilities of the Risk Management Committee appears in the report titled Information about Subcommittee, page 81.

#### 4.5 Investment Scrutiny Committee

Consists of directors at least 3 persons with a term of 3 years at a time

Name list and roles, duties and responsibilities of the Investment Scrutiny Committee appears in the report titled Information about Subcommittee, page 82.

### 5. **Nomination of Directors**

Nomination and Appointment of Directors to comply with the Company's regulations, relevant law and has a transparent, clear process under which the Human Resources and Remuneration Committee is set to consider the selection of persons through the criteria and nomination process, which considers the appropriate qualifications and abilities as specified in the Charter of the Board of Directors or Sub-committees. In conjunction with the consideration of the diversity of the Board of Directors to be proposed to the Board of Directors and/or the Shareholders' Meeting for consideration and approval as the case may be.

#### Criteria for Nomination of Directors

- (1) The Company provides opportunities for minority shareholders to nominate qualified persons as directors. Or consider a person from the Director Pool or consider the former director to be nominated or allow each director to nominate the appropriate person.
- (2) Selection and scrutiny of qualified persons as directors by considering the suitability of knowledge,

experience, specific competencies in line with the Company's business strategy, which meets the skills qualifications necessary for the nomination of directors. (Board Skill Matrix)

- (3) Check the history of the list of nominated persons that are qualified under the law and regulation of regulatory authorities such as the Securities and Exchange Act B.E. 2535, etc.
- (4) Dedication of directors' time, any interest or conflict of interest that may occur with the Company. In case of being the former director who will be reelected, based on performance during tenure period, providing useful feedback, participation in various activities, including the number of companies which each director will take positions to ensure that performance does not decrease.
- (5) In the case of appointing independent directors, qualifications of persons who serve as independent directors are considered to be independent in accordance with the rules prescribed by the office of the Securities and Exchange Commission (SEC).
- (6) Prepare a name list that the Human Resources and Remuneration Committees has considered and screened with qualifications and reasons for selection and arrange in order to propose to the Board of Directors for nomination to the General Shareholders' Meeting to elect individually, taking into account the performance of the former directors.

### 6. **Remuneration of the Board of Directors and Sub-committees**

Board of Directors assigned to the Human Resources and Remuneration Committee as the one who propose of the criteria, remuneration of Directors and sub-directors by considering the suitability of

duties, responsibilities. Compared with the remuneration rate of directors in the same industry as well as the Company's performance and propose them to the Board of Directors and the Shareholders' Meeting for approval.

## 7. Board meeting

- 7.1 Board of Directors schedules meetings annually in advance, more than 6 times per year, in which all directors must attend at least 80% of all board meetings, including meetings of the sub-committees.
- 7.2 Each board meeting has a clear agenda. The meeting documentation is sufficient and delivered to the Board of Directors at least 7 days prior to the meeting date, so that the Board of Directors has sufficient time to study the information before attending the meeting and will allocate sufficient meeting time for discussion and comment, including requiring Executives, as related parties to clarify information. The minutes of meeting was prepared in writing and kept for directors and related person for inspection.
- 7.3 Chairman of the Board and/or Chief Executive Officer shall consider and select the matter to be include in the agenda of the Board of Directors meeting. In this regard each Directors is free to propose for the meeting agenda.
- 7.4 Set a minimum number of quorums at the time the Board of Directors will vote at the meeting, with at least two-thirds of the total number of directors.
- 7.5 All directors have access to the necessary information. More from Chief Executive Officer, Company Secretary or other executives.
- 7.6 The Company has a policy for non-executive directors. There is an opportunity to meet among themselves to discuss various issues

related to management that are of interest without the management that involved at least once a year and notify the Chief Executive Officer the meeting results.

- 7.7 The Board encourages senior management to attend meetings with the Board.

## 8. Performance Evaluation of the Board of Directors and knowledge development

In order to effectively perform the duties of the Board of Directors, it can also set a framework for improvement and operational development. The Board of Directors requires a performance evaluation of the Board of Directors. The assessment is divided into three types: 1) Self-assessment of the entire committee, 2) Self-assessment of individual director, and 3) The performance assessment of the sub-committees. The Human Resources and Remuneration Committee will bring the results of the performance assessment of the committee and such Sub-committees to analyze in order to assess guideline for promoting and developing knowledge for the directors appropriately.

### 8.1 Self-assessment of the entire Board of Directors and Self-assessment of Directors individually.

Human Resources and Remuneration Committee will determine the assessment criteria to propose to the Board of Directors' meetings approve for self-assessment of the Board of Directors performance. Both in the form of whole committee and individual (self) assessment, covering the structure and qualifications, roles, duties and responsibilities of the Board of Directors, Board Meeting, performance of Directors, duties and other opinions that are beneficial to management, relationships with management and self-development of Directors and Executive



development. Summary of performance appraisal results will be included in the agenda of the Board of Directors' Meeting no. 1 of every year to be used as a factor in determining the appropriateness of the structure or composition of the Board of Directors.

#### 8.2 Evaluation of the Performance of the Sub-committee

Each sub-committee will determine the assessment criteria for propose to the Board of Directors' meeting, to approve the criteria for evaluating the sub-committees, as well as evaluating the performance of that sub-committees. Summary of the performance evaluation results will be included in the agenda of the Board of Directors' Meeting no. 1 of every year to be used as a factor in determining the appropriateness of the roles and duties of each sub-committee and suggest ways to improve in the event that there are recommendations on various issues from the Board of Directors.

### 9. Orientation of New Directors

The Board of Directors assigns the Company Secretary and the Management responsible for presenting information to the new directors in order to know the details of the nature of the Company's business operations, which covers the management structure, Director's Corporate Governance Policy manual and the Company's Code of Conduct manual.

### 10. Director Development

The Board of Directors has a policy to promote and facilitate training and to educate those involved in the Company's corporate governance system, including Directors, Executives and Company Secretaries to continuously improve operations, especially the training courses organized by the Institute of Directors

Association (IOD) program by encouraging directors to participate in training held for more than 75% of the entire board of directors and encourages at least one director to attend the training in the past year.

The Company Secretary will be in charge of all directors to receive training to promote and develop skills as appropriate for the duties of directors. and/or sub-committees under the criteria for promoting and developing knowledge of directors.

### 11. Communication with Management

The Board of Directors encourages the Chief Executive Officer and Senior Executive Officer to attend meetings with the Board of Directors by presenting the agenda that he/she is responsible for the Board of Directors' meeting so that the Board of Directors will receive opinions from the Executives in charge of the work directly. At the same time, Executives have the opportunity to learn and understand the views of the Board of Directors.

The Board of Directors encourages meetings and exchange opinion among Directors and Senior Executives on other occasions in addition to the Board of Directors' meetings, so that the Directors have the opportunity to get acquainted with the Company's Senior Executives, Directors can directly communicate with each management, without intruding or interference with the management's operations, but should notify to the Chief Executive Officer in advance.

### Principle 4

#### Recruit and Develop of Senior Executive and Personnel Management

The Board of Directors attaches importance to the recruitment and development of knowledge and skills of senior executives of the organization to



ensure that the Senior Executive of the organization have the right knowledge, capabilities and attributes to drive the organization towards its goals with a regulatory approach. as follows

### **1. Personnel Management and Recruitment and Development of Senior Executives**

The Board of Directors will supervise the Company's personnel management, which takes into account the direction of business operations in accordance with the Company's strategy through the management plan proposed by management, whether it be guidelines or factors in the evaluation of performance, which promotes the development of knowledge and motivation for employees.

For the nomination of the Company's Senior Executives, the Human Resources and Remuneration Committee will be the preliminary consideration to moderate the recruitment of qualified persons to have knowledge, skills and experience that are beneficial to the Company's operations and understand the Company's business well and can manage to achieve the objectives set out by the Board of Directors and present it to the Board of Directors for further approval.

### **2. Succession Plan**

The Human Resources and Remuneration Committee is the determinant of the succession plan of the Chief Executive Officer and Senior Executive of the Company to prepare. Continuity of succession and the management of the Company can continue and propose to the Board of Directors for approval.

### **3. Evaluation of Duties and Remuneration**

The Human Resources and Remuneration Committee determines the criteria and procedures for evaluating the performance of the Chief Executive Officer to present to the Board of Directors' meeting. The

assessment is divided into two parts: 1) A success evaluation, which is assessed by measuring performance compared to the set goals, and 2) A performance assessment by individual Directors. The results of the assessments will be summarized to the Board of Directors' Meeting annually and report the assessment results to the Chief Executive Officer for acknowledgement and for the evaluation of the performance of the Company's Senior Executive. The Board of Directors will be the supervision for the Company's process for evaluating the performance of senior management. The HR and Remuneration Committee is assigned to consider the performance evaluation, which is assigned to the Chief Executive Officer as an assessment and report the results of the assessment to the Board of Directors' meeting for annual notice. The Board of Directors will take the results of the assessment to review the annual remuneration of the Chief Executive Officer, as well as to determine the principles of remuneration of Senior Executives by considering the Company's performance.

For employees at other levels, the Company has clear guidelines and performance evaluation criteria, which was announced to the public. The objectives of the strategic plan are conveyed and the link between individual targets and goals. Division goals are aligned with the goals of the organization, as well as to take the corporate values as part of the assessment so that all employees are aware and behave in line with corporate values. Performance evaluations are conducted in accordance with the established guidelines and procedures, and the results can be used in human resource management in various areas to achieve efficiency in human resource management This will be another factor, in determining the remuneration to employees, whether to adjust salary or

annual bonus rate, together with determining the suitability of the position's level of duties and responsibilities in accordance with the Company's business operations and economic conditions.

#### 4. Training and Knowledge Development

The Company sets out a plan for employee development at all levels, consisting of specialized knowledge courses. Management skills and skills necessary to perform tasks more efficiently, such as courses for Executives. Digital technology courses including Knowledge and work experience are shared among internal employees to support it as a learning organization. In addition, the Company also focuses on the career progression of employees by considering and evaluating the selection of suitable employees for new positions, as well as encouraging employees to learn and prepare for new roles, especially at the management level, to create continuity in the management by followings.

- 4.1 It is the basic duty of employees to pursue knowledge and improve themselves at all times.
- 4.2 The Company is responsible for supporting the development of employees in order to perform the current task effectively and to promote the development of the potential of employees to increase their ability to perform their work in the future, in accordance with the guidelines that be beneficial to the Company is also important
- 4.3 The Company has developed the leadership and management skills necessary for overall management efficiency.
- 4.4 It is the obligation of the Executive to determine and develop potential candidates to act on their behalf to support administrative continuity.

### Principle 5

#### Promoting Innovation and Responsible Business Practices

The Board of Directors recognizes the importance of responsible business operations, which are reflected in the configuration, direction and goals of business operations, including the development of products and services. However, to conduct business in accordance with the goals, it must be through an effective operating process. This requires cooperation from employees of all levels and guidelines as follows

1. Encourage the dissemination and communication of policies and guidelines for the Code of Conduct to ensure that the Company's employees have an understanding of such policies and practices.
2. Be committed to ensuring sustainable growth by monitoring and ensuring that all parties of the organization conduct business with social responsibility. The Company does not violate the rights of stakeholders, including conformity to the Company's objectives, goals and strategies.
3. Support and encourage the efficient and effective use of materials or equipment and resources.
4. Establish information technology policy to ensure efficient and safe use, which is an important factor to help build operational success and ensure the adoption of information technology to increase business opportunities, to develop the company's operations and risk management.
  - 4.1 Prepare information technology management policy, which is in accordance with the needs of the business, to propose to the Board of Directors and to review the policy at least once a year. The said policy must cover

- (1) Information System Security Policy and Measures
  - (2) Policies to promote the use of legal licensed equipment and programs and communications to employees at all levels to be acknowledged.
  - (3) Allocation and management of information technology resources to ensure adequate business operations, including guidelines for supporting cases where they cannot be adequately allocated.
- 4.2 Promote the use of devices and programs that are legally copyrighted only.
- 4.3 Not using the Company's information system to disseminate information that is morally inappropriate, customary, customary and against the law.
- 4.4 The Company has the right to inspect, monitor, investigate and control the employee's access to information system to ensure the security of the Company's information system.

## Principle 6

### Ensure Proper Risk Management and Internal Control Systems.

The Board of Directors recognizes the importance of risk management and internal control processes of the organization, seeing as an important process for the Company to achieve its objectives effectively, as well as as the process of monitoring the practice in accordance with the relevant laws and standards. The guidelines are as follows.

#### 1. Risk Management

To provide systematic risk management and comply with international standards throughout the organization, as well as assign to the Risk Management Committee

to supervise, to consider and comment and advise Management on risk management. The development of risk management system throughout the organization to be consistently effective, as well as to support cooperation at all levels of the organization. However, The Board of Directors has established risk management policies and distributed them to employees of the organization at all levels.

For the assessment and preparation of risk management information, it is the duty of the Risk Owner entity to evaluate, prepare, and modify, risk management of its own entity in accordance with the situation and strategy of the organization to report to the Risk Management Committee and the Board of Directors for consideration accordingly.

#### 2. Control and Internal Audit

Assign the Audit Committee to be an important mechanism for supervision and verification of accuracy. The Audit Committee has appointed Ascent Advisory Co., Ltd. as the Company's internal auditor to conduct the duties of monitoring the performance of various entities within the Company in accordance with the regulations. Established policies, including evaluating the adequacy of internal control systems of various entities to ensure that the operation is in accordance with the internal control system appropriately and regularly. It can also be used as a tool to assess defects in the performance of duties and develop a more efficient operating system. In order for the internal auditor to effectively monitor and balance the powers, the internal auditor must report directly to the Audit Committee.

#### 3. Prevention of Conflicts of Interest

The Board of Directors recognized the importance of monitoring, maintaining and managing potential conflicts of interest between the Company and the Management or the Board of Directors or

shareholders by establishing a policy and guideline practice to prevent conflicts of interest. Monitoring transactions that may have conflicts of interest to be in accordance with the rules and regulatory laws. Preventing undue use of the Company's assets, information and opportunities, as well as reporting the directors' interests. and executives' interest, who may receive important internal information.

However, the Board of Directors has established written Anti-corruption policies and guidelines and communicated to employees at all levels of the organization and distributed them to third parties in order to achieve practicality, supporting, promoting activities that will instill in all employees compliance with applicable laws and regulations, as well as ensuring that the Company has mechanisms for receiving complaints and the implementation of clue-pointing cases, which clearly defines the course of action. It is specified in the Code of Conduct and provides disclosure of channels for receiving complaints on the Company's website.

## Principle 7

### Maintain Financial Credibility and Disclosure

The Board of Directors is responsible for overseeing the disclosure of important information to maintain financial credibility and disclosure of important information of the Company, which affects the Company's stake price and/or investor decisions by stipulations as a guideline for practice as follows:

1. Responsible for ensuring that the financial reporting system is prepared. Disclosure of financial statements, which must be reviewed by the auditor, including the disclosure of the Annual Report, Form 56-1, management

discussion and analysis, and the disclosure of important information to be accurate, complete, timely, transparent, in accordance with the relevant rules, standards and practices.

2. Define the period for the preparation and publication of the annual manifesto (Form 56 - 1) within 3 months from the end of the accounting period and the annual report (Form 56 - 2) within 4 months from the end of the accounting period.
3. To consider and approve the disclosure of financial reports, taking into account the results of the evaluation of the adequacy of the internal control system. Opinions and observations from auditors Opinions of the Audit Committee, including compliance with the Company's objectives, goals and policies
4. Take care of the management, that there is a report on the Company's financial position, to the Board of Directors regularly to monitor and assess the liquidity situation, the ability to pay debts, and jointly find solutions to manage them in a timely manner, including to be careful in the business operations.
5. Responsible for ensuring the disclosure of non-financial information reflecting practices that will lead to sustainable business value creation, such as corporate governance policies, business ethics manuals, anti-corruption policies, and complaint or whistleblowing policies.
6. Supervise Investor Relations and/or Company Secretary to communicate information, to investors, analysts and related parties appropriately, equitably and in time through communication channels designated by the Stock Exchange of Thailand and the Company's website.

7. Encourage the adoption of information technology to disseminate information. Focus on regular disclosure of information for shareholders to receive news regularly through the Company's website. Such information must always be up to date.

## Principle 8

### Support Engagement and Communication with Shareholders

The Board of Directors values the Company's shareholders by ensuring that the Company's shareholders are treated equally and can exercise their fundamental rights as shareholders in full, including recognizing and prioritizing the rights of shareholders, who will not act in violation of or deprive them of the rights of shareholders by setting guidelines for practice. as follows

#### 1. Basic rights of shareholders

- 1.1 Right to obtain equal practice of buying, selling, transferring securities they hold independently.
- 1.2 Right to receive and review the Company's information in a timely manner, accurate, complete and adequate manner and appropriate for decision making. Without restricting access to that information.
- 1.3 Right to obtain equitable share of profits from the Company
- 1.4 Right to attend shareholder meetings, which shareholders can participate in various agenda items, including expressing opinions and/or providing feedback.
- 1.5 Right to propose the agenda of the AGM in advance and the nomination of a person to serve as Director.
- 1.6 Right to elect and remove directors with the rules as follows
  - o Each shareholder will have 1 share per vote.

- o Each shareholder can use all available votes to elect a single person or several directors, but they cannot share the votes with anyone.
- o Individuals who received the highest number of votes, respectively, to be elected as a director equal to the number of directors required or should be or to be elected at that time. In the event that the person elected descending order have equal votes exceeding the required number of votes or should be elected at that time, the Chairman shall be the decisive voter by one more vote.

- 1.7 Right to appoint the Company's auditor and set the audit fee, as well as to make decisions on important matters of the Company.

#### 2. Promoting and Facilitating the Exercise of Shareholders' Rights

- 2.1 The Company will prepare an invitation to the meeting, which contains clarifications and reasons for each agenda, as well as to clarify the rights of shareholders clearly. As well as providing documents related to the meeting and information of the Company in 2 languages (Thai and English).
- 2.2 The Company will clearly set the agenda of the meeting and will not add any additional agenda without prior notice to shareholders in advance.
- 2.3 The Company will inform the shareholders of the rules and procedures for determining all forms of directors' remuneration and comparing the remuneration data of directors in the past year to shareholders for consideration.
- 2.4 The Company takes into account the convenience of shareholders. In



- attending the shareholders' meeting, whether it is regarding the meeting venue, the notification of the details of the criteria to maintain the right to attend the meeting and accessing information via the website. The Company will attach a proxy letter along with the invitation letter to facilitate the shareholders who are unable to attend the meeting.
- 2.5 The Company allows shareholders to submit questions in advance of the meeting date via email or at the company's address at least 7 days in advance by informing through the news system of the Stock Exchange of Thailand.
- 2.6 The Chairman of or the Chairman of the meeting will give an opportunity to all shareholders have equal rights to express opinions and inquiries by providing appropriate time and clarification in the minutes of the meeting so that shareholders who do not attend the meeting will be informed, as well as to support and encourage directors. and all senior executives of the Company, attended the shareholders' meeting to respond to inquiries at the Shareholders' Meeting
- 2.7 The Company will inform the shareholders of the voting method and count the votes before the start of the meeting and will use the voting confirmation card on all agendas of the shareholders' meeting for transparency and auditability, as well as to arrange an independent vote count auditor at the shareholders' meeting and clearly disclose it in the minutes of the shareholders' meeting.
- 2.8 The Company will disclose the resolutions of the shareholders' meeting. The results of each session

will be submitted through the System of the Stock Exchange of Thailand and published on the Company's website within the business day after the meeting date and the minutes of the meeting will be delivered to the Stock Exchange of Thailand within 14 days from the date of the meeting and published on the Company's website.

- 2.9 To prepare the minutes of the shareholders' meeting, the following information must be recorded:
- (1) List of Directors and Executives attending the meeting and specifying the proportion of directors attending the meeting and not attending the meeting.
  - (2) Voting methods, voting counting, meeting resolutions and voting results (approve, disapprove or abstain) of each agenda.
  - (3) Issues of questions and answers at the meeting, including the first and last names of the questioner and the respondent.

### 3. Care for Minority Shareholders

- 3.1 The Company provides opportunities for single or multiple shareholders who hold a combined share count of at least 5% of the Company's total voting shares to propose the agenda of the AGM and/or nominate a person to be a director of the Company, with details of the rules and guidelines listed on the Company's website.
- 3.2 The Company will deliver documents, information, date, time, venue and agenda of the AGM, as well as all information related to the matters to be decided at the meeting, to all shareholders at least 21 days in advance and to publish the meeting documents in both Thai

- and English (for foreign shareholders) to shareholders 30 days prior to the meeting date.
- 3.3 Establish a policy to oversee the use of inside information to prevent Directors, Executives and Employees from using inside information to find benefits for themselves or others in a wrong way by informing everyone in the organization of guidelines and policies and regular monitoring.
  - 3.4 Directors and executives must report the transaction to the connected persons in connection with the management of the Company's business or its subsidiaries (if any) to the Company Secretary on a quarterly basis or at the time of the transaction, and Company Secretary will report the said transaction to the Chairman and the Chairman of the Audit Committee within 7 days from the date of receiving of the information.
  - 3.5 Determine measures to prevent the case of trading shares using the inside information of directors. and executives, including preventing connected transactions or trading assets in a manner that violates/fails to comply with the rules of the Office of the Securities and Exchange Commission (SEC). and the Stock Exchange of Thailand
  - 3.6 Directors and executives must prepare a securities holdings report

- and report on the change of securities of the Company to the Company Secretary on a quarterly basis or when changes are made. And Company Secretary will report such items into the Board of Directors' meeting on a quarterly basis.
- 3.7 The Company does not have a policy to make related transactions in the form of providing financial assistance, such as loans. Loan guarantees to non-subsidiaries except in case of lending or guaranteeing the loan in accordance with the proportion of the shareholding in accordance with the joint venture agreement
  - 3.8 The Company has an uncomplicated structure between companies and subsidiaries. There are no joint shareholders, no cross shareholders, and no pyramid-based shareholding structure in the Group.
  - 3.9 The Company will not do anything that neglects the equitable treatment of shareholders in respect of share repurchases. It does not discourage or create barriers to allow shareholders to communicate with each other and does not neglect disclosure of agreements between shareholders. (Shareholders' agreement) that has a significant impact on the Company or other shareholders.

## 2. Business code of conduct

The Company has created a DV8 Code of Conduct guide to establish as a guideline for conducting business within the framework of good corporate governance which is the scope of the standard of conduct to perform by all of the Company's

personnel, including Directors. Executives and Employees should act and act appropriately. This is divided into 5 operational guidelines as follows:



1. Business ethics and general ethics include honesty and integrity. Responsibility and Compassion
2. Respecting the law and preventing conflicts of interest include Respecting the law and human rights principles, Personal data and data retention, Conflicts of interest and use of insider information and securities trading
3. Responsibility to Stakeholders, this covers guideline for treating stakeholders. The company's interests in various groups are shareholders, customers/consumers, partners, community, society, environment, creditors, competitors and employees
4. Safety and prevention of intellectual property infringement including safety and occupational health, Use and care of assets and use of information technology and intellectual property systems.
5. Anti-corruption, including anti-corruption and giving, receiving gifts or any other benefits

The company has published such manuals to the Company's Directors. Executives and Employees, through the orientation process and provide a way to download such manuals for employees at all levels of the Company to study and be mindful of various practices (details of the full Business Ethics Manual appear on the Company's website [www.dv8.co.th](http://www.dv8.co.th)).

All personnel of the Company must understand the DV8 Code of Conduct to strictly follow the guidelines. It is considered a discipline in the performance. Those who violate or fail to comply, and those who encourage others to commit business ethics violations, including those who ignore them when they see non-compliance with business ethics agree to be investigated and consider disciplinary action in accordance with personnel management regulations and work regulations.

### **3. Material changes and developments regarding policy, guidelines and corporate governance system in the preceding year**

#### **Describe, at least once a year, the information on material changes and developments**

1. Review the company's corporate governance policy by adopting good corporate governance principles. (CG Code) of the Securities and Exchange Commission (SEC) And the criteria according to the corporate governance survey program of Thai listed companies. (Corporate Governance Report of Thai Listed Companies - CGR) of the Thai Institute of Directors Association (IOD) are guidelines for improvement.
2. Review and update the DV8 Code of Conduct to comply with the Company's corporate governance policy that has been updated by adding guidelines for the Field of privacy, Prevention of conflicts of interest, Treatment of various stakeholders, Use of information technology systems and intellectual property, and Reporting/complaints Violation or non-compliance with the Business Ethics Manual

3. Review and update policies related to conflicts of interest prevention, including conflict-of-interest prevention policy, internal data use policy and reporting of securities holdings of the Company, and equity reporting policy and connected transactions related to the Company's operations.
4. Review the Charter of the Board of Directors and sub-committees to cover the performance of duties and comply with the Company's corporate governance policies and related rules and regulations

### **Adoption of Good Corporate Governance Principles for Listed Companies in 2017 (CG Code)**

The Company is scheduled to conduct a review of good corporate governance policy on a regular basis at least once a year, considering the appropriateness of the Company's business operations. In 2021, the Company has complied with such CG Code, but may not cover the following criteria:

1. The Company's Human Resources and Remuneration Committee consists of 1 independent director and 2 authorized signatories. However, process of nomination, selection and guideline for considering the qualification of Directors still meet the requirements and related law. It remains compliant with the relevant rules, requirements and laws. This will be reflected through consideration from the Board of Directors' meeting and/or the shareholders' meeting as the case may be.
2. The position period of independent directors shall not exceed 9 years conditionally, according to the appropriateness of the Company's business operations at that time, since it is considered that independent directors who have specialized expertise and have a good understanding of the Company's

business will require quite a lot of time to study and understand. However, at present, none of the independent Directors of the Company has held the position for more than 9 years.

3. The Company does not require Directors and Executives to notify the Board of Director or delegator for the trading in the Company's share at least 1 business day in advance, however, the Company has established a policy of using inside information and reporting the Company's securities holdings which Directors and Executives must strictly comply.
4. The Company does not require voting in the election of directors by means of Cumulative Voting. Due to the Company's regulations define the voting method is 1 share equal 1 vote. However, the Company has given minority shareholders the opportunity to nominate persons to be considered for elected as the Company's a director at the annual general meeting of shareholders annually which is in accordance with the guidelines shown on the Company's website.

## **Other Practice Information in Accordance with Good Corporate Governance Principles for Various Assessments**

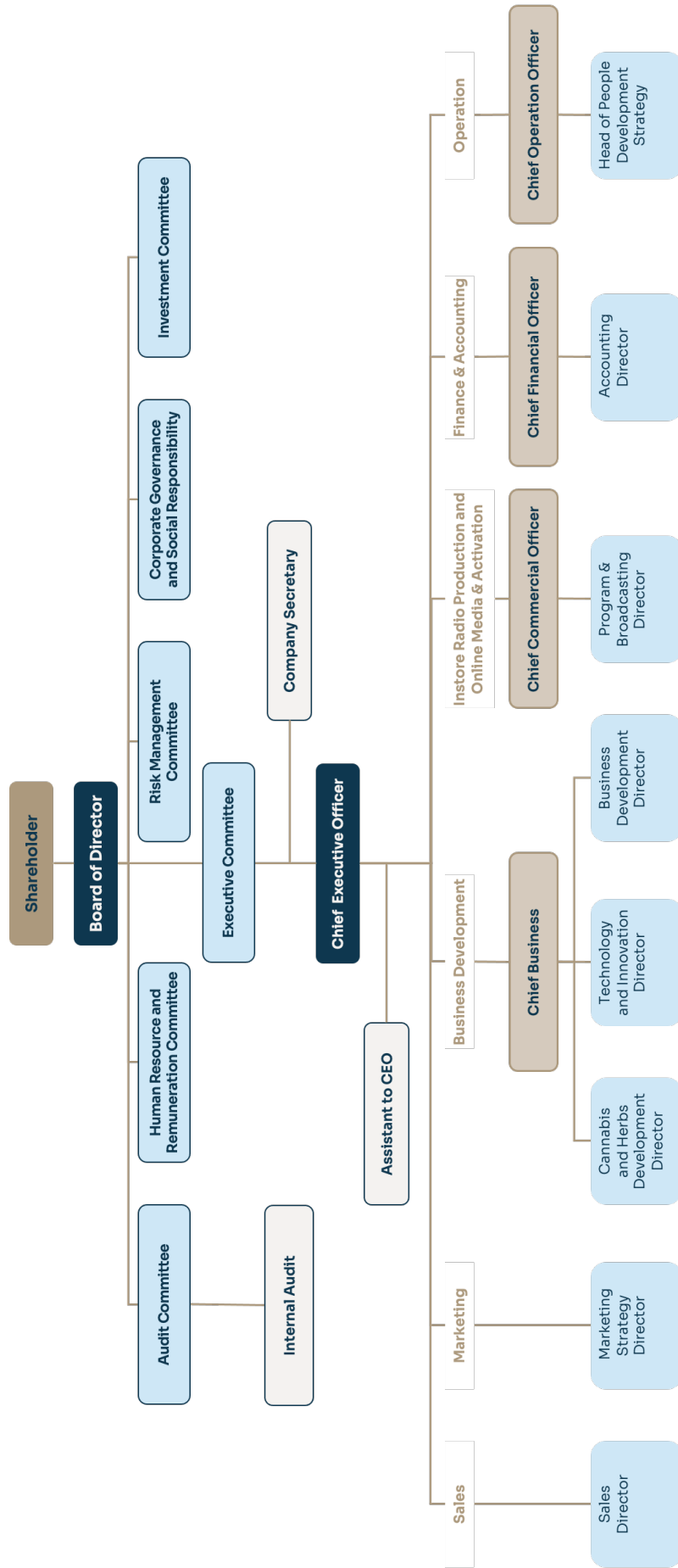
The Company has reviewed and implemented to raise and improve policies and guideline in accordance with the good corporate governance annually. In order to meet the standards in accordance with the domestic and international corporate governance guidelines, namely the Principles of Good Corporate Governance for Listed Companies of the Securities and Exchange Commission and of the Securities Regulatory Commission (SEC) and the criteria under the Corporate Governance Report of Thai Listed Companies (CGR) of the Thai Institute of Directors Association (IOD).

The Company has an assessment on corporate governance as follows:

1. Obtained the results of the 2021 Thai Listed Company Corporate Governance Survey (CGR) by the Thai Institute of Directors Association (IOD) as 4 stars or very good criteria.
2. Received an assessment score [x] based on the results of the quality assessment of the 2021 Annual General Meeting of Shareholders (AGM Checklist) by the Thai Investors Association.
3. Not a company that has made unfair connected transactions which the relevant authority alert investors to use their judgment to make decisions.
4. Not a company with unusual securities trading habits by the actions of Directors or Executives who have been convicted and declared guilty from the Securities and Exchange Commission (SEC)

# Corporate governance structure and significant information

## 1. Corporate Governance Structure (As of January 20, 2022)



## 2.Information on the Board of Directors

As of January 20, 2022, 10 directors consisted of 4 independent directors. 3 non-executive directors and executive directors and/or have the power to sign a binding commitment to the Company 3 persons

### Composition of the Board of Directors

1. The Board of Directors consists of at least 5 directors, with no less than half of the total number of directors, must be a resident of the Kingdom.
2. The Board of Directors must consist of at least one-third of the total number of independent directors and not less than 3 directors. Independent directors must be independent of executive control. Major shareholders, including fully qualified independent director qualification criteria set forth in this Charter of Directors.
3. Executive Director, who is involved in daily management or has the power to sign a binding relationship with the Company in proportion to not more than half of all directors.
4. The Board of Directors selects one director to be chairman of the Board of Directors. The Chairman of the Board of Directors must be an independent director and not be the same person as the chairman of other sub-committees in order to have a clear separation of roles and be able to independently check the balance of the management's work.
5. In the event that the Board of Directors deems appropriate, one director or several directors may be selected as vice chairman of the Board of Directors. Vice Chairman is responsible according to the regulations of the business and assigned by the Chairman of the Board of Directors.
6. The Board of Directors appoints the Company Secretary.

### The information on each director and controlling person. (As of January 20,2022)

List of Name	The Board of Directors	Sub - Committee <sup>13</sup>				
		AC	HRC	RC	CSR	INC
1. Mr. Numchai Lowattanatakul <sup>11</sup>	★					
2. Pol.Maj.Gen. Prayont Lasua <sup>12</sup>	●		★	○		
3. Mr. Poonsuk Tochanakarn <sup>11</sup>	○	★				
4. Mr. Sorasak Saensombat <sup>11</sup>	○	○			★	○
5. Ms. Nataya Ouivirach <sup>11</sup>	○	○	○			
6. Mr. Prachuab Ujjin <sup>12</sup>	○		○	★	○	★
7. Mr. Chotiphan Tiawiwat	○					○
8. Mr. Thanarath Thanavutwathana	○			○		
9. Mr. Pakorn Leesakul	○					
10. Mr. Nathaphol Kasamvilas <sup>12</sup>	○					

Note: ★ = Chairman | ● = Vice Chairman | ○ = Director

<sup>11</sup> Independent Director

<sup>12</sup> Authorized Directors, Two of the three directors jointly sign with the seal Company affixed

<sup>13</sup> Sub-Committee; AC – Audit Committee HRC – Human Resources and Remuneration Committee RC – Risk Management Committee CSR – Corporate Governance and Social Responsibility Committee. INC – Investment Committee

## Information related to the roles and duties of the Board of Directors

The Board of Directors plays an important role in driving the organization. It has a duty and responsibility to direct the business in accordance with the object and purpose to make the most of the company's interests on social responsibility, impact on the surroundings, be fair to all stakeholders under the Corporate Governance Policy, anti-corruption policy and sustainability policy. These are in line with the law, objectives and regulations of the Company, resolutions of the Board of Directors, as well as resolutions of the Shareholders' Meeting with full knowledge, competence, honesty, good ethics, careful and responsible to shareholders on a regular basis.

Directors of the Company understand their roles and position as a director. The Company's Secretary has arranged orientation so that the Directors can be informed of the information related to the Company's directorship, namely the nature of the Company's business operations, Corporate Governance Policy and Charter of the Board of Directors

### **Roles, duties and responsibilities as defined in the Charter of the Board of Directors are as follows:**

1. Establish policies, strategies and financial goals for the Company, including to consider and approve the policies and directions of operations proposed by management, and supervise management to implement the policy and financial goal to maximize economic value and prosperity for shareholders, taking into account all stakeholders involved.
2. Structure and define processes to ensure compliance with the law, Company's regulations, including the

resolutions of the shareholders' meeting and ethical standards, in good faith and with caution.

3. Prepare the Charter of the Board of Directors in accordance with corporate governance policy, company's operational direction and compliance with the law, objectives, regulations of the Company, as well as resolutions of the shareholders' meeting and review at least once a year.
4. Define corporate governance and social responsibility policies such as corporate governance policies, business ethics manuals and director manuals. The policy is reviewed regularly at least once a year.
5. Review the adequacy and suitability of the Company's internal control system and risk management and review or evaluate the effectiveness of risk management at least once a year and/or at any time that the risk level has changed and disclosed in the annual report.
6. Continuously monitor and evaluate the company's performance to ensure that the operation meets its goals, plan and budget, as well as being able to manage potential obstacles in time.
7. The Company shall have a suitable and efficient accounting system and prepare annual reports of the Company and provide reliable financial and audit reporting, as well as be responsible for the preparation and disclosure of financial statements at the end of the Company's accounting period to be accurate, complete and in accordance with the accounting standards, audited by the auditor prior to presenting to the shareholders' meeting for consideration and approval.

8. Monitor important audit reports of the Audit Committee or internal auditors, including auditors and advisors of the Company's departments, and set guidelines for improvement and fix cases where material defects are found.
  9. To approve the selection and propose the appointment of auditors and determine appropriate compensation as presented by the Audit Committee before presenting it to the shareholders' meeting for consideration and approval.
  10. Determine the authority of the Chairman of the Board of Directors and Chief Executive Officer
  11. Consider the assessment of the duties of the Board of Directors and Chief Executive Officer at least once a year, as well as supervise the Company to have a process for evaluating the performance of senior executives.
  12. Consider the organizational structure and management, as well as have the power to appoint a Chief Executive Officer, sub-committee and any other sub-committee, as appropriate, and determine the scope of authority, duties and responsibilities of such sub-committees by regularly monitoring the performance and supervising the performance.
  13. Consider the determination of remuneration of directors and executives as presented by the Human Resources Committee, which is in accordance with the principles and policies set by the Board of Directors.
  14. Consider reviewing the succession plan of the Chief Executive Officer, senior management regularly and continuously
  15. Consider appointing, changing Directors or executives or persons who are suitable to become representative directors in subsidiaries, associates, invested companies or invested by the Company
  16. Supervise the Company to comply with Securities and Exchange laws, requirements of SET such as connected transactions, acquisition or disposition of assets in accordance with the rules of the Stock Exchange of Thailand or as announced by the Securities and Exchange Commission or laws relating to the Company's business.
  17. Consider the appointment of a company secretary to oversee and help the activities of the Board of Directors and the Company to comply with laws and requirements, as well as determine the scope of authority, duties and responsibilities of the Company Secretary.
  18. Consider and approve any other business that is important in relation to the Company or that it deems appropriate to do so in order to make the most of the Company's interests.
- Roles of the Chairman of the Board of Directors.**
1. Be the Chairman of the Board of Directors' Meeting and Shareholders' meeting.
  2. To call a meeting of the Board of Directors and make a decisive vote in case that the Board of Directors' meeting has the same equal voting score between two sides.
  3. Set the agenda for the Board of Directors' meetings by consulting with the Chief Executive Officer and/or the Company Secretary to make sure that important matters are fixed on the agenda.



4. Take responsibility as the leader of the Board of Directors in monitoring and ensuring that the performance of the Board of Directors' is efficient and can achieve objectives and the goals of the Company.
5. Ensure all directors take part in promoting corporate culture with ethics and good corporate governance.
6. Allocate sufficient time so that the Executives can present sufficient information for consideration and discussion on important issues among directors.

#### **Scope of Duties of the Chief Executive Officer**

1. Responsibility to the Board of Directors
  - o To take care and ensure that the Board of Directors receives the information necessary for managing, supervision and decision making.
  - o To report of the Company's performance to the Board of Directors on a regular basis. Make proposals and few alternatives to the Board of Directors for consideration
2. Responsibility to Shareholders
  - o Responsible to build up good cooperation and constructive relationship between the Company and its shareholders in order to ensure that the company's operations are carried out in order to achieve the specified objectives.
3. Responsibility for strategic planning and action planning
  - o Develop an annual business plan in line with the strategy approved by the Board of

Directors, coordinate with the Deputy Managing Director of Accounting and Finance to prepare an annual budget in line with the business plan.

- o Coordinate and cooperate with the Board of Directors to determine the company's vision and goals as well as related policies.
  - o Develop mechanisms to track the implementation of the plan.
  - o Create guidelines to develop future leaders within the organization to support the work expansion.
4. General Management Responsibilities
    - o To enhance the culture in the organization that reflects the value of the organization, supporting good quality of work and the productivity obtained in standard field.
    - o Supervise effective human resource management to develop quality personnel to drive the assigned policy to achieve the specified objectives.
    - o Supervise the company's operations in accordance with the policy regulations assigned by the Board of Directors and comply with the law.
    - o Allocate resources within the organization efficiently and create harmony within the organization, including the provision of rewards and punishment systems.
    - o Formulate and improve the current operating system to be more efficient and better controlled, as well as creating an effective two-way communication system within the organization.

### 3. Information on subcommittees

The structure of directors consist of members of board and 6 sub-committees as follows: 1) the Audit Committee 2) the Human Resources and Remuneration Committee 3)

the Corporate Governance and Social Responsibility Committee 4) the Risk Management Committee 5) the Investment Committee and 6) the Executive Committee

#### 1) The Audit Committee

Comprised at least 3 independent directors who is the Company Directors and has at least 1 director who have sufficient knowledge and experience in accounting or finance and capable to review the trustworthiness of financial statements. In 2021, the Audit Committee held meeting 6 times with the Meeting attendance detailed on page 90.

Member of the Audit Committee has a term of tenure according to the term of directorship. The list of members of audit committees and term of services are as follows:

**1. Mr. Poonsuk Tochanakarn**

Chairman of the Audit Committee  
Tenure: 7 Aug 2020 – 2023

**2. Mr. Sorasak Saensombat**

Director of the Audit Committee  
Tenure: 29 Apr 2019 – 2022

**3. Ms. Nataya Ouivirach**

Director of the Audit Committee  
Tenure: 29 Apr 2019 – 2022

And Ms. Kochakorn Raksasuk is the secretary of the Audit Committee.

Member of the Audit Committee ranked no.1 has sufficient knowledge and experience to be able to review the trustworthiness of the financial statements.

Scope of authority, duties and responsibilities as defined in the Charter of the Audit Committee is as follows:

1. Establish the Charter of the Audit Committee in accordance with the scope of responsibility for the company's operations. This must be approved by the Board of Directors and must be reviewed at least once a year.
2. Review the company's financial reporting correctly and adequately by coordinating with the auditor and the executive that responsible for preparing financial reports according to the company's accounting period.
3. Review the company's internal control system and internal audit that is appropriate and effective.
4. Consider the independence of the internal auditor, as well as approve the appointment, migration, termination of the company's internal auditor, or consider hiring/terminating an internal auditor from an external entity, also determining or adjusting the compensation of the internal auditor.
5. Consider, approve and review the Internal Audit Charter, internal audit plan, and internal audit budget.
6. Review the appropriate and effective risk management system of the Company.
7. Review and discuss with management about the company's significant risks and the measures that management has taken to monitor and control such risks.
8. Review the company's compliance with Securities and Exchange laws, regulations of the Stock Exchange of Thailand or laws relating to the Company's business

9. Review the Company's compliance with good corporate governance principles, including guidelines and recommendations necessary to improve good corporate governance.
10. Consider, select and propose to appoint an independent person to serve as the company's auditor and offer the compensation, as well as attend meetings with the auditor without the management to attend the meeting at least once a year
11. Consider the audit results and recommendations of the auditor, internal auditors and propose to the management to revise and monitor the implementation of the proposal.
12. Consider the disclosure of the Company's information. In the event of a connected transaction, acquisition or disposition of the Company's assets or transactions that may have a conflict of interest in accordance with the laws and regulations of the Stock Exchange of Thailand
13. Verify, investigate and request information from the entities or related parties for further consideration under the authority of the Audit Committee. The committee is authorized to hire or bring in specialized specialists to assist in the inspection and investigation work.
14. In performing the duties of the Audit Committee, the committee can communicate directly with the auditor, internal auditor and management of the Company.
15. Perform any other operations as assigned by the Board of Directors with the approval of the Audit Committee.
16. The Audit Committee must report its performance to the Board of Directors' meeting to acknowledge and consider at least once a quarter.
17. Prepare a report of the audit committee's operations by disclosing in the Company's annual report, which must be signed by the Chairman of the Audit Committee.
18. By performing the duties of the Audit Committee, if there is any finding or suspicion that there are any of the following transactions or actions which may have a significant impact on the Company's financial position and performance, the Audit Committee reports to the Board of Directors to make improvements within the time deemed appropriate by the Audit Committee.
  - (1) Items of conflict of interest
  - (2) Fraud or irregularities or significant deficiencies in the internal control system
  - (3) Violation of Securities and Exchange laws, regulations of the Stock Exchange of Thailand or laws relating to the Company's businessIf the Board of Directors or executives do not make the revise as deemed appropriate by the Audit Committee, one of the audit committee members may report the above transactions or actions to the Securities and Exchange Commission or the Stock Exchange of Thailand.
19. Report the results of the preliminary audit to the Securities and Exchange Commission and the auditor within 30 days from the date of notification from the auditor. In the event of a reasonable circumstance to suspect the director, manager or person responsible for the company's operations has committed an offense under Section 281/2 Paragraph 2, Section 305, Section 306, Section 309, Section 310, Section 311, Section 312 or Section 313 of the Securities and Exchange Act B.E. 2535 (and as amended)

## 2) The Human Resources and Remuneration Committee (“HRC”)

Comprised of 3 directors including 1 independent director and 2 non-executive directors. In 2021, the Human Resources and Remuneration Committee held 6 meetings with the Meeting attendance detailed on page 90.

Member of the Human Resources and Remuneration Committee: HRC has a tenure term of 3 years a time with the name list and term as follows:

### 1. Pol.Maj.Gen. Prayont Lasua

Chairman of HRC

Tenure: 25 Feb 2021 – 2024

### 2. Mr. Prachuab Ujjin

Director of HRC

Tenure: 4 Oct 2019 – 2022

### 3. Ms. Nataya Ouivirach

Director of HRC

Tenure: 4 Oct 2019 – 2022

And Ms. Kochakorn Raksasuk is the secretary of the Human Resources and Remuneration Committee.

Scope of authority, duties and responsibilities as defined in Charter of the Human Resources and Remuneration Committee is as follows:

### 1. Nomination

- 1.1 Establish criteria and procedures for nominating persons to serve as directors and sub-directors by considering the appropriateness of the number, structure and composition of the Board of Directors. Determining the qualifications of directors, experience, competencies related to the Company's business to be presented to the Board of Directors and/or proposed for approval to the Shareholders' Meeting as the case may be.

- 1.2 Consider recruiting, selecting and proposing suitable people to serve as directors, replace directors who have completed their term and/or have vacancies and/or appointed, including the nomination of the company's chief executive.
- 1.3 Consider the qualifications of the person who will become an independent director to suit the characteristics of the Company, with independence at least in accordance with the rules set by the Securities and Exchange Commission (SEC).
- 1.4 Consider setting a policy/succession plan at the executive level of the company, as well as establishing the development policy of directors and executives of the company to prepare the continuity of succession and the management of the company in order to continue operation and have such policies reviewed at least once a year.

### Criteria for Nomination of Directors

- (1) The Company provides opportunities for small shareholders to nominate qualified persons as directors or consider a person from Directors Pool or consider the former directors to propose to continue the position or allow each director to nominate the appropriate person.
- (2) Selection and scrutiny of qualified persons as directors by considering the suitability of knowledge, experience, specific competencies in line with the company's business strategy, which meets the skills qualifications necessary for the nomination of directors. (Board Skill Matrix)

- (3) Check the history of the names of persons nominated to meet the laws and requirements of regulatory authorities such as the Securities and Exchange Act B.E. 2535.
- (4) Dedication of directors' time and any interest or conflict of interest that may be with the Company. In case of being the original director to return to office for another term, the performance during the tenure period, providing useful feedback, participation in various activities of directors is considered. This includes the number of companies each director will take positions to ensure that performance does not decrease.
- (5) In case of appointment of independent directors, the qualifications of persons who serve as independent directors are considered to be independent in accordance with the criteria of the Securities and Exchange Commission (SEC).
- (6) Prepare a list of the Human Resources and Remuneration Committees that have considered screening with qualifications and reasons for selection in order and propose to the Board of Directors for nomination to the Shareholders' Meeting to elected individually, taking into account the performance of the duties of the former directors.

## 2. Remuneration

- 2.1 Establish the criteria and policies for determining the remuneration and benefits of the Board of Directors, sub-committees and senior executives of the Company to propose to the Board of Directors and/or the Shareholders' Meeting as the case may be held, and to review such policies at least once a year.
- 2.2 Determine the necessary and appropriate remuneration, both monetary and non-

monetary, of the Directors, sub-directors and senior Executive, to propose to the Board of Directors and/or the Shareholders' Meeting as the case may be, in accordance with the remuneration criteria as follows

### Remuneration criteria

- (1) Duty, responsibilities of directors who have performed their duties on each board of directors and performance
- (2) Suitability of guidelines compared to industrial situation, economic conditions, Company's performance and other factors
- (3) Director Remuneration Information of other companies, which are in the same industry as the company, and other companies, which have the same business size and performance as the company.

## 3. Other

- 3.1 Prepare the Charter of the Human Resources and Remuneration Committee and determine compensation that must be approved by the Board of Directors and must be reviewed at least once a year.
- 3.2 To consider and determine the guidelines and criteria for evaluating the performance of the Board of Directors and Chief Executive Officer to present to the Board of Directors.
- 3.3 Supervise orientation for new directors, including deliver documents and information useful for their duties to the directors.
- 3.4 The Human Resources and Remuneration Committee may hire third-party consultants or experts as necessary and appropriate in order to effectively perform their charter duties within budget that be approved by the Board of Directors' meeting.
- 3.5 Perform any other duties as assigned by the Board of Directors.

### 3) Corporate Governance and Social Responsibility Committee (“CSR”)

Comprised of 3 directors including 2 independent directors and 1 non-executive director with a tenure term of 3 years at a time with the name list and term as follows:

**1. Mr. Sorasak Saensombat**

Chairman of CSR

Tenure: 25 Feb 2021 – 2024

**2. Mr. Prachuab Ujjin**

Director of CSR

Tenure: 25 Feb 2021 – 2024

**3. Mr. Tanai Charinsarn**

Director of CSR

Tenure: 4 Oct 2019 – 2022

Remark: Mr. Tanai Charinsarn has resigned as Director of CSR on October 4, 2021. The Company is in the process of nomination for the appointment of substituting CSR director.

And Ms. Kochakorn Raksasuk is the secretary of the Corporate Governance and Social Responsibility Committee.

Scope of authority, duties and responsibilities as defined by the Charter of the Corporate Governance and Social Responsibility Committee is as follows:

1. Propose good corporate governance practices to the Board of Directors

2. Advise the Board of Directors on good corporate governance.
3. Oversee the performance of directors and management in order to comply with good corporate governance principles.
4. Review the Company's guidelines for good corporate governance principles by comparing them with international practices and recommend them to the Board of Directors.
5. Provide the Company's Good Corporate Governance Policy to the Good Corporate Governance working group.
6. Provide policies and practices for sustainability management (SM), including social care operations, community and environment (Corporate Social Responsibility: CSR)
7. Set policy for the Company the opportunities for small shareholders to nominate persons for the nomination of directors and propose agenda items for the General Shareholders' Meeting.
8. Monitor SM operations and report to the Board of Directors.
9. Establish a framework for supervision of operations related to the Company's anti-corruption operations.

### 4) The Risk Management Committee (“RC”)

Comprised 3 Non-executive directors. In 2021, the Risk Management Committee held 1 meeting with the Meeting attendance detailed on page 90.

Member of the Risk Management Committee: RC has a tenure term of 3 years a time with the name list and term as follows:

**1. Mr. Prachuab Ujjin**

Chairman of RC

Tenure: 25 Feb 2021 – 2024

**2. Pol.Maj.Gen. Prayont Lasua**

Director of RC

Tenure: 25 Feb 2021 – 2024

**3. Mr. Thanarath Thanavutwatthana**

Director of CSR

Tenure: 1 Jul 2021 – 2024

And Ms. Kochakorn Raksasuk is the secretary to the Risk Management Committee.



Scope of authority, duties and responsibilities as defined in the Charter of the Risk Management Committee is as follows:

1. Define risk management policies and structures for the overall risk management of the Company, which covers various types of risks such as financial risks, investment risks, market risks, liquidity risks, operational risks and risks affecting the Company's reputation, etc., to present to the Board of Directors for approval properly and in accordance with the Risk Management Guidelines of the Stock Exchange of Thailand.
2. Establish the Company's risk management strategy and guidelines in accordance with the risk management policy so that each type of risk can be assessed, monitored and controlled at an appropriate level by engaging various entities in risk management and control.
3. Maintain and monitor compliance with risk management policies under guidelines and policies approved by the Board of Directors
4. Determine risk measurement criteria and risk ceilings that the Company will accept.
5. Establish measures to be taken to manage risk appropriately for circumstances.
6. Assess risks at the organizational level and determine how to manage them to an acceptable level, as well as ensure that risk management is carried out in accordance with the prescribed methods.
7. Review the adequacy of risk management policies and systems, including the effectiveness of the system and compliance with the specified policies.
8. Authorize to call the relevant persons to clarify or appoint and assign roles for operation staffs of all levels to be responsible for risk management as appropriate and to report to the Risk Management Committee for risk management to achieve its objectives.
9. Report the Company's administration and operations and risk status and changes, including providing recommendations on what improvements need to be made to the Audit Committee to present to the Board of Directors regularly.
10. Prepare a risk management manual
11. Identify risks and analyze and assess potential risks and trends affecting the Company.
12. Develop a plan to prevent or reduce risks.
13. Evaluate and prepare risk management reports
14. Perform other tasks as deemed appropriate by the Board of Directors and the Risk Management Committee is responsible directly to the Board of Directors.

## 5) The Investment Committee ("IC")

Comprised 3 directors, including 1 independent director and 2 non-executive directors with a tenure term of 3 years at a time with the name list and term as follows:

1. **Mr. Prachuab Ujjin**  
Chairman of IC  
Tenure: 25 Feb 2021 – 2024
2. **Chotiphan Tiawiwat**  
Director of IC  
Tenure: 1 Jul 2021 – 2024



### 3. Mr. Sorasak Saensombat

Director of IC

Tenure: 24 Jun 2020– 2023

And Ms. Kochakorn Raksasuk is the secretary of the Investment Committee. Committee.

Scope of authority, duties and responsibilities as defined in the Charter of the Investment Committee is as follows:

1. Define a strategy, investment goal plan, investment budget and return on investment.

2. Consider and scrutinize investment to be relevant and in line with the Company's investment plan policies and goals by taking into account the cost-effective return on investment and analyze the involved risk factors.
3. Monitor the status and progress of projects approved for investment and report to the Board of Directors for acknowledgement and evaluation.

## 6) Executive Committee (“EXCOM”)

Comprised 6 directors, including 3 non-executive directors and 3 executives with a tenure term of 3 years at a time with the name list (as of January 20, 2021) and term as follows:

### 1. Chotiphan Tiawiwat

Chairman of EXCOM

Tenure: 16 Sep 2021 – 2024

### 2. Mr. Thanarath Thanavutwatthana

Director of EXCOM

Tenure: 16 Sep 2021 – 2024

### 3. Mr. Pakorn Leesakul

Director of EXCOM

Tenure: 16 Sep 2021 – 2024

### 4. Mr. Nathaphol Kasamvilas

Director of EXCOM

Tenure: 16 Sep 2021 – 2024

### 5. Mr. Prethanat Sorat

Director of EXCOM

Tenure: 16 Sep 2021 – 2024

### 6. Ms. Ratchanok Supanit

Director of EXCOM

Tenure: 16 Sep 2021 – 2024

The scope of authority, duties and responsibilities of the Executive Committee is as follows:

1. Prepare and present business policies, goals, strategies, business plans, management structures to be presented to the Board of Directors for approval.
2. Consider the annual budget allocation as proposed by management to present to the Board of Directors for consideration of the resolution.
3. Manage and supervise the operations related to the general administration of the Company in accordance with the objectives, regulations, policies, rules, requirements, orders and resolutions of the Board of Directors' meeting. and/or the Shareholders' Meeting of the Company in all respects.
4. To consider new business operations or dissolution of business or invest or joint venture to propose to the Investment Review Committee and/or the Risk Management Committee for consideration and submission to the Board of Directors for approval.
5. Monitor the performance and progress of investment projects and report results, as well as problems and obstacles and improvement.

## 4. Information on executives

### Executive Name list

As of December 31, 2021, the Company has 7 executives. as follows:

- |                           |                                 |
|---------------------------|---------------------------------|
| 1. Mr. Pakorn Leesakul    | Acting Chief Executive Officer  |
| 2. Ms. Ratchanok Supanit  | Chief Financial Officer         |
| 3. Mr. Prethanat Sorat    | Chief Commercial Officer        |
| 4. Ms. Supanee Klammanee  | Accounting Director             |
| 5. Mrs. Darawan Tansakul  | Business Development Director   |
| 6. Ms. Kwanmuang Sira     | Program & Broadcasting Director |
| 7. Ms. Sasirada Sutthilak | Sales Director                  |

Remark: - Mr. Pakorn Leesakul, he became Acting Chief Executive Officer from 28 Nov 2021 - 7 Jan 2022.  
 - Board of Directors' Meeting No. 1/2022 on January 5 2022 Resolution to appoint Mr. Nathaphol Kasamvilas He became Chief Executive Officer effective January 8, 2022.  
 - As of January 20. In 2022, the Company is still in the process of recruiting the chairman of the Business Development Officer and Chief Operating Officer, so the Company further reports to the position holders at the director level (No. 4 - 7), which is an additional report from management in accordance with the definition of the Securities and Exchange Commission Announcement No. 17/2551, the designation of the announcement regarding the issuance and offering of securities.

### Chief Executive Officer

As of January 20, 2022, the Company's Chief Executive Officer, Mr. Nathaphol Kasamvilas, appointed by the Board of Directors' Meeting No. 1/2022 on January 5, 2022, has the scope of authority to manage the company's normal business operations to achieve the objectives and goals set out by the Board of Directors under the scope of authority set by the Board of Directors (Details of the roles and duties of the Chief Executive Officer page 76)

### Appointment and removal of chief executive officer

The Board of Directors shall consider the appointment and removal of the Chief Executive Officer as per recruiting and presenting of the Human Resources and Remuneration Committee

### The remunerations of executive directors and executives Policy

The Company values the proper payment of remuneration and welfare benefits, competitive and fair by determining salary, wages, returns, benefits and welfare benefits according to position of responsibility in accordance with the competence of employees at all levels within the organization. The company has assessed and analyzed the work value to be up to date at all times and is suitable for the level of

responsibility of the position in accordance with the company's business operations and economic conditions. This is compared to businesses in both the same and different industries. Benefits and welfare benefits that comply with the law are appropriate, fair and competitive with other leading companies.

The executive remuneration will be in accordance with the principles and policies set by the Board of Directors, which will be

determined by the duties, responsibilities, each executive performance and company's performance. In addition, the Company has a policy of giving executives the right to purchase securities of the Company with (1) a period of exercise of more than 3 years, (2) setting the exercise price higher than the

market price at the time of the allocation of rights, and (3) no concentration of more than 5% by considering the right according to the appropriateness and the current situation of the company.

## **The remunerations of executive directors and executives**

In 2021, the Company paid remuneration to 7 executives in the form of salary and remuneration for performing duties totaling Baht 15,540,200.

For other executive remuneration, the Company has provided provident funds to executives, which will contribute to a ratio of

2% of the salary, which in 2021 the Company has paid contributions to executives, including other monetary benefits, totaling Baht 408,660.

All executive remuneration as mentioned above was 40.76% of the Company's monetary remuneration.

## **5. Information on employees**

As of December 31, 2021, the Company had a total of 52 employees (excluding executives). Remuneration in salary, overtime, provident fund contributions, contributions to social security funds and other compensation totaling Baht 23,179,313.19. The number of employees participating in the provident fund 40 persons, equivalent to 76.90% compared to the company's total number of employees.

In 2021, the Company paid compensation for termination of employment to 19 employees. The company's total compensation amounted to Baht 4,254,433.34. There have been no labor disputes in the last three years.

For employee information of subsidiaries and associates in 2021, there are no full-time employees and no compensation is paid.

## **6. Other significant information**

### **Identify the name of the person assigned to take direct responsibility for accounting oversight, company secretary and the outsourced internal auditor.**

#### **Company Secretary**

The Board of Directors has approved the appointment of Ms. Kochakorn Raksasuk as the Company Secretary effective January 21<sup>st</sup>, 2020, whose profile and details of duties and responsibilities are shown on page 174 and 176.

#### **The person assigned to take direct responsibility for accounting oversight**

Ms. Ratchanok Supanit Chief Financial Officer, which is qualified according to the criteria set out in the Notification of the Department of Business Development, has been appointed as the supervisor of accounting of the Company, with the duty to

provide details related to accounting in accordance with accounting standards and financial reporting standards. Details of information of those who are directly responsible for accounting supervision appears in Attachment No. 1, page 174.

### The outsourced internal auditor

The Audit Committee has appointed Ascent Advisory Co., Ltd. as the Company's internal

auditor, which Ascent Advisory Co., Ltd. has assigned Mr. Narongsak Wangtapan, the manager, to be the main responsible for performing the duties of the Company's internal auditor, and also to assign the Company Secretary to coordinate with such internal auditors.

## Identify the name of the head of investor relations and contact information

The Board of Directors has assigned Ms. Kochakorn Prasaksuk as Company Secretary, as a center for disclosing important information to investors by publishing it through the Stock Exchange of Thailand's disclosure system and the Company's website.

Investors can contact the Company for information via telephone, email or study the

information from the Company's website according to the contact details below.

Phone : (+66) 02 204 2601  
E-mail : comsec@dv8.co.th  
Address : 191/43, 21 Fl., CTI Tower  
Rachadapisek Rd. Kholng  
Toei, Bangkok 10110  
Website: <https://www.dv8.co.th/investors-relationship/>

## the remunerations that the auditor

In 2021, the Company and its subsidiaries paid audit fee to Karin Audit Co., Ltd., an auditor approved by the Securities and Exchange Commission (SEC) and be appointed per the resolutions of Annual General Shareholders Meeting for the fiscal year 2021 as follows:

### 1. Remuneration for the audit

Company	Audit Fee (Baht)
1. DV8 Public Company Limited	1,840,000
2. Demeter Power Co., Ltd.	235,000
3. DCOPR-DLI Joint Venture	310,000
4. Revolution of Digital Employee Experience Co., Ltd.	310,000
<b>Total</b>	<b>2,695,000</b>

### 2. Other Remuneration (non – audit fee)

- none -

The Company which is an audit firm and its auditor, has no relationship or any conflict of interests with the Company, Executives, major shareholders or their related parties.

# Report on key operating results on corporate governance

## 1 Summary of duty performance of the Board of Directors in the past year

The Board of Directors plays an important role in setting the Company's policies and in coordinate with management in configuring the values, corporate culture, vision, mission, objectives, goals, operational plans and budgets of the Company, as well as supervision of operations. To ensure that the preparation of strategies and business plans

is consistent and in accordance with the company's main goals. It has an internal control system and an assessment analysis appropriately and efficiently in environment, challenges and opportunities affecting the Company's business operations under the principles of good corporate governance.

### Selection, development and evaluation of duty performance of the Board of Directors.

The Board of Directors has assigned the Human Resources and Remuneration Committee to responsible for determining the criteria and methods for recruiting qualified persons to take over as director of the Company (Details of human resources and remuneration committee page 79 - 80)

#### 1. Independent Director

Independent directors of the Company must have the qualifications and independence in accordance with the requirements of the Securities and Exchange Commission (SEC) and related laws. If such terms and/or applicable laws are announced of changes, the Independent Directors of the Company must meet the qualifications announced in all respects. The Human Resources and Remuneration Committee consider the selection of suitable persons in terms of knowledge, competence and experience related to the business, or to benefit the Company's business in the future, to be presented to the Board of Directors and/or the Shareholders' Meeting.

#### 2. Selection of directors and chief executives

##### Director Nomination

To appoint directors, Human Resources and Remuneration Committee is responsible for determining, selecting and scrutinizing qualified persons in accordance with the regulations. and charters of the Board of Directors and/or charters of other sub-committees, including nominees who are qualified to obtain professional and diverse directors based on the structure, size and composition of the Board of Directors. The Committee presents opinions to the Board of Directors and/or the Shareholders' Meeting, depending on the case, to approve the appointment of directors.

##### Criteria for Nomination of Directors

- (1) The Company provides opportunities for minority shareholders to nominate qualified persons as directors, or to consider a person from the Director Pool, or to propose the former directors to continue their position, or to have

each director nominate the appropriate persons.

- (2) Select and screen qualified persons as directors by considering the suitable knowledge, experiences, and specific capabilities which match to the Company's business operational strategies and are in accordance with necessary required skills stated in the Board Skill Matrix.
- (3) Check the history of the listed nominating persons that they are qualified per the laws and regulations of regulatory authorities, such as the Securities and Exchange Act B.E. 2535 (1992), etc.
- (4) Dedication of times, any potential conflicts of interest with the Company, in case of being a former director who will be re-appointed for another term, will consider past performance during the tenure, recommendations and useful opinions feedback, participation in various activities of directors, including the number of companies where each director will hold the position to ensure that efficient performance will not decrease.

#### The Right of Minority Investors for Directors' Appointment

- (1) One shareholder has the same number of votes as the number of shares held.
- (2) Each shareholder can use all available votes according to point 1) for the election of a single person or several persons as directors, but the number of votes cannot be divided.
- (3) The person who receives the highest number of votes respectively, shall be elected as a director as much as the number of available directors or shall be elected at that time. In case that the person who is elected in the following order has the same number of votes, exceeds the number of available directors, or shall be elected at that time, the Chairman of the meeting shall be the decisive vote.

### **Nomination of Senior and Personnel Executive**

In recruiting senior management positions, the Human Resources and Remuneration Committee will preliminarily select to recruit qualified persons with knowledge, competency, skills and experience that are beneficial to the Company's operations and well understanding of the Company's business which can help managing to achieve the objectives and targets set by the Board of Directors and propose to the Board of Directors for further approval.

The Board of Directors has set out a capability developing plan for level of the Chief Executive Officer and Senior Executives by assigning the Human Resources and Remuneration Committee to prepare a succession plan and report to the Board of Directors.

### **3. Development of Directors and Executives**

The Board of Directors has encouraged the development of the potential of directors in accordance with the good governance policy, which has been defined as the development of directors (detail page 61, 63),

In 2021, the directors participated in the training courses related to the performance of the duties of directors organized by The Institute of Directors of Thailand (IOD) of 1 person. It appears in summary table of participation in the training of the directors.

### Attendance at various Directors Training Courses held by the IOD

Director	Year of Attendance					
	DAP	DCP	RCP	AACP	ACP	RMP
1. Mr. Numchai Lowattanakul		2020				
2. Pol.Maj.Gen. Prayont Lasua	2018					
3. Mr. Poonsuk Tochanakarn		x		2021		
4. Mr. Sorasak Saensombat		2016	2016			
5. Ms. Nataya Ouivirach	2009	2016			2010	
6. Mr. Prachuab Ujjan		2006				2013
7. Mr. Chotiphan Tiawiwat	2015					
8. Mr. Thanarath Thanavutwathana	2017	2018				
9. Mr. Pakorn Leesakul	2022					
10. Mr. Nathaphol Kasamvilas	2022					

Remark: 1) Training Courses are DAP: Director Accreditation Program | DCP: Director Certification Program | RCP: Role of the Chairman Program | AACP: Advanced Audit Committee Program | ACP: Audit Committee Program | RMP: Risk Management Program  
2) "X" = Complete the Training Program

#### 4. Evaluation of the performance of the Board of Directors

The Board of Directors requires an annual evaluation of the performance of directors, divided into three forms: 1) self-assessment of the entire board of directors, 2) self-assessment of directors individually, and 3) self-assessment of the sub-committee.

##### Guidelines and procedures for self-assessment

- 1) Self-assessment criteria: Consists of the structure and qualifications of the Board of Directors. / Roles, duties and responsibilities of the Board of Directors / Board meeting / performance of directors' duties and other opinions that are beneficial to management / relationship with management / self-development of directors and executive development
- 2) Self-assessment process: (1) The Board of Directors approves the self-assessment form, (2) the Member of the Self-Assessment Committee express his opinion, and (3) the Company Secretary summarizes and analyzes the results of the self-assessment, and prepares an improvement plan,

proposes to the Board of Directors to acknowledge.

- 3) Evaluation of the Sub-Committee : 1) Each sub-committee will determine the performance assessment form according to each sub-committee and propose to the Board of Directors for approval, 2) the Directors, who do not hold the positions of the sub-committees, do performance evaluations, and 3) the secretary of each sub-committee summarize and analyze the results of the self-assessment and prepare an improvement plan, present it to the sub-committee and the Board of Directors to acknowledge.

In 2021, the Board of Directors and sub-committees evaluated the performance by summarizing the results of the assessment. as follows

- o Evaluation of the performance of the Board of Directors in 29-item assessment form to the entire board, covering the qualifications and composition of the Board of Directors, roles, duties and responsibilities of the Board of Directors, Board meeting and the



- development of directors and executives with an assessment result of 87%
- o Performance evaluation of individual directors in the form of self-assessment 13-item assessment form, which covers the qualifications of directors, meeting and roles, duties and responsibilities of Directors. The assessment was 91 percent.
- o Performance evaluation of the Audit Committee, assessed by directors who do

- not hold the position of audit committee member, with an assessment result of 91%
- o Performance Evaluation of the Human Resources and Remuneration Committee, assessed by directors who did not serve as directors of Human Resources and Remuneration Committee with an assessment result of 87 percent.

## Meeting attendance and remuneration payment to each Board member

In the past year 2021, each Director attended the meeting as summarized as follows:

Director	Time of Attendance / No. of meetings held whole year				
	BOD <sup>1</sup>	AC <sup>1</sup>	HRC <sup>1</sup>	RC <sup>1</sup>	AGM <sup>1</sup>
1. Mr. Numchai Lowattanakul	12 / 12	0 / 3	2 / 2		1 / 1
2. Pol.Maj.Gen. Prayont Lasua	12 / 12		6 / 6	1 / 1	1 / 1
3. Mr. Poonsuk Tochanakarn	12 / 12	6 / 6			1 / 1
4. Mr. Sorasak Saensombat	12 / 12	6 / 6			1 / 1
5. Ms. Nataya Ouivirach <sup>12</sup>	6 / 6	3 / 3	1 / 1		
6. Mr. Prachuab Ujjin	12 / 12		6 / 6	1 / 1	1 / 1
7. Mr. Chotiphan Tiawiwat	12 / 12				0 / 1
8. Mr. Thanarath Thanavutwathana	12 / 12			1 / 1	1 / 1
9. Mr. Pakorn Leesakul <sup>13</sup>	3 / 4				
10. Mr. Soontorn Dentham <sup>14</sup>	0 / 2				
11. Mr. Tanai Charinsarn <sup>15</sup>	8 / 8		3 / 3		1 / 1
12. Ms. Sureeporn Udampolvanich <sup>16</sup>	10 / 11				1 / 1

Remark: <sup>1</sup> List of Committee meeting are BOD: the Board of Director | AC: the Audit Committee | HRC: the Human Resource and Remuneration Committee | RC: the Risk Management Committee | AGM: the 2021 Annual General Meeting (April 21, 2021)

<sup>12</sup> Ms. Nataya Ouivirach as Independent Director and Director of the Audit Committee on July 15, 2021, Replaced Mr. Tanai Charinsarn as Director of HRC on September 16, 2021.

<sup>13</sup> Mr. Pakorn Leesakul as Director of the Company on September 16, 2021.

<sup>14</sup> Mr. Soontorn Dentham resigned from Independent Director effective February 25, 2021.

<sup>15</sup> Mr. Tanai Charinsarn Replaced Mr. Numchai Lowattanakul as Director of HRC on February 25, 2021, Resigned from Independent Director and Director of Committee effective October 4, 2021.

<sup>16</sup> Ms. Sureeporn Udampolvanich resigned from Director effective November 28, 2021.

## Remuneration of Individual Director

### 1. Money remuneration

In 2021, the Company paid financial remuneration to the directors and member of sub-committees totaling Baht 2,709,000. The remuneration divided into monthly fee

and meeting fee to member of sub-committee according to the rate approved by the Shareholders Annual General Meeting of the year 2021, which detailed remuneration of each director as tabled

Director	Monthly Remuneration	Allowance			Total
		AC <sup>1/</sup>	HRC <sup>1/</sup>	RC <sup>1/</sup>	
1. Mr. Numchai Lowattanakul	264,000	0	44,000		308,000
2. Pol.Maj.Gen. Prayont Lasua	204,000		107,000	17,000	328,000
3. Mr. Poonsuk Tochanakarn	204,000	132,000			336,000
4. Mr. Sorasak Saensombat	204,000	102,000			306,000
5. Ms. Nataya Ouivirach <sup>12/</sup>	102,000	51,000	17,000		170,000
6. Mr. Prachuab Ujjin	204,000		102,000	22,000	328,000
7. Mr. Chotiphan Tiawiwat	204,000				204,000
8. Mr. Thanarath Thanavutwathana	204,000			17,000	221,000
9. Mr. Pakorn Leesakul <sup>13/</sup>	68,000				68,000
10. Mr. Soontorn Dentham <sup>14/</sup>	34,000				34,000
11. Mr. Tanai Charinsarn <sup>15/</sup>	153,000		66,000		219,000
12. Ms. Sureeporn Udompolvanich <sup>16/</sup>	187,000				187,000
<b>Total</b>	<b>2,032,000</b>	<b>285,000</b>	<b>336,000</b>	<b>56,000</b>	<b>2,709,000</b>

Remark: <sup>1/</sup> List of Committee meeting are AC: the Audit Committee| HRC: the Human Resource and Remuneration Committee | RC: the Risk Management Committee

<sup>12/</sup> Ms. Nataya Ouivirach as Independent Director and Director of the Audit Committee on July 15, 2021, Replaced Mr. Tanai Charinsarn as Director of HRC on September 16, 2021.

<sup>13/</sup> Mr. Pakorn Leesakul as Director of the Company on September 16, 2021.

<sup>14/</sup> Mr. Soontorn Dentham resigned from Independent Director effective February 25, 2021.

<sup>15/</sup> Mr. Tanai Charinsarn Replaced Mr. Numchai Lowattanakul as Director of HRC on February 25, 2021, Resigned from Independent Director and Director of Committee effective October 4, 2021.

<sup>16/</sup> Ms. Sureeporn Udompolvanich resigned from Director effective November 28, 2021.

### 2. Other Remuneration of Directors: - none -

## Supervision of subsidiaries and associated companies

The Company has 4 subsidiaries, affiliates and joint ventures, in which the Company will send its representatives as directors in these subsidiaries, affiliates and joint ventures in proportion to the Company's share holdings to participate in the management and establish important operational policies in order to maximize the benefits of such companies. And if the subsidiaries, affiliates

and/or joint ventures operate businesses which have significantly impact to the Company, those representatives must prior report such matters for approval at the Board of Directors' meeting. Besides, the Company has established good corporate governance policy and code of conduct, including related transaction regulations to control synergies among the Company and its subsidiaries,

affiliates and joint ventures in order to provide coherent direction of business practices and corporate development. Thus, the Company still control on data custody, important documents filing and prepare

accounting records in accordance with the Company's standards so that the financial statements can be audited and compiled completely, accurately and timely.

## **Monitoring of compliance with the corporate governance policy and guidelines**

The Company attaches importance to good corporate governance by establishing relevant policies and practices in the Company's corporate governance policy and business ethics manual, while encouraging real action to raise the trust with all stakeholders.

In 2021, the Board of Directors reviewed, revised corporate governance policies and business ethics manuals, and considered improving other practices in accordance with the review of such corporate governance policies. Executives and employees at all levels are set to comply with corporate governance policies, business ethics manuals, and other practices related to the policy, which covers 1) employee care and non-discrimination, 2) anti-unfair competition 3) Environmental care, hygiene and safety in the organization 4) Strictly maintaining the security of information. In the previous year, the Company complied with the guidelines for each issue completely.

In addition, the Company has been monitored to ensure compliance with good corporate governance in 4 other areas as follows:

### **1) Prevention of conflicts of interest**

The Board of Directors has established a policy to prevent conflicts of interest by requiring the Board of Directors to establish a policy. Executives and Employees of the Company shall perform duties in the best interests of the Company and avoid actions that may cause conflicts of interest. Directors or executives who are involved in or

have a stake in the list of considerations must inform the Company of their relationship or interest in the list and must not participate in the consideration, including not having the authority to approve such transactions, which cover the connected transactions, intercompany transactions and situations that cause conflicts of interest

In 2021, the Company has no transactions that may cause conflicts of interest.

### **2) Use of inside information to seek benefits**

The Company views importance in using the Company's information by complying with good corporate governance principles and complying with the relevant regulations and requires Directors, Executives and employees attach importance to the confidentiality of the Company's information custody and/or internal information, which is significant to the change in the price of securities and be non-public, as defined as policies on the use of inside information and reporting on the Company's securities holdings. Executives and employees must adhere to the following:

1. Directors, Executives and employees, as well as related parties are prohibited to buy or sell or offer to buy or sell or to persuade others to buy or sell or offer to buy or sell the Company's securities, either directly or indirectly, in order to exploit third parties by internal information learned in the performance of their positions or status, whether such actions are done for one's own benefit or

others, or to disclose inside information so that others can do so though they can gain benefits in return or not.

2. Directors, Executives and employees, as well as related parties are prohibited to trade the Company's securities with period requirements by internal information type as follows:

#### 2.1 Financial Statements

Trading of the Company's securities is prohibited since the 15<sup>th</sup> of the month following the end of the quarterly or annual accounting period until after the Company submits the financial statements to the Stock Exchange of Thailand and publishes to the public after 24 hours. The Company Secretary will announce such prohibiting non-security trading period for acknowledgement every time.

#### 2.2 Other Inside information

Trading of the Company's securities is prohibited since information being informed until 24 hours after the Company has published it to the public.

3. Directors and Executives must prepare a report on the holding of securities and report on changes in the Company's securities by the reporting category as follows:

#### 3.1 First Reporting

Directors and Executives must prepare a report on the holding securities of their own and their related persons according to the Company's securities holding report form and submit them to the Company Secretary within 30 days from the date of appointment.

#### 3.2 Quarterly Reporting

Directors and Executives must prepare their own securities holding reports and of their related parties as of the closing date of each quarterly accounting period, according to the reporting form of the Company's securities holdings and submitted to the Company Secretary within 15 days from the closing date of fiscal period in each quarter.

### 3.3 Reporting on Changes

Directors and Executives are required to prepare a report on changes in securities holdings in accordance with the form provided in the electronic system and forwarded to the SEC in accordance with the Notification of the Securities and Exchange Commission (SEC) no.38/2018 and notify the Company Secretary for acknowledgement within 3 business days from the trading date of the Company's securities by their own or their related parties.

In 2021, the Company found no offense of the directors, executives and employees involved in the exploitation of the Company's internal information.

### **3) Anti-corruption action**

The Company adheres to proper business operations with straightforward, honest, transparent and verifiable, and will not practice or support unlawful practices and contrary to the Company's anti-corruption policies and prohibit directors, executives and employees of the Company conduct or accept corruption in all forms, directly or indirectly. It covers all businesses in all countries and agencies involved, and regularly reviewing the compliance with this anti-corruption policy, as well as reviewing the practices and requirements for action to comply with changes in the economic environment, politics and society in business operations, as well as rules, regulations and requirements of the law.

The Company's Operations In order to comply with the policy of preventing corruption. The Company manages in accordance with good corporate governance principles and establishes all forms of anti-corruption policies that may arise from the performance and contact with stakeholders, which the Company requires directors, executives and employees of the Company and its subsidiaries strictly adhere

to the practices. It has established a role in the anti-corruption operation as follows:

1. The Board of Directors has a duty and responsibility to formulate policies and supervise effective anti-corruption systems and to ensure that the administration recognizes and values anti-corruption and cultivates it as a corporate culture.
2. The Audit Committee has the duty and responsibility to review the financial and accounting reporting system. Internal control systems, internal audit systems and other processes related to anti-corruption measures to ensure compliance with standards and efficiencies.
3. Executives have a duty and responsibility to establish the system and promote and support anti-corruption policies and to communicate to all employees and stakeholders. Provide training to employees to educate them about anti-corruption policies and practices, as well as to review the suitability of systems and measures to comply with business changes, rules, regulations and requirements of the Law
4. The internal auditor has the duty and responsibility to review the risk assessment of corruption and to review the operation to comply with policy, guidelines, authority, procedures, law and requirements of the supervision entities. This is to ensure appropriate and adequate control systems for potential corruption risks and report to the Audit Committee.

In addition, the Company has communicated its anti-corruption policy to the directors, executives and employees by requiring that all processes be strictly within the scope of the law, an also providing reporting channels if there is any witness of policy violations or witnesses of fraudulent activity, and protection measures have been taken to the reporter. The Company has disclosed details of the anti-corruption policy on the Company's website at <https://www.dv8.co.th/corporate-governance>.

In 2021, the Company did not report any corruption offenses.

#### 4) Whistleblowing

The Board of Directors has established policies and guidelines for protecting and fairness to inform information or providing clues about corruption or non-compliance with laws, rules, regulations and whistle blower policy. The Company provide channels for stakeholders to report clues and make complaints through the specified channels. The complainant will submit the case to the Complaints Response and Review Committee to conduct the investigation and gather the facts or may assign the person or agency of the trust to be the fact-checker on the issue of such complaint.

The complainants include 1) supervisors trusted by employees, 2) company secretaries and 3) directors.

#### Complaint Channels

- 1) E-Mail Address of the complainant
  - o Mr. Namchai Lorwattanatrakul,  
Chairman of the Board of Directors,  
E-Mail: numchai@dv8.co.th
  - o Poonsuk Tochanakan,  
Chairman of the Audit Committee  
E-Mail: poonsuk@dv8.co.th
  - o Ms. Kochakorn Prasaksuk,  
Company Secretary  
E-Mail: kochakorn@dv8.co.th
- 2) Via postal mail (indicated confidential documents) through the company address.  
Company Secretary  
DV8 Public Company Limited 191/43  
CTI Tower, 21 Floor, Ratchadapisek Road,  
Khwang Khlong Toei Khet Khlong Toei,  
Bangkok 10110

In 2021, no clues and complaints were filed to the Company.

## **2. Report on the results of duty performance of the Audit Committee in the past year**

### **The total number of the Audit Committee's meetings and the attendance of each member**

In 2021 the Audit Committee convened a meeting. 6 times and 1 meeting with the auditor without management attending the meeting with an average individual attendance rate of 75% (details of the number of attendances, page 90).

### **The results of duty performance of the Audit Committee.**

The performance of the duties of the Audit Committee appears in page 182.

## **3. Summary of the results of duty performance of subcommittees**

### **The total number of the subcommittees' meetings and the attendance of each subcommittee member**

#### **The Human Resources and Remuneration Committee**

In 2021, the Human Resources and Remuneration Committee held a joint meeting 6 times with an average individual attendance rate of 100% (details of the number of attendances, page 90)

#### **The Risk Management Committee**

In 2021, the Risk Management Committee convened a joint meeting 1 time with an average individual attendance rate of 100% (details of the number of attendances, page 90)

### **the results of duty performance of the subcommittees.**

#### **The Human Resources and Remuneration Committee**

Performance of the Human Resources and Remuneration Committee Appears according to the page 184 document.

#### **The Risk Management Committee**

In 2021, the Risk Management Committee convened a joint meeting to consider hiring external expert advisors to be advisors to the Company in the organization's risk management operations, including providing training to enhance understanding of the analysis and assessment of risk factors for employees at the managerial level or higher.



# Internal control and related party transactions

## 1. Internal control

The Board of Directors realizes the importance of internal control systems and effective and efficient risk management. Written working procedures have been prepared. The Audit Committee reviews the assessment of the internal control system. Outsource the internal audit unit who is independent of the management and can fully monitor and check & balance audit functions. As the internal audit unit (Outsource) can report directly to the Audit Committee as per the Management Structure appears on page 72, its duties are to review the Company's various operational systems in accordance with the annual audit plan approved by the Audit Committee with an aim of ensuring that the operations are effective, systematic and has properly adequate internal control system and standardize under the internal control practice of the Committee of Sponsoring Organizations of the Treadway Commission: COSO. These define the main elements needed for internal control in 5 aspects as follows:

- 1) Control Environment
- 2) Risk Assessment
- 3) Control Activities
- 4) Information & Communication
- 5) Monitoring Activities

### Risk management

The Board of Directors encourages the Company to have an in-house risk management system, which is one of the mechanisms critical to achieve its objectives and enhancing value for stakeholders by assigning the Risk Management Committee

to supervise Management and employees in working units that own the risks to comply the risk management policies and guidelines approved by the Board of Directors and regularly review the adequacy of such risk management policies and systems and establish effective risk management in all processing stage per structure framework set by the Committee of Sponsoring Organization of the Treadway Commission (COSO), which consists of: COSO Internal Control System Guidelines and Enterprise Risk Management (ERM) Guidelines to help increase chances of success by utilizing resources effectively and reduce uncertainty of performances. The Company's risk management consists of 8 elements as follows:

- 1) Internal Environment
- 2) Objective Setting
- 3) Event Identification
  - Strategic
  - Reporting
  - Operation
  - Compliance
- 4) Risk Assessment
- 5) Risk Response - Executives may need to choose one or combined risk management methods to reduce the level of potential opportunities and impact of such event to an acceptable level.
  - Risk Acceptance
  - Risk Transfer
  - Risk Reduction
  - Risk Avoidance
- 6) Control Activities
- 7) Information & Communication
- 8) Monitoring



In 2021, the Company agreed to hire a risk management specialist to become its advisor. The Company, in risk management aspect, provides training to enhance knowledge and understanding of the analysis and evaluation of risk factors for personnel, as well as provide recommendations to review risk management policies and the Company's risk management manual to promote the Company's internal control system and risk management processes to be more efficient and effective.

#### **Board of Directors' Opinion on the Internal Control System**

The Audit Committee and the Board of Directors have the same opinions that the Company's internal control system is adequate and appropriate for business undertakings in current situations. The Company has sufficient resources and monitoring control measures to prevent conflict of interest from directors or management. The Company uses the Securities and Exchange Commission's assessment form to assess the adequacy of the Company's internal control system.

#### **Audit Committee's Opinion on the Internal Control System**

Audit Committee assess the adequacy of the internal control system is assessed annually

and the opinions of the Audit Committee are presented to the Board of Directors' meeting, which is attended by the Board of Directors and the Audit Committee. Opinions about internal control systems are aligned in the same direction.

In 2021, the Audit Committee appointed Ascent Advisory Co., Ltd. as the Company's internal auditor, which Ascent Advisory Co., Ltd. assigned Mr. Narongsak Wangtapan, the manager, to be the main responsible for the duties of the Company's internal auditors, which the Audit Committee considers Ascent Advisory Co., Ltd. and Mr. Narongsak Wangtapan qualified because of its independence and sufficient internal audit experience to perform duties. It also assigns the Company Secretary to coordinate with such internal auditors.

However, consideration and approval for the appointment, removal and transfer of the Company's internal auditors must be approved by the Audit Committee based on the qualifications of the internal auditors, appearing in the attachment 3 page 178.

## 2.Related party transactions

The Company has no conflict of interest in accordance with the criteria set out in the Capital Market Supervisory Board Announcement. The Company's intercompany transactions are incurred fairly according to market price and in accordance with fair and at arm's length for 2019 - 2021. as follows

### (1) Demeter Innovation Co., Ltd.

Relationship : It is a subsidiary of the Company because the Company holds 99.99% of the shares and is owned by directors and executives of the Company.

Characteristics of the Transaction : Loans with repayment schedule within 3 Year from May 3, 2017 Until May 2, 2020, and the repayment period has been extended by 3 years from 3 May 2020 to May 2, 2023. The Interest rate is 2.25 % The interest received is the agreed price.

Transaction Size (MB)	2019	2020	2021
	61.00	-	-

(As of May 3, 2017, the contract value was Baht 74.37 Million. The principal payment with interest in 2019 has already paid and the remaining principal of Baht 61.00 Million was extended for the payment period. The Company has considered setting up allowance for the entire amount of doubtful debt and therefore no balances shown in the financial report as of December 31, 2020 and as of December 31, 2021.)

Necessary and reasonable : To invest in the application development project in live online system, the Audit Committee considered the intercompany transaction and report and expressed the opinion that this transaction was ordinary business transaction and reasonable. There was no transfer of interest between the company and the relevant companies that may have conflicts of interest.

### (2) Company Akornwat Renewable Plant Energy Co., Ltd.

Relationship : As of the date of transaction, it is a subsidiary company. The Company and its directors hold 33.638% of the shares. Directors of the Company is a director of the subsidiary, who has significant influence in the operation.

On May 25, 2018, the subsidiary changed to related company because the company's representatives have ended their directorship, bringing an end to the substantial influence. In 2019. The Board of Directors approved the signing of a contract to buy and sell shares, and on January 28, 2020, the company has already received a share payment.

Characteristics of the Transaction : Working capital loans with credit limit not exceeding Baht 2.00 Million. The contract period is 2 years ended at the July 31, 2019. Interest rate was 7.00% annually. The interest received is the agreed price.

Transaction Size (MB)	<u>2019</u>	<u>2020</u>	<u>2021</u>
	0.45	-	-

(Contract dated 24 July 2017, which has the remaining lending balance at the end of 2019 totaling Baht 0.45 Million. On June 15, 2020 principal payments were received with interest, so no balances were shown in the financial report as of December 1, 2020 and as of December 31, 2021)

Necessary and reasonable : To be working capital for use in the operation of subsidiaries, the Audit Committee considered the intercompany transaction and report and expressed the opinion that this transaction was ordinary business transaction and reasonable. There was no transfer of interest between the company and the relevant companies that may have conflicts of interest.

### (3) DCORP Joint Venture – DLI

#### Transaction no.1

Relationship : 80 % of the joint venture.

Characteristics of the Transaction : Other non-current liabilities. The company paid interest to joint ventures 2.25 % per annual from day 1 October 2020, which interest income is agreed upon.

Transaction Size (MB)	<u>2019</u>	<u>2020</u>	<u>2021</u>
	-	25.00	25.00

Necessary and reasonable : The joint venture places collateral to comply with the contract of the joint venture for the Company. The Audit Committee considered the intercompany transaction and report and expressed the opinion that this transaction was ordinary business transaction and reasonable. There was no transfer of interest between the company and the relevant companies that may have conflicts of interest.

## Transaction no.2

Relationship : 80 % of the joint venture.

Characteristics of the Transaction : Fixed deposits with guarantees 2.25 annually from October 1, 2020 , where interest income is agreed upon.

Transaction Size (MB)	2019	2020	2021
	-	45.19	45.19

Necessary and reasonable : According to the contract of the joint venture, the Company is responsible for obtaining guarantees for receiving advance wages, thus bringing a fixed deposit to issue a letter of guarantee to the Ministry of Interior for receiving money under project of Creation of Awareness among People by Smart Public Billboards. The Audit Committee considered the intercompany transaction and report and expressed the opinion that this transaction was ordinary business transaction and reasonable. There was no transfer of interest between the company and the relevant companies that may have conflicts of interest.

## Policies or Potential Future Connected Transactions

Currently, the Company does not maintain a written policy regarding future related party transactions. However, the Company complies with the Securities and Exchange 's laws and regulations, announcements, instructions or requirements of the Capital Market Supervisory Board and the Stock Exchange of Thailand, including compliance with the requirements regarding disclosure of connected transactions of the Company in accordance with accounting standards set by the Federation of Accounting Professions under the Royal Patronage.

In addition, over the past few years, in case transactions between the Company and individuals who may have conflicts of interest, those with personal vested interests or those who may have future conflicts of interest, the Audit Committee shall consider and comment on the necessity and reasonableness of the entering and the appropriateness of prices and conditions of

those transactions in accordance with the normal business operations in the industry and compared to the price of third parties or the market price before presenting at either the Board of Directors' meeting or the Shareholders' meeting depending on the case. If the Audit Committee has no skills to consider, the Company will arrange for independent experts to comment on such transactions and use for the decision by the Audit Committee, the Board of Directors and the shareholders' meetings on a case-by-case basis, whereas Directors or Executives with conflicts of interest will not be eligible to vote on such items.

The Company will disclose the related party transactions in the Annual Registration form, Annual report and Notes to the financial statements audited or reviewed by the Company's auditor

# Financial Statements

03

# Report on the responsibility of the Board of Directors for the financial report of 2020

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The Board of Directors is responsible for the financial reports of the Company and its subsidiaries and focuses on compliance with the good Corporate Governance Policy in order to ensure that the financial reports of the Company and its subsidiaries and financial information appear in the annual report contain accurate and complete information. The financial reports are prepared consistency in accordance with generally accepted accounting standards by selecting the appropriate accounting policies and / or accounting practices. The Board of Directors use careful discretion in making accounting estimates to ensure reasonableness, including adequate disclosure of important information. The financial reports have been audited and provided unqualified opinions by the independent authorized auditors.

The Board of Directors has provided appropriate and effective internal control system to ensure that accounting information is accurate, complete and sufficient to maintain assets, as well as to avoid fraud or material irregular conduct. In this respect, the Board of Directors has

appointed an audit committee consisting of independent directors to act as auditors to provide the Company with a proper and effective internal control system and internal audit.

The Company's financial statements and the consolidated financial statements of the Company and its subsidiaries are audited by the Company's authorized auditor, Karin Audit Co., Ltd. The Board of Directors has supported the information and documents so the auditor can review and express their opinions in accordance with the general audit standards. The opinion of the auditor has appeared in the audit report shown in this annual report.

The Board of Directors is of the opinion that the Company's overall internal control system is at a satisfactory level and can create reasonable assurance that the Financial Report of the Company and its subsidiaries for the year 2020 ended December 31, 2020 is reliable, in accordance with generally accepted accounting principles and complying with applicable laws and related regulations.



**Mr. Numchai Lowattanatakul**  
**Chairman**

# Independent Auditor's Report

To the Shareholders of DV8 Public Company Limited

## Opinion

I have audited the financial statements of DV8 Public Company Limited and its subsidiaries (the Group), which comprise the consolidated and separate statements of financial position as at December 31, 2021, and the related consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial position of DV8 Public Company Limited and its subsidiaries as at December 31, 2021, 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 consolidated and separate financial statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is relevant to my audit of the consolidated and separate financial statements and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Key Audit Matters

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



Key audit matters and how audit procedures respond are described below.

### **Recognition of revenue from construction projects**

The Group recognized revenue from construction contracts based on the percentage of completion estimated by their engineers. The Group's policies on revenue recognition and provision for losses on construction projects are disclosed in note 3.3.1 A) to the financial statements. Because the amount of revenue from construction contracts recognized by the consolidated and separate statements of comprehensive income are significant, and the process of measurement, determination of appropriate timing of recognition, and the estimation of possible losses are areas requiring management to exercise significant judgment to assess the percentage of completion and measure possible losses, I have identified revenue recognition and estimation of possible losses from construction contracts to be areas significantly impacting the financial statements.

I examined recognition of revenue from construction contracts and provision for losses on construction projects by:

- Inquiring with the responsible management and understanding of the process by which the Group estimates the percentage of completion and allowance for losses on construction projects.
- Assessing the appropriateness of and testing the system of internal controls related to the methods used by management to monitor percentage of completion of construction projects and provision for losses on such projects, and to determine the reasonableness of such figures.
- Testing the effectiveness of the internal controls related to purchases and hiring, and the recognition of costs of construction projects.
- Selecting sample construction contracts and reading them to consider the relevant terms.
- Evaluating the knowledge and capability of engineers, testing the estimates of percentage of completion, and carrying out construction site visits together with the engineers.
- I compared the percentage of completion evaluated by the project engineers with cost-to-cost method and investigated the variance of these two methods
- Reviewing the provisions for losses on construction projects, through consideration of the progress of construction, actual costs, and changes in the prices of materials and labor.
- Analysis of the gross profit margin to detect possible irregularities
- Review the adequacy of disclosures in note to the financial statements

## Emphasis of Matters

- (1) As discussed in Note 10.1, since the year ended December 31, 2019, the Company recognized the share of loss of investments in associated companies until their equity method is equal to zero. The Group ceases to recognize its share of loss from investments in associates.
- (2) Note 10, 11 and 17, The Group and the Company invested in various projects and reported on the progress of each major project.

## Other Matter

The financial statement of DV8 Public Company Limited which comprise the consolidated statement of financial position and separate statement of financial position as at December 31, 2020, and the related consolidated and separate statement of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, presented as comparative information, were audited by another auditor in my firm whose report dated on February 25, 2021, expressed an unqualified opinion.

## 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 Consolidated and Separate Financial Statements

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

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's 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 Consolidated and Separate Financial Statements**

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's 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 consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate 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 consolidated and separate financial statements of the current year 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.

The engagement partner on the audit resulting in this independent auditor's report is Mrs. Sumana Senivongse.



(Mrs. Sumana Senivongse)

Certified Public Accountant Registration No. 5897

Karin Audit Company Limited  
Bangkok, Thailand  
February 24, 2022

DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

Unit : Baht

	Notes	Consolidated		Separate	
		2021	2020	2021	2020
ASSETS					
Current assets					
Cash and cash equivalents		66,990,242	271,950,048	64,318,561	270,368,079
Trade and other current receivables, net	6	127,786,140	155,281,588	123,070,332	130,534,081
Contract assets	7	37,639,841	-	-	-
Inventories		17,906,481	49,900,547	228,336	2,831,835
Short-term loans to related parties - net	5.1	-	-	-	-
Other current financial assets - net	8	160,000,000	-	160,000,000	-
Current tax assets		3,476,779	2,455,702	3,423,616	2,248,257
Other current assets		1,659,141	1,309,141	1,659,141	1,309,141
Total current assets		415,458,624	480,897,026	352,699,986	407,291,393
Non-current assets					
Deposits pledged as collateral	9	60,419,603	60,252,000	45,356,103	45,188,500
Investments in associates - net	10	4,018,211	-	6,000,000	-
Investments in subsidiaries - net	11	-	-	56,000,000	56,000,000
Trade and other non-current receivables - net	12	-	-	-	-
Improvement of rental building, Furniture and equipment - net	13	18,395,866	27,372,422	18,395,866	27,372,422
Right of use assets - net	14	19,116,148	20,559,813	19,116,148	20,559,813
Intangible asset - net	15	7,962,319	16,012,447	7,962,319	16,012,447
Other non-current assets - net	17	11,160,077	8,506,359	10,958,775	8,506,359
Total non-current assets		121,072,224	132,703,041	163,789,211	173,639,541
TOTAL ASSETS		536,530,848	613,600,067	516,489,197	580,930,934

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

DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# STATEMENTS OF FINANCIAL POSITION (CONT.)

AS AT DECEMBER 31, 2021

Unit : Baht

	Notes	Consolidated		Separate	
		2021	2020	2021	2020
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Trade and other current payables	18	28,687,124	44,571,133	26,334,003	40,344,956
Contract liabilities	7	25,769,153	41,211,737	2,136,947	4,354,270
Current portion of lease liabilities	19	1,258,587	1,184,418	1,258,587	1,184,418
Total current liabilities		55,714,864	86,967,288	29,729,537	45,883,644
Non-current liabilities					
Lease liabilities - net	19	18,817,929	20,076,517	18,817,929	20,076,517
Non-current provisions for employee benefit	20	847,449	1,201,432	847,449	1,201,432
Other non-current liabilities	21	3,991,936	2,830,050	29,039,710	27,971,831
Total non-current liabilities		23,657,314	24,107,999	48,705,088	49,249,780
TOTAL LIABILITIES		79,372,178	111,075,287	78,434,625	95,133,424
SHAREHOLDERS' EQUITY					
Share capital					
Registered					
1,430,416,192 common shares of Baht 1.00 each		1,430,416,192	1,430,416,192	1,430,416,192	1,430,416,192
Issued and paid-up					
1,430,416,192 common shares of Baht 1.00 each		1,430,416,192	1,430,416,192	1,430,416,192	1,430,416,192
Share premium		1,487,411,835	1,487,411,835	1,487,411,835	1,487,411,835
Share discount		(461,104,210)	(461,104,210)	(461,104,210)	(461,104,210)
Share discount for convertible debts		(6,600,000)	(6,600,000)	(6,600,000)	(6,600,000)
Retained earnings (Deficit)					
Appropriated - statutory reserve		13,000,000	13,000,000	13,000,000	13,000,000
Unappropriated		(2,020,991,831)	(1,974,871,600)	(2,025,069,245)	(1,977,326,307)
Total shareholders' equity attributable to owners of the Company		442,131,986	488,252,217	438,054,572	485,797,510
Non-controlling interests		15,026,684	14,272,563	-	-
TOTAL SHAREHOLDERS' EQUITY		457,158,670	502,524,780	438,054,572	485,797,510
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		536,530,848	613,600,067	516,489,197	580,930,934

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

DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# STATEMENTS OF COMPREHENSIVE INCOME

AS AT DECEMBER 31, 2021

Unit : Baht

Notes	Consolidated		Separate	
	2021	2020	2021	2020
Income from Media-advertising	101,342,991	126,981,102	101,342,991	126,981,102
Sales income	79,661,032	49,526,306	68,014	41,330
Revenue from Construction	14,604,179	-	15,011,990	-
<b>Total revenues</b>	<b>195,608,202</b>	<b>176,507,408</b>	<b>116,422,995</b>	<b>127,022,432</b>
Cost of Media-advertising	(88,429,121)	(81,247,845)	(88,429,121)	(81,649,445)
Cost of sales	(71,488,525)	(50,907,971)	(120,532)	(69,100)
Cost of construction	(11,108,523)	-	(10,988,938)	-
<b>Total costs</b>	<b>(171,026,169)</b>	<b>(132,155,816)</b>	<b>(99,538,591)</b>	<b>(81,718,545)</b>
<b>Gross profit</b>	<b>24,582,033</b>	<b>44,351,592</b>	<b>16,884,404</b>	<b>45,303,887</b>
Gain from sales of other long term investments	-	14,000,000	-	14,000,000
Profit from dissolution of a subsidiaries	-	-	-	7,432,375
Other incomes	8,814,336	20,026,588	9,824,391	17,929,037
<b>Profit before expenses</b>	<b>33,396,369</b>	<b>78,378,180</b>	<b>26,708,795</b>	<b>84,665,299</b>
Administrative expenses	(47,572,503)	(56,728,986)	(46,836,762)	(55,304,197)
Loss from dissolution of a subsidiaries	-	(498,400)	-	-
Loss from impairment of investments in associates	-	(107,640)	-	-
Management benefit expenses	5.1 (27,149,357)	(17,601,981)	(27,149,357)	(17,601,981)
Finance costs	(2,029,323)	(1,663,951)	(1,727,868)	(1,368,859)
Share of loss from associates	(1,981,789)	-	-	-
<b>Total expenses</b>	<b>(78,732,972)</b>	<b>(76,600,958)</b>	<b>(75,713,987)</b>	<b>(74,275,037)</b>
<b>Profit (loss) before income tax expense</b>	<b>(45,336,603)</b>	<b>1,777,222</b>	<b>(49,005,192)</b>	<b>10,390,262</b>
Income tax expense	(1,291,761)	(340,703)	-	-
<b>Net profit (loss) for the years</b>	<b>(46,628,364)</b>	<b>1,436,519</b>	<b>(49,005,192)</b>	<b>10,390,262</b>
<b>Other comprehensive income (expense) for the years</b>				
<b>Components of other comprehensive income</b>				
<b>that will not be reclassified to profit or loss subsequently</b>				
Gains on remeasurement of defined benefit plans	1,262,254	63,312	1,262,254	63,312
<b>Total comprehensive income (expense) for the years</b>	<b>(45,366,110)</b>	<b>1,499,831</b>	<b>(47,742,938)</b>	<b>10,453,574</b>
<b>Profit (loss) attributable to:</b>				
Owners of the Company	(47,382,485)	1,163,956	(49,005,192)	10,390,262
Non-controlling interests	754,121	272,563	-	-
<b>Total profit (loss) for the years</b>	<b>(46,628,364)</b>	<b>1,436,519</b>	<b>(49,005,192)</b>	<b>10,390,262</b>

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



DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# STATEMENTS OF COMPREHENSIVE INCOME

AS AT DECEMBER 31, 2021

Unit : Baht

Notes	Consolidated		Separate	
	2021	2020	2021	2020
<b>Comprehensive income (expense) attributable to:</b>				
Owners of the Company	(46,120,231)	1,227,268	(47,742,938)	10,453,574
Non-controlling interests	754,121	272,563	-	-
<b>Total comprehensive profit (loss) for the years</b>	<b>(45,366,110)</b>	<b>1,499,831</b>	<b>(47,742,938)</b>	<b>10,453,574</b>
<b>Basic profit (loss) per share (Baht per share)</b>	<b>(0.033)</b>	<b>0.001</b>	<b>(0.034)</b>	<b>0.007</b>
<b>Weighted average number of ordinary share (shares)</b>	<b>1,430,416,192</b>	<b>1,430,416,192</b>	<b>1,430,416,192</b>	<b>1,430,416,192</b>

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

## STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

AS AT DECEMBER 31, 2021

	Consolidated								Unit : Baht			
	Issued and paid-up share capital	Share premium	Discount on share capital	Share discount for debt to equity conversion	Retained earnings (Deficit)		Other components of shareholders' equity			Total equity attributable to owner's of the Company	Non-controlling interests	Total
					Appropriated	Unappropriated	Gains (losses) on remeasurements of defined benefit plans	Total other components of shareholders' equity				
Balance as at January 1, 2020	1,430,416,192	1,487,411,835	(461,104,210)	(6,600,000)	13,000,000	(1,976,098,868)	-	-	487,024,949	-	487,024,949	
Non-controlling interests	-	-	-	-	-	-	-	-	-	14,000,000	14,000,000	
Comprehensive income for the year	-	-	-	-	-	1,163,956	63,312	63,312	1,227,268	272,563	1,499,831	
Transferred to retained earnings	-	-	-	-	-	63,312	(63,312)	(63,312)	-	-	-	
Balance as at December 31, 2020	1,430,416,192	1,487,411,835	(461,104,210)	(6,600,000)	13,000,000	(1,974,871,600)	-	-	488,252,217	14,272,563	502,524,780	
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	
Comprehensive income (expense) for the year	-	-	-	-	-	(47,382,485)	1,262,254	1,262,254	(46,120,231)	754,121	(45,366,110)	
Transferred to retained earnings	-	-	-	-	-	1,262,254	(1,262,254)	(1,262,254)	-	-	-	
Ending balance as at December 31, 2021	1,430,416,192	1,487,411,835	(461,104,210)	(6,600,000)	13,000,000	(2,020,991,831)	-	-	442,131,986	15,026,684	457,158,670	

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

## AS AT DECEMBER 31, 2021

Separate							Unit : Baht
Issued and paid-up share capital	Share premium	Discount on share capital	Share discount for debt to equity conversion	Retained earnings (Deficit)		Other components of shareholders' equity	
				Appropriated	Unappropriated	Gains (losses) on remeasurements of defined benefit plans	Total other components of shareholders' equity
1,430,416,192	1,487,411,835	(461,104,210)	(6,600,000)	13,000,000	(1,987,779,881)	-	-
-	-	-	-	-	10,390,262	63,312	63,312
-	-	-	-	-	63,312	(63,312)	(63,312)
<b>1,430,416,192</b>	<b>1,487,411,835</b>	<b>(461,104,210)</b>	<b>(6,600,000)</b>	<b>13,000,000</b>	<b>(1,977,326,307)</b>	<b>-</b>	<b>-</b>
-	-	-	-	-	(49,005,192)	1,262,254	1,262,254
-	-	-	-	-	1,262,254	(1,262,254)	(1,262,254)
<b>1,430,416,192</b>	<b>1,487,411,835</b>	<b>(461,104,210)</b>	<b>(6,600,000)</b>	<b>13,000,000</b>	<b>(2,025,069,245)</b>	<b>-</b>	<b>-</b>

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

DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# STATEMENTS OF CASH FLOWS

AS AT DECEMBER 31, 2021

	Unit : Baht			
	Consolidated		Separate	
	2021	2020	2021	2020
<b>Cash flows from operating activities</b>				
Profit (Loss) before income tax	(45,336,603)	1,777,222	(49,005,192)	10,390,262
<b>Adjustments to reconcile profit (loss) to net cash received (paid)</b>				
<b>Net cash received from (used in) operating activities</b>				
Interest expenses	1,122,294	938,485	1,684,793	1,194,754
Interest income	(2,289,046)	(3,577,990)	(2,288,560)	(1,898,280)
Trade and other current receivable (increase) decrease	28,120,066	(58,612,480)	8,082,309	(33,912,343)
Contract assets (increase) decrease	(37,639,841)	-	-	-
Inventories (increase) decrease	31,994,066	(37,666,413)	2,603,499	(2,831,835)
Other current assets (increase) decrease	(350,000)	(200,000)	(350,000)	(200,000)
Other non-current assets (increase) decrease	(204,159)	(134,392)	(204,159)	(134,392)
Trade and other current payable increase (decrease)	(12,568,576)	73,498,724	(10,695,521)	35,070,759
Contract liabilities increase (decrease)	(15,442,584)	-	(2,217,323)	-
Other current liabilities increase (decrease)	-	(18,820,317)	-	(18,820,317)
Other non-current liabilities increase (decrease)	1,161,887	-	1,209,661	25,141,781
Depreciation and amortization	15,409,571	20,872,614	15,409,571	20,872,614
Loss on revaluation of fair value	-	645,222	-	623,653
(Reverse) expected credit loss	(3,940,051)	(2,795,284)	(3,933,993)	(2,795,284)
Reverse expected credit loss - short-term loans to related company	-	(470,885)	-	(470,885)
Reverse provision for loss on lawsuits	-	(10,217,191)	-	(10,217,191)
Gains on bargain purchase	-	(2,227,072)	-	(2,227,072)
Written - off withholding tax	6,114	435,197	-	245,710
Employee benefit expenses	1,176,292	947,085	1,176,292	947,085
Gain for write off and sale of fixed assets	(1,632,505)	(18,806)	(1,632,505)	(18,806)
(Reverse) loss from impairment of other long-term investments	-	(2,863,955)	-	(54,227,680)
(Gain) loss from sale of other long-term investments	-	(11,136,045)	-	40,227,680
(Profit) Loss from dissolution of a subsidiaries	-	498,400	-	(7,432,375)
Loss from impairment of investment in associates	-	107,640	-	-
Share of loss from associates	1,981,789	-	-	-
Total adjustments from reconciliation	(38,431,286)	(49,020,241)	(40,161,128)	(472,162)
<b>Net cash provided by (used in) operating activities</b>				
Cash paid for interest	-	255,614	(704,280)	(655)
Cash paid for employee benefits	(268,021)	(636,830)	(268,021)	(636,830)
Income tax paid	(4,768,512)	(2,710,048)	(3,423,616)	(2,161,901)
<b>Net cash used in operating activities</b>	<b>(43,467,819)</b>	<b>(52,111,505)</b>	<b>(44,557,045)</b>	<b>(3,271,548)</b>

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

DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# STATEMENTS OF CASH FLOWS (CONT.)

AS AT DECEMBER 31, 2021

	Unit : Baht			
	Consolidated		Separate	
	2021	2020	2021	2020
<b>Cash flows from investing activities</b>				
Deposits pledged as collateral (increase) decrease	(167,603)	(60,252,000)	(167,603)	(45,188,500)
Cash paid for purchase of investment in subsidiaries	-	-	-	(56,000,000)
Cash received from non-controlling interests	-	14,000,000	-	-
Cash paid for purchase of investment in associates	(6,000,000)	(107,640)	(6,000,000)	-
Cash received from sale of other long-term investments	-	14,000,000	-	14,000,000
Cash received from dissolution of a subsidiaries	-	-	-	17,887,759
Other current financial assets (increase) decrease	(160,000,000)	392,744,791	(160,000,000)	383,782,073
Cash received from short-term borrowing receivable individuals and other company	-	470,885	-	470,885
Cash received from interest income	2,289,046	3,577,990	2,288,560	1,898,280
Cash paid for purchase of improvement of building rental, furniture and equipment	(1,079,790)	(18,654,177)	(1,079,790)	(18,654,177)
Proceeds from sales of improvement of building rental, furniture and equipment	5,794,072	2,581,268	5,794,072	2,581,268
Cash paid for purchase of intangible asset	(21,000)	(29,739,332)	(21,000)	(29,739,332)
<b>Net cash provided by (used in) investing activities</b>	<b>(159,185,275)</b>	<b>318,621,785</b>	<b>(159,185,761)</b>	<b>271,038,256</b>
<b>Cash flows from financing activities</b>				
Payment of finance lease liability	(2,306,712)	(2,406,834)	(2,306,712)	(2,406,834)
<b>Net cash used in financing activities</b>	<b>(2,306,712)</b>	<b>(2,406,834)</b>	<b>(2,306,712)</b>	<b>(2,406,834)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(204,959,806)</b>	<b>264,103,446</b>	<b>(206,049,518)</b>	<b>265,359,874</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>271,950,048</b>	<b>7,857,084</b>	<b>270,368,079</b>	<b>5,008,205</b>
<b>Cash and cash equivalents at dissolution date</b>	<b>-</b>	<b>(10,482)</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents at ending of year</b>	<b>66,990,242</b>	<b>271,950,048</b>	<b>64,318,561</b>	<b>270,368,079</b>
<b>Supplemental cash flows information:</b>				
1. Cash and cash equivalents comprised of:				
Cash on hand	10,308	12,997	4,859	7,165
Current account	70,032	83,951	30,000	30,000
Saving accounts	65,876,598	270,823,472	63,250,398	269,301,286
Fixed deposits	1,033,304	1,029,628	1,033,304	1,029,628
<b>Total</b>	<b>66,990,242</b>	<b>271,950,048</b>	<b>64,318,561</b>	<b>270,368,079</b>

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

## DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

### 1. General information

#### 1.1 Corporate information

DV8 Public Company Limited (“the Company”) is a public limited company, incorporated in Thailand and is registered on the Stock Exchange of Thailand. The address of its registered office is 191/43 CTI Tower 21<sup>st</sup> Floor, Ratchadapisek Road, Klongtoey Subdistrict, Klongtoey District, Bangkok.

The principal business operations of the Company are providing, production and/or joint production of television satellite programmes and being the broker.

#### 1.2 Coronavirus disease 2019 pandemic

The Coronavirus disease 2019 pandemic is adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Company operates. The Company’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions, and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

### 2. Basis for preparation of the consolidated financial statements

The consolidated financial statements include the financial statements and subsidiaries as follows:

Subsidiaries	Type of business	Location	Percentage of holding by	
			December 31, 2021	December 31, 2020
<u>Direct - Subsidiary :</u>				
Demeter Innovation Company Limited	providing, production and/or joint production of television satellite programmes	Bangkok	100.00	100.00
DCORP – DLI Joint Venture	Hire for installation of various projects	Nonthaburi	80.00	80.00
<u>Indirect - Subsidiary :</u>				
Hinoki Wood Work Company Limited (Held by Demeter Innovation Company Limited)	Produce and sell wooden products or with wood components	Phathum Thani	100.00	100.00
<u>Associated :</u>				
Hero Experience Co., Ltd.	Water Park, Amusement Park, Recreation	Samutprakarn	37.50	37.50



DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

Subsidiaries	Type of business	Location	Percentage of holding by	
			December 31, 2021	December 31, 2020
Revolution of Digital Employee Experience Co.,Ltd.	The business in management and data processing by being an application developer for data analysis	Bangkok	40.00	-

Demeter Power Company Limited registered the dissolution with the Department of Business Development on November 23, 2020, Liquidation completed on August 6, 2021.

At the Board of Directors Meeting No. 10/2021, held on October 31, 2021, it was resolved to approve the disposal of investment in ReDEX to unrelated persons in the amount of 20,000 shares at a price of Baht 325 per share, representing a total trading value of Baht 6.5 million, February 21, 2022 ReDEX paid Baht 6.5 million for shares already.

Significant transactions with subsidiary have been eliminated in the consolidated financial statements.

The consolidated financial statements have been prepared with the same accounting policies for the separate financial statements for the same accounting transactions or accounting events.

## 3. Basis of preparation of the financial statements and significant accounting policies

### 3.1 Basis of preparation of the financial statements

The financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.



DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

An English version of the financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

## 3.2 New financial reporting standards

### A) Financial reporting standards that became effective in the current period

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. 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.

### B) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

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 2022. 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, for some standards, providing temporary reliefs or temporary exemptions for users.

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

## 3.3 Significant accounting policies

Significant accounting policies of the Company are as follows:

### 3.3.1 Recognition of revenues and expenses

#### A) Revenues from construction contracts

The Group has determined that its construction contracts generally have one performance obligation. The Group recognises construction revenue over time where the stage of completion is measured using an output method, based on information provided by project engineers or project managers.

The likelihood of contract variations claims and liquidated damages, delays in delivery or contractual penalties are taken into account in determining the revenue to be recognised, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

When the value and stage of completion of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

**B) Service income**

Revenue from services is recognised when the Group satisfies the performance obligation at a point in time, and when transfer of control occurs or the services are provided.

**C) Sales income**

Revenue from sales of goods is recognised when the Group satisfies a performance obligation by transferring goods to customers. The goods are transferred when the customers obtain control of that goods. Control of the goods has transferred when the goods are delivered to customers. Delivery occurs when the goods have been shipped to the specific location. A receivable is recognised when the goods are delivered as this is the performance obligations satisfied at a point in time.

**D) Interest**

Interest is recognized on a time proportion basis, taking into account the effective interest rate of the period up to the expiration date and taking into account the principal amount which is the balance in the account for recording the accrued interest of the company.

**E) Other income**

Other income is recognized on an accrual basis.

**F) Expenses**

Expenses are recorded on an accrual basis.

**3.3.2 Cash and cash equivalents**

Cash and cash equivalents consist of cash on hand and deposits at banks with an original maturity of three months or less and not subject to withdrawal restrictions.

**3.3.3 Inventory**

The cost calculations are detailed as follows:

- Inventory record the total average cost or the lower of cost or net realizable value.

**3.3.4 Trade accounts receivable**

Accounts receivables are presented at net realizable value.

## DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

The Group, trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at its present value.

The Group applies the TFRS 9 simplified approach to measuring expected credit losses which uses a simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been grouped based on the days past due. The expected loss rates are based on the payment profiles and the corresponding historical credit losses and accordingly adjusts the historical loss rates based on expected changes in these factors. The impairment losses are recognised in profit or loss within administrative expenses.

### 3.3.5 Hire-purchase contract receivables

Hire-purchase contract receivables are stated at initial value noted in the financed lease agreement less cash received from installment, unearned interest income, and allowance for doubtful account.

Allowance for doubtful account is evaluated based on analysis of repayment historical records and forecast for future repayment of each account receivable.

### 3.3.6 Contract assets / Contract liabilities

#### Contract assets

A contract asset is the excess of cumulative revenue earned over the billings to date. Allowance for impairment loss is provided for the estimated losses that may be incurred in customer collection. Contract assets are transferred to receivables when the rights become unconditional (i.e., services are completed and delivered to the customer).

#### Contract liabilities

A contract liability is recognised when the billings to date exceed the cumulative revenue earned and the Group has an obligation to transfer services to a customer. Contract liabilities are recognised as revenue when the Group fulfils their performance obligations under the contracts.

### 3.3.7 Financial assets and financial liabilities

#### Classification and measurement of financial assets

The classification of financial assets depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The company classifies its debt instruments in the following categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and

DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

- those to be measured at amortised cost.

The company reclassifies debt instruments when and only when its business model for managing those assets changes.

The equity instruments held must be irrevocably classified to two measurement categories; i) at fair value through profit or loss (FVPL), or ii) at fair value through other comprehensive income (FVOCI) without recycling to profit or loss.

At initial recognition, the company measures a financial asset at its fair value plus or minus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the financial assets. There are 3 measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** A financial asset will be measured at amortised cost when the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows. In addition, 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. Interest income from these financial assets is included in financial income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented in profit or loss.
- **FVOCI:** A financial assets will be measured at FVOCI when it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. In addition, 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. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and related foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised on other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of comprehensive income.



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# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Dividends from such investments continue to be recognised in profit or loss when the company's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### Classification and measurement of financial liabilities and equity

Financial instruments issued by the company must be classified as financial liabilities or equity securities by considering contractual obligations.

- Where the company has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the company's own equity instruments.
- Where the company has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

At initial recognition, the company measures financial liabilities at fair value. The company reclassifies all financial liabilities as subsequently measured at amortised cost, except for derivatives.

### Recognition and derecognition

The company shall recognise a financial asset or a financial liability in its statement of financial position when, and only when, the company becomes party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership of the financial assets.

### Impairment

The company assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The company applies general approach for credit-impaired consideration.

## DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

### 3.3.8 Investments

Investments in associates in the consolidated financial statements are recorded by using the equity method.

Investments in subsidiaries in the separate financial statements are recorded by using the cost method less provision for impairment. The devaluations are recorded as loss from devaluation of investments in the statement of comprehensive income.

General investments in the statement of financial position is recorded by using the cost method less provision for impairment. The devaluations are recorded as loss from devaluation of investments in the statement of comprehensive income.

### 3.3.9 Improvement of building rental, furniture, and equipment - net

Depreciation calculated on a straight-line basis to reduce the carrying amount over the estimated useful lives of each part of an item of property, plant and equipment are as follows:

	Years
Improvement of office rental	20
Furniture fixture and office equipment	5
Vehicles	5

Where the carrying amount of an asset is greater than its estimated recoverable amount, the cost is written down immediately to its recoverable amount. Estimated recoverable amount is calculated from the anticipated discounted cash flows to their present value from the continuing use of the assets and the amount obtainable from the sale of the assets less any costs of disposal whichever is higher.

Gains and losses on disposal of assets are determined by reference to their carrying amount and are taken into account in determining operation profit.

Expenditures for expansion, renewal and betterment, which result in substantial increase in an asset's current replacement value, are capitalized. Repair and maintenance costs are recognized as an expense when incurred.

### 3.3.10 Intangible asset

Intangible asset Consists of broadcasting rights in movie programs, computer programs and the concession agreement.

The company shows intangible assets at cost less accumulated amortization of intangible assets is calculated based on their cost by the straight-line method over the economic benefits from using that asset.

DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

### 3.3.11 Non-current assets held for sale

Non-current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of the carrying amount and fair value less cost to sell if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use.

### 3.3.12 Impairment of non-financial assets

At the end of each reporting period, the Company performs impairment reviews in respect of the investment in associated, investment in subsidiaries, improvement of rental building, furniture and equipment - net, right-of-use asset, or 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. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

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 Company 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.



DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

## 3.3.13 Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognized in profit or loss except to the extent that they relate to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and jointly-controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Company to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

## 3.3.14 Leases

### 3.3.14.1 The Company as a lessee

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 Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e., the date the underlying asset is available for use), the Company 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 any 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 recognized, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Unless the Group is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

#### Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted 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 modification or reassessment.

#### Short-term leases and Leases of low-value assets

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognized as expenses on a straight-line basis over the lease term.

## DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

### 3.3.14.2 The Company as a leases

Lease of assets which substantially transfer all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased property or the present value of minimum lease payments. Each lease payment is allocated to the principal and to the finance charges as to achieve a constant rate on the finance balance outstanding. The outstanding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the income statement over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant or equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset or the lease term.

Leases not transferring a significant portion of the risks and rewards of ownership to the lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of income on a straight-line basis over the period of the lease.

### 3.3.15 Employee benefits

#### Short-term employee benefits

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

#### Post-employment benefits

##### *Defined contribution plans*

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

##### *Defined benefit plans*

The Company and its subsidiaries have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The treat 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 recognized immediately in other comprehensive income.

### 3.3.16 Provisions for liabilities and charges

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.



DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

## 3.3.17 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

## 3.3.18 Basic earnings (loss) per share

Basic earnings (loss) per share calculated by dividing net income (loss) for the year attributable to the ordinary shareholders by the weighted average number of ordinary shares in issue during the year.

## 3.3.19 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 Company and its subsidiaries apply 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 Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximizes 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 categorized within the fair value hierarchy into three levels based on categories 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 Company and its subsidiaries determine 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.

DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

## 4. Judgments and estimates

### *Use of accounting estimates*

Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates for certain accounting transactions, affecting amounts reported in the financial statements and notes related thereto. Subsequent actual results may differ from these estimates.

Estimates, assumption, and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### *Furniture and equipment*

Management determines the estimated useful lives and residual values for the Company's equipment. Management will revise the depreciation charge where useful lives and residual values are different to previously estimated, or it will write off or write down technically obsolete or assets that have been abandoned or sold.

### *Intangible assets*

Intangible assets are systematically amortized over their estimated useful lives, and are subject to impairment if there is an indication they may be impaired.

### *Retirement benefit obligation*

The present value of the retirement benefit obligation is based on a number of assumptions. The assumptions used and the effect of a possible change to the assumptions are disclosed in Note 20

## **Capital risk management**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

## 5. Transactions with related parties

The Company has several accounting transactions with below related parties, which have the same group of shareholders or directors. Some of assets, liabilities, revenues, and expenses transactions incur from those related parties.

<u>Companies</u>	<u>Relationship</u>
Demeter Innovation Company Limited	Subsidiary
DCORP – DLI Joint Venture	Joint Venture (held by 80 percent)
Hero Experience Co., Ltd.	Associate (held by 37.5 percent)
Revolution of Digital Employee Experience Co., Ltd.	Associate (held by 40 percent)
Hinoki Wood Work Company Limited	Subsidiary (held by indirect - subsidiary and Co-director)

### 5.1 Accounting transactions with related parties

5.1.1 Significant transactions in incomes and expenses for year ended December 31, 2021, and 2020 are as follows:

	(Unit : Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
<b>Incomes</b>				
<b>Revenue from Construction</b>				
DCORP - DLI Joint Venture	-	-	15,011,990	-
<b>Interest income</b>				
DCORP - DLI Joint Venture	-	-	1,016,719	256,269
<b>Expenses</b>				
<b>Financial cost</b>				
DCORP - DLI Joint Venture	-	-	562,500	141,781
<b>Service</b>				
Hinoki Wood Work Company Limited	-	-	-	45,000
<b>Management benefit expenses</b>				
Benefits for directors and managements	27,149,357	17,601,981	27,149,357	17,601,981

DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

## 5.1.2 Significant transactions in assets and liabilities

	(Unit : Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
<b>Other receivables - related parties</b>				
DCORP - DLI Joint Venture	-	-	2,962,070	5,621,139
<b>Other current assets</b>				
Hinoki Wood Work Company Limited	-	-	-	281,300
<b>Interest receivables</b>				
DCORP - DLI Joint Venture	-	-	86,351	256,269
<b>Other non-current liabilities</b>				
Retention and Accrued interest expenses				
DCORP - DLI Joint Venture (Note 11.1)	-	-	25,047,774	25,141,781
<b>Short-term loans and interest receivables</b>				
Demeter Innovation Company Limited	-	-	61,000,000	61,000,000
<u>Less</u> expected credit loss	-	-	(61,000,000)	(61,000,000)
Total	-	-	-	-



DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

Expected credit loss - short-term loans have changed during the year as follows:

	(Unit : Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
Beginning balance	-	470,885	61,000,000	61,470,885
Decrease	-	(470,885)	-	(470,885)
Ending balance	-	-	61,000,000	61,000,000

During the year ended December 31, 2021, the movement of short-term loans and accrued interest receivable is as follows:

	(Unit : Baht)			
	Separate			
	January 1, 2021	Increase	Decrease	December 31, 2021
<b>Short-term loans and accrued interest receivable</b>				
<u>Demeter Innovation Company Limited</u>				
Principal	61,000,000	-	-	61,000,000
Accrued interest receivable	-	-	-	-
Total	61,000,000	-	-	61,000,000

Loans to subsidiary and related company charged interest at 2 - 7% per annum.

DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

## 6. Trade and other current receivables - net

	(Unit : Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
<b><u>Trade receivables</u></b>				
Trade receivables	96,164,590	143,361,655	95,954,857	117,539,614
<u>Less</u> expected credit loss	(71,422,834)	(71,342,880)	(71,213,101)	(71,127,089)
Total trade receivables	24,741,756	72,018,775	24,741,756	46,412,525
<b><u>Other current receivables</u></b>				
Other receivables - related parties (Note 5.1.2)	-	-	2,962,070	5,621,139
Amounts due from a former related company - net (Note 6.1)	-	-	-	-
Refundable value added tax	56,135,387	58,961,529	54,200,437	56,764,312
Other receivables	30,514,090	22,617,768	26,507,307	22,648,908
Prepaid expense	1,736,145	2,596,319	-	-
Advance payment to contractor	17,918,197	4,399,405	17,918,197	4,399,405
<u>Less</u> expected credit loss	(3,259,435)	(5,312,208)	(3,259,435)	(5,312,208)
Total other current receivables	103,044,384	83,262,813	98,328,576	84,121,556
Total trade and other current receivables	127,786,140	155,281,588	123,070,332	130,534,081

Aging analysis for trade accounts receivable were as follows:

	(Unit : Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
Within credit terms	17,574,068	49,678,828	17,574,068	24,072,578
Overdue:				
Not over 3 months	3,366,930	18,315,986	3,366,930	18,315,986
3 – 6 months	35,952	2,703,961	35,952	2,703,961
6 – 12 months	631,300	-	631,300	-
Over 12 months	74,556,340	72,662,880	74,346,607	72,447,089
Total	96,164,590	143,361,655	95,954,857	117,539,614

## DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

Expected credit loss – trade receivables have changed during the year as follows:

	(Unit : Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
Beginning balance	71,342,880	72,514,670	71,127,089	72,298,878
Increase (decrease)	1,428,154	(1,171,790)	1,434,212	(1,171,789)
Decrease from amortization	(1,348,200)	-	(1,348,200)	-
Ending balance	71,422,834	71,342,880	71,213,101	71,127,089

The Company has expected credit loss from one of debtors amount of Baht 61.21 million. The trade receivable defaulted in return the sponsorship from the sport tournament, which the Company was the financial investor with amount of Baht 86.43 million according to the contract project of the golf tournament “Thailand Classic”. The Company has filed with the Civil Court on July 15, 2016. Currently, it is in the process of filing a lawsuit and asked to stay at the accused. And on September 12, 2019, the company submitted an objection to the request of the defendant's petition and filed an appeal with the Civil Court of Southern Bangkok. The case is currently in the proceeding of the Supreme Court.

The Company recorded expected credit loss from an associate company which the Company has pledged its fixed deposit as collateral for the loan of such associate company. Later, the bank has deducted the payment of the outstanding loan from the said deposit account Baht 90 million. Therefore, the associate company is obliged to pay back to the company according to the amount that the bank deducted from the deposit account. However, the associate company has ceased operations and lacked liquidity. The Company therefore considers the expected credit loss in full amount (Note 9.1).

## DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

## 6.1 Amounts due from a former related company - net

	(Unit : Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
Amounts due from a former related company				
- Siam Dimension Stone Co., Ltd.				
Loans receivable	70,738,314	70,738,314	70,738,314	70,738,314
Unearned service income	2,806,000	2,806,000	2,806,000	2,806,000
Total	73,544,314	73,544,314	73,544,314	73,544,314
Less expected credit loss	(73,544,314)	(73,544,314)	(73,544,314)	(73,544,314)
Amounts due from a former related company - net	-	-	-	-

The Company has filed a Civil Court against the receivable on October 15, 2012. And on December 17, 2012, the Civil Court judged that the customer as the defendant had to pay the debt as amount of Baht 73.54 million with the interest rate of 7.5 percent per annum.

The Company has seized old machinery owned by the debtor and is waiting for the auction announcement from the Enforcement Officer. On May 21, 2020, the Company inspected the defendant's assets and found that the defendant had no assets to seize, attach or execute the case. In June 2020, the defendant's lawyer issued a letter of consent allowing the company to withdraw the building for sale. Currently in the process of execution in the execution level and asset protection.

## 7. Contract assets/Contract liabilities

## 7.1 Contract balance

	(Unit : Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
Contract assets				
Unbilled income	37,639,841	-	-	-
Total contract assets	37,639,841	-	-	-
Contract liabilities				
Advance received form construction income	25,769,153	41,211,737	2,136,947	4,354,270
Total contract liabilities	25,769,153	41,211,737	2,136,947	4,354,270

DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

## 7.2 Unbilled income

As of December 31, 2021, the Group has a balance of unbilled revenue of Baht 37.64 million that is expected to be paid within 1 year.

## 8. Other Financial assets - net

As follows

	(Unit : Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
Fixed deposit over 3 months	160,000,000	-	160,000,000	-
Hire-purchase contract receivables (Note 8.1)	-	-	-	-
Current financial assets	160,000,000	-	160,000,000	-

## 8.1 Financial lease receivables - net

	(Unit : Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
Financial lease receivables	102,959,690	102,959,690	102,959,690	102,959,690
<u>Less</u> Unearned interest income	(17,447,740)	(17,447,740)	(17,447,740)	(17,447,740)
Net	85,511,950	85,511,950	85,511,950	85,511,950
Expected credit loss	(85,511,950)	(85,511,950)	(85,511,950)	(85,511,950)
Net	-	-	-	-

Financial lease receivables - net: The Company signed a contract of selling lighting and air conditioning systems with a non-related company. The delivery and inspection tasks completed in August 2016

In the year 2018, the debtor has undergone difficulty of liquidity which causes a negotiation on payment time extending and the amount payable in each period. However, the negotiation is on process of signing The company recognized fully expected credit loss.

According to the resolution of the Board of Director's Meeting No. 8/2018 held on July 24, 2018. The Company has assigned Law Firm to proceed with further actions in filing a lawsuit against the debtors and the court made a mediation. The court appointed the plaintiff and defendant witnesses on January 23 - 24, 2020. which can be divided into 2 cases:



## DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

Case 1, Capital sued in total of Baht 27.09 million (including interest). As at March 24, 2020 The Civil Court has order the defendant to pay Baht 25.60 million including interest at rate of 7% per annum of the said capital from next day until payment is complete to the plaintiff and the defendant must pay compensation fees on behalf of the plaintiff, which the lawyer fee is set at Baht 0.15 million and the cost of litigation is Baht 0.01 million.

On April 3, 2021, the Civil Court sent a warrant to inform that the said case, the Appeal Court scheduled to hear the verdict on May 5, 2021. After that the Appeal court sentenced the Court of Appeals on July 5, 2021. On that date, the Court of Appeal has reversed the verdict to dismiss the plaintiff's case. Without disqualifying the plaintiff to file a lawsuit against the defendant in a new case within the age limit. Restore the court in the Court of First Instance for the plaintiff and the defendant's appeal. Fees other than those ordered by the court to be returned to be folded. Subsequently, on October 1, 2021, the court to consider this case of prosecution further.

Case 2, Capital sued in total of Baht 63.41 million (including interest). On December 27, 2019, The Civil Court has ordered the defendant to pay Baht 59.91 million including interest at the rate of 7% per annum of the said capital from January 1, 2018, onwards until payment is complete to the plaintiff, but the total interest up to the date of filing is not to be more than Baht 3.49 million as requested by the plaintiff. And the defendant must pay compensation fees on behalf of the plaintiff, which the lawyer fee is set at Baht 0.15 million and the cost of litigation is Baht 0.01 million. Subsequently, the defendant filed an appeal and a request for a stay of execution to the Court on May 1, 2020. On March 31, 2021, the Appeal Court made an amendment to the defendant to pay an amount of Baht 49.46 million with interest at the rate of 7% per year of the said principal from January 1, 2018, onwards until the payment is completed to the plaintiff. But the interest until the date of filing does not exceed 3.49 million baht. In addition, according to the judgment of the Court of First Instance. Currently, this case is pending the defendant's petition.

### 9. Deposits pledged as collateral

- 9.1 The Company has a fixed deposit of Baht 90 million, pledged as collateral for an associate loan (Note 10.2), According to the resolution of the Board of Director's Meeting No. 6/2018 held on May 18, 2018.

However, Due to the cessation of operation and the lack of liquidity of the associated company, however, the associated company was unable to repay the principal according to the contract. In year 2020, the bank had already deducted the loan from the deposit account totaling Baht 90 million. Therefore, the associate company is obliged to pay back to the Company according to the amount that the bank has already deducted from the Company's deposit account.

- 9.2 The company has a fixed deposit of Baht 45.19 million to issue a letter of guarantee for the pre-employment contract for DCORP - DLI joint venture (Note 11.1) in accordance with the resolution of the Board of Directors Meeting No. 7/2020 on August 13, 2020.



DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

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- 9.3 A subsidiary (DCORP - DLI Joint Venture) has a fixed deposit amounting to Baht 15.06 million to issue a letter of guarantee, collateral, an employment contract under an employment contract, a public awareness building project with a smart signage. According to the resolution of the subsidiary Board of Directors Meeting No. 2/2020 on July 22, 2020.

## 10. Investments in associates - net

Details of associates are as follows:

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Equity method	
			December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
			(%)	(%)				
Hero Experience Co., Ltd.	Water Park, Amusement Park, Recreation	Thailand	37.5	37.5	324,999	324,999	-	-
<u>Less:</u> allowance loss on impairment					(324,999)	(324,999)	-	-
Net					-	-	-	-
Revolution of Digital Employee Experience Co.,Ltd.	Management and data processing by being an application developer for data analysis	Thailand	40	-	6,000	-	4,018	-
Total					6,000	-	4,018	-

# DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements							
			Shareholding		Cost		impairment of		Carrying amounts	
			percentage				investment		on cost method - net	
			December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
			(%)	(%)						
Hero Experience Co., Ltd.	Water Park, Amusement Park, Recreation	Thailand	37.5	37.5	324,999	324,999	(324,999)	(324,999)	-	-
Revolution of Digital Employee Experience Co., Ltd.	Management and data processing by being an application developer for data analysis	Thailand	40	-	6,000	-	-	-	6,000	-
Total					330,999	324,999	(324,999)	(324,999)	6,000	-

### 10.1 Share of comprehensive income

In during the year, the Company has recognized equity gain (loss) on investment in associate company as follows:

(Unit: Thousand Baht)

Associates	Consolidated financial statements	
	Share of profit (loss) from investments in associates	
	during the year ended December 31,	
	2021	2020
Hero Experience Co., Ltd.	-	-
Revolution of Digital Employee Experience Co., Ltd.	(1,982)	-
Total	(1,982)	-

## DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

Since the year ended December 31, 2019, The Company has ceased to calculate the equity loss in Hero Experience Co., Ltd. because The Company's equity recognized equally to their investment (zero). In the cost method, the Company set up an allowance for impairment of the investment in full (Baht 325 million).

- 10.2 The Board of Directors Meeting No. 8/2017 held on September 15, 2017, the Board of Directors of the Company resolved to approve the investment in the hyper reality development business, the Marvel Experience Thailand: Theme Entertainment Attraction (TMX) of Hero Experience Co., Ltd. (Hero Experience) by the purchase of 32.5 percent of the newly issued shares by Hero Experience Co., Ltd., totaling of Baht 280 million. Later, on December 12, 2017, the Company's Board of Directors approved the additional purchase of 5 percent of the new shares issued by the capital increase of Hero Experience, totaling of Baht 45 million, thereby resulting in the total combined shareholding of 37.5 percent of Baht 325 million in total.

On January 21, 2019, Hero Experience Co., Ltd held extra-ordinary general meeting No.1/2019 to propose an agenda to termination of the project Hero Experience due to the fact that Hero Experience has a lack of liquidity problem, and the Project has not been operated in accordance with the plan. Referred to additional information many creditors of Hero Experience Co., Ltd. accounted for Baht 59.50 million filed a lawsuit and/or submitted letter to claim their debt with interest and late payment surcharge.

In addition, the loan agreement between Siam Commercial Bank Public Company Limited and Hero Experience Co., Ltd. Dated May 23, 2018, the Company was guaranteed by its fixed deposit bank account of Baht 90 million. In the extra-ordinary general meeting No. 1/2019 resolved to settle loan agreement with the fixed deposit bank account.

In year 2020, the management of Hero Experience Co., Ltd. reported information regarding the case, which stated that, Hero Experience Co., Ltd. was sued by 26 creditors in total debt of Baht 78.30 million (In year 2019, was sued by debt of Baht 77.30 million). However, 3 creditors withdrew the lawsuit and agreed to reduce the debt to Hero Experience Co., Ltd., which Hero Experience Co., Ltd. has already paid off the debt. In addition, 19 creditors agreed that Hero Experience Co., Ltd. can pay in installments according to the terms and conditions set by the creditors. And as regards the case against the 4 creditors, total amount of Baht 10.23 million, Hero Experience Co., Ltd. is in the process of mediation. The case result has not been announced. The company filed a petition for its business reorganization to the Central Bankruptcy Court. As a result, the company has to suspend all creditors' debt payments until the lawsuit ends. By according to the resolution of the Extraordinary General Meeting of Shareholders No. 1/2020 held on June 15, 2020, it was resolved to approve the company to enter the business rehabilitation process. And on July 9, 2020, Hero Experience Co., Ltd. filed a petition for business rehabilitation to the Central Bankruptcy Court. The court has issued an order to accept the petition. And the hearing of the petition on October 6, 2020, with a total of 3 objections. Later, both parties requested permission to postpone the case.

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# NOTES TO FINANCIAL STATEMENTS

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Which the court considered that if both parties can negotiate an agreement, it will benefit the judicial proceedings. For the sake of justice Therefore, it is allowed to postpone the appointment for a hearing on the request on December 9, 2020. Later on that day, the Central Bankruptcy Court again negotiated the mediation but could not reach a settlement. The court therefore called for another hearing of the petition on March 9, 2021. And on April 28, 2021, the court dismissed the request.

The management remains committed to continuing the business by negotiation with partner . In 2022 there is an expectation of leasing the space including to projection the work plan and short-term cash flow (one-year)

- 10.3 The Meeting of the Board of Directors No. 1/2021 of DV8 held on January 21, 2021, has approved to invest in the ordinary shares of Revolution of Digital Employee Experience Co., Ltd. (“ReDEX”) Does the business in management and data processing by being an application developer for data analysis for organizational management and online corporate personnel. Which is equivalent to 40 percent of registered and paid-up capital of ReDEX. The total value of investment is not more than Baht 10,000,000.

The company hired a company for Legal Due Diligence. And a financial advisor for this investment project. In this transaction,

### Condition

Investment is divided into 2 phases as follows:

- (1) To acquire the ordinary shares in the amount of 10,000 shares at a par value of Baht 100 per share from the existing shareholders of ReDEX at Baht 300 per share, which is equivalent to Baht 3,000,000.

On January 27, 2021, the company has made payment for 10,000 common shares.

- (2) The Company will subscribe newly issued ordinary shares in ReDEX in the amount of 10,000 shares at a par value of Baht 100 per share at the price not more than Baht 700 per share, the total amount is not more than Baht 7,000,000. The details of newly issued ordinary shares subscription are as follows:

(2.1) Fully paid-up of newly issued 10,000 shares at a par value of Baht 100 per share which is worth Baht 1,000,000 on the subscription date of ordinary shares of ReDEX;

(2.2) The payment of the newly issued shares as a premium at Baht 200 per share which is worth Baht 2,000,000 on the subscription date of ordinary shares of ReDEX;

On March 25, 2021, the company paid for the capital increase shares. And the premium on ordinary shares of 10,000 shares is completed.

(2.3) The payment of the newly issued shares as an additional premium at not more than Baht 400 per share, which is worth not more than Baht 4,000,000 shall be paid within May 31, 2022 with the conditions as follows.



DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

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2.3.1 ReDEX has to perform net profits not less than Baht 25 million which will be considered from the ReDEX's financial report during February 1, 2021 to March 31, 2022, the Company will therefore pay this additional premium.

2.3.2 If ReDEX has made net profits of less than Baht 25 million but not less than Baht 15 million within March 31, 2022, the Company will pay this additional premium equal to the proportional shareholding in ReDEX held by the Company multiply by the difference between the net profits that ReDEX makes.

2.3.3 And if ReDEX performs net profits of less than Baht 15 million within March 31, 2022, the Company shall not pay this additional premium.

After entering the transaction, the company will be in charge of all ReDEX's finances and appoint a representative of the company to be a director of ReDEX and have the authority to bind the company. Will be defined as a joint signing between the representative directors And Director of ReDEX.

As of the date of the financial statements and based on the operating results of ReDEX, the management is of the opinion that it does not meet the conditions to pay the premium under clause 2.3, therefore, the projection is not recorded in the financial statements.

At the Board of Directors Meeting No. 10/2021, held on October 31, 2021, it was resolved to approve the disposal of investment in ReDEX to unrelated persons in the amount of 20,000 shares with a par value of 100 baht per share or 40% of all issued and sold shares of ReDEX at a price of 325 baht per share, representing a total trading value of Baht 6.5 million. February 21, 2022, ReDEX paid Baht 6.5 million for shares already.

## 11. Investments in subsidiaries at cost method - net

As at December 31, 2021 and 2020, investments in subsidiaries are as follows:

(Unit : Thousand Baht)

Companies	Separate financial statements							
	Issued and paid-up share				Dividend for the			
	capital		% of Holding		At cost		year ended December 31,	
	2021	2020	2021	2020	2021	2020	2021	2020
Demeter Innovation Company Limited	48,000	48,000	100.00	100.00	73,862	73,862	-	-
DCORP – DLI Joint Venture	70,000	70,000	80.00	80.00	56,000	56,000	-	-
Less Allowance for devaluation of investments					(73,862)	(73,862)	-	-
Total investments in subsidiaries					56,000	56,000	-	-

## DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

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### 11.1 Joint venture

On May 9, 2020, the Company entered into a joint venture agreement. "Project for creating awareness among people by smart billboards" with Delighting International Co., Ltd. "DLI" and named "DCORP-DLI Joint Venture" for Electronic Bidding (e-bidding) No. 8/2020. Wages to raise awareness to the public with intelligent publicity signs according to the announcement of the Office of the Permanent Secretary of Interior dated May 8, 2020 (TOR)

#### The key conditions are as follows

The company is responsible for providing collateral for an amount equal to 5% of the wages that the electronic bidder can be. Collateral for receiving wages in advance Performance collateral (if any) and financing. The cash flow for the total implementation of the project is 80% of the expense limit for the project. The parties agreed to Delighting International Co., Ltd. to be the main responsible for most operations under the agreement.

#### Revenue sharing

<u>Counterparty</u>	<u>Rate of return</u>
DCORP	80 percent of the profit after deducting all expenses
DLI	20 percent of the profit after deducting all expenses

Because the company has control over operational decisions of joint venture. According to the key conditions above the Company therefore classified the investment in that company as a subsidiary company.

On June 18, 2020, Office of the Permanent Secretary for Interior TU. 0203.4/9467 announcement of DCORP-DLI joint venture wins the Bidding for a Wage Tender Project to Creation of awareness among People by Smart Public Billboard Signs by Electronic Contest Method Project value Baht 301,250,000 including VAT (Three hundred one million two hundred and fifty thousand Baht) Project duration 2020-2022 (3 years).

At the Board of Directors Meeting No. 6/2020 on June 24, 2020, the Board of Directors approves investment in Creation of Awareness People by Smart Public Billboard. The investment value is Baht 56,000,000, representing 80 percent of the joint venture's investment On July 16, 2020, the company has paid the full amount to the joint venture.

On July 30, 2020, the DCORP-DLI joint venture entered into a project construction consulting and management contract with a not related company, a contract worth Baht 79,678,932.18 (including VAT). The first advisory fee to the DCORP-DLI joint venture is Baht 56,843,820, accounting for 71 percent of the contract value.

At the Board of Directors Meeting No. 7/2020 on August 13, 2020, the Board of Directors approved the opening of a Krung Thai Bank account to make a letter of guarantee for the pre-employment contract and the public awareness building project with a smart publicity sign worth Baht 45,187,500.



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# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

In the event that DCORP has provided collateral for the advance payment of 15% of the total wages of the project or more. The DCORP-DLI joint venture is responsible for all fees arising out of the acquisition of collateral for such advance payment. In addition, the DCORP-DLI joint venture will have to bring the amount of Baht 25,000,000 to DCORP as a guarantee for the performance of this contract that the DCORP-DLI joint venture will deliver the project to the department for a specified period of time. DCORP and DCORP-DLI joint venture are able to charge finance costs at the rate of 2.25% of the collateral contract amount.

On September 18, 2020, the DCORP-DLI joint venture received an advance payment from Office of the Permanent Secretary of Great Thai amount Baht 45,187,500 and Baht 25,000,000 placed with DCORP as collateral according to the aforementioned contract (Note 9.2).

- 11.2** At the Board of Directors Meeting No. 7/2021, dated August 11, 2021, it was resolved to approve the establishment of the Company's subsidiary. In the United Arab Emirates (UAE) in Dubai to expand the scope of the company's business, expand investments and to diversify business risks. The details of the establishment of subsidiaries are as follows:

Name of the investor company : DV8 LLC (DV8 Limited Liability Company)

Business Objectives : Operate a trading business (Allowing Retail , Wholesale & Online Sales)

Registered capital: AED 3,000,000

Investment Proportion Shareholding structure of the new company : DV8 Public Company Limited 100%

At the meeting of the Board of Directors No. 9/2021, dated October 28, 2021, it was resolved to liquidate DV8 Limited Liability Company due to the performance of the aforementioned business operations that did not meet the stated goals and the investment to operate such business is quite high. Does not affect the operations of the company in anyway.

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AS AT DECEMBER 31, 2021

## 12. Trade and other non-current receivables – net

	(Unit : Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
Other receivables - related parties (Note 9.1)	90,000,000	90,000,000	90,000,000	90,000,000
<u>Less</u> expected credit loss - related parties	(90,000,000)	(90,000,000)	(90,000,000)	(90,000,000)
Total Other receivables - related parties	-	-	-	-
Debt restructuring	-	49,330,547	-	49,330,547
<u>Less</u> expected credit loss	-	(49,330,547)	-	(49,330,547)
Total	-	-	-	-

Expected credit loss for trade and other non-current receivables have changed during the year as follows:

	(Unit : Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
Beginning balance	139,330,547	140,530,547	139,330,547	140,530,547
Decrease	-	(1,200,000)	-	(1,200,000)
Decrease from amortization	(49,330,547)	-	(49,330,547)	-
Ending balance	90,000,000	139,330,547	90,000,000	139,330,547

12.1 On July 15, 2015, the Company signed an agreement of debt restructuring and acknowledgement of debt of a debtor.

Under the terms of the agreement, the debtor will complete the debt repayment within 36 months by monthly installment, completing in July 2018 as following terms;

The 1st month period to the 12th month period, to pay not less than Baht 500,000.

The 13th month period to the 33rd month period, to pay not less than Baht 1,500,000.

The 34th month period to the 35th month period, to pay not less than Baht 2,000,000.

The debtor agreed to pay the remaining debt within the 36th period (July 2018).

The Company has recorded an expected credit loss from debt restructuring in full amount since the debtor defaulted in the payment according to the agreement of debt restructuring and acknowledgement of debt by appointing the enforcement for seizing the property or issuing an attachment order on February 16, 2021. However, the case defense officer seized the defendant by finding that the defendant had no assets to be used to pay debts to the plaintiff. The official therefore concluded that the defendant could not seize assets and the Enforcement Officer issued a report with the opinion of not seizing the defendant's property.

DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

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AS AT DECEMBER 31, 2021

- 12.2 On June 25, 2018, the Company entered into a compromise agreement with MIC Broadcast Co. Ltd., (MIC) as the following contracts:

Contract No. 1 debt outstanding in the amount of Baht 20.58 million is to be repayable on a monthly basis. Not less than Baht 0.30 million per installment of 29 installments and Baht 11.76 million shall be paid by the end of December 2020. On April 28, 2020, the Company as a plaintiff, submitted a statement not to proceed with the case with regards to the 2nd defendant, which the current case status in the process of waiver of repayment under the compromise agreement of the 1st defendant.

Contract No. 2 debt amount to Baht 44.22 million is due for the first two installments within December 2018 amounting to Baht 22.11 million, and the second installment within June 2019 amounting to Baht 22.11 million.

The Company recorded expected credit loss from the compromise debtors in full amount.

However, the 1st and 2nd contract, the debtor has defaulted. The Company has requested the court to issue an enforcement order which will carry out the investigation and enforcement of the case in the next step. On May 21, 2020, the Company inspected the defendant's assets and found that the defendant did not have any assets to seize, attach or execute the case. Currently the company submitted the application to the Legal Execution Department to seize the debtor's property by appointing the enforcement for seizing the property or issuing an attachment order on February 16, 2021. However, the case defense officer seized the defendant by finding that the defendant had no assets to be used to pay debts to the plaintiff. The official therefore concluded that the defendant could not seize assets and the Enforcement Officer issued a report with the opinion of not seizing the defendant's property.

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# NOTES TO FINANCIAL STATEMENTS

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## 13. Improvement of building, furniture, and equipment - net

Movements of improvement of building, furniture and equipment account for the year ended December 31, 2021 and 2020, are summarized below:

	(Unit : Baht)			
	Consolidated / Separate			
	January 1, 2021	Increase	Decrease	Transfer in (Transfer out) December 31, 2021
<u>Cost</u>				
Office rental improvements	16,251,360	-	-	-
Furniture, fixture, and office equipment	11,777,350	1,479,790	-	-
Project equipment	11,585,792	-	(6,748,407)	6,999,980
Vehicle	9,802,383	-	(3,499,000)	-
Work in progress	7,399,980	-	-	(7,399,980)
Total	56,816,865	1,479,790	(10,247,407)	(400,000)
<u>Accumulated depreciation</u>				
Office rental improvements	(4,458,454)	(812,012)	-	-
Furniture, fixture, and office equipment	(10,246,120)	(607,994)	-	-
Project equipment	(4,937,490)	(4,474,773)	2,586,841	-
Vehicle	(9,802,379)	-	3,498,999	-
Total	(29,444,443)	(5,894,779)	6,085,840	-
Net	27,372,422			18,395,866
<u>Depreciation expense for the year ended</u>				
December 31, 2021				5,894,779
December 31, 2020				8,011,462

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AS AT DECEMBER 31, 2021

	(Unit : Baht)				
	Consolidated / Separate				
	January 1, 2020	Increase	Decrease	Transferred as intangible assets Reclassification	December 31, 2020
<b>Cost</b>					
Office rental improvements	-	-	-	-	16,251,360
Furniture, fixture, and office equipment	11,544,284	975,076	(316,629)	(425,381)	11,777,350
Project equipment	-	15,681,202	(4,095,410)	-	11,585,792
Vehicle	11,696,383	-	(1,894,000)	-	9,802,383
Work in progress	-	7,399,980	-	-	7,399,980
Total	23,240,667	24,056,258	(6,306,039)	(425,381)	56,816,865
<b>Accumulated depreciation</b>					
Office rental improvements	-	-	-	-	(4,458,454)
Furniture, fixture, and office equipment	(9,525,125)	(1,231,743)	279,229	231,521	(10,246,118)
Project equipment	-	(6,620,285)	1,682,795	-	(4,937,490)
Vehicle	(11,536,946)	(159,434)	1,893,999	-	(9,802,381)
Total	(21,062,071)	(8,011,462)	3,856,023	231,521	(29,444,443)
Net	2,178,596			11,792,906	27,372,422

## 14. Right-of-use assets - net

Changes in right-of-use assets account for the year ended December 31, 2021, are summarised below.

	(Unit : Baht)	
	Consolidated	Separate
Balance as at beginning of period	20,559,813	20,559,813
Depreciation during the period	(1,443,665)	(1,443,665)
Balance as at ending of period	19,116,148	19,116,148

The company has an office rental lease with an unrelated company, for a period of 3 years (and can be renewed for a period of 3 years at the end of the contract date). The contract has a period beginning December 1, 2020 to expire on November 30, 2023. The management intends to renew it at the end of the contract. In addition, when considering the building improvements that will be before the benefit of 15 years. For this reason, the right of use assets and lease liabilities are recorded for a period of 15 years.



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# NOTES TO FINANCIAL STATEMENTS

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## 15. Intangible asset - net

Movements for the year ended December 31, 2021 and 2020, are summarized below:

	(Unit : Baht)			
	Consolidated		Separated	
	2021	2020	2021	2020
<u>Cost</u>				
Beginning balance	645,479,918	618,867,737	645,479,918	618,867,737
Additions	21,000	26,418,322	21,000	26,418,321
Transfer from office rental improvements furniture and equipment	-	193,860	-	193,860
Ending balance	645,500,918	645,479,919	645,500,918	645,479,918
<u>Accumulated amortization</u>				
Beginning balance	(251,827,799)	(241,228,065)	(251,827,799)	(241,228,065)
Accumulated amortization for the year	(8,071,128)	(10,599,735)	(8,071,128)	(10,599,734)
Ending balance	(259,898,927)	(251,827,800)	(259,898,927)	(251,827,799)
<u>Ending balance</u>	385,601,991	393,652,119	385,601,991	393,652,119
<u>Less</u> Allowance for impairment	(377,639,672)	(377,639,672)	(377,639,672)	(377,639,672)
Net	7,962,319	16,012,447	7,962,319	16,012,447

Accumulated amortization has changed during the year as follows:

	(Unit : Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
Beginning balance	377,639,672	377,639,672	377,639,672	377,639,672
Increase (decrease) - net	-	-	-	-
Ending balance	377,639,672	377,639,672	377,639,672	377,639,672



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Intangible asset are as follows:

- 15.1 The Board of Directors Meeting No. 2/2020 held on February 25, 2020 has resolved to approve the acquisition of assets of N.E.X.T Company Limited ("NEXT"). By entering into the said transaction, The Company will pay cash of Baht 40,000,000 ("purchase price") to NEXT in order to acquire the assets and the right to operate the advertising media business, equipment related to advertising media business, patents for advertising media business, principal project administrator and the key person for business operation ("Transaction").

The transaction to purchase assets, NEXT Company Limited has delivered concessions to advertise with ActMedia (Thailand) Company Limited, CP All PCL, Siam Makro PCL and Central Retail Corporation PCL to the Company for a total Value of Baht 29,321,009.47.

For the contracts of Central Family Mart Company Limited and AEON (Thailand) Company Limited, totaling Baht 566,154.41, they have been still in the process of changing the contract from NEXT Company Limited to Demeter Corporation Public Company Limited. According to the resolution of the Board of Directors meeting on May 12, 2020, resolved to approve the extension of the concession period of both parties as mentioned above. However, as at June 30, 2020, NEXT was unable to deliver the said contract in time for the time it was approved for an extension of the concession. The Board of Directors therefore resolved to change the value of the property purchase agreement with NEXT from the original value of Baht 40,000,000 (forty million baht) to Baht 39,433,845.59 (thirty-nine million four hundred thirty three thousand eight hundred forty-five baht and fifty nine Satang) as well as the advertising rights agreement between CP All Public Co., Ltd. has changed to a joint investment agreement with Plan BCS Co., Ltd. which is in accordance with Resolutions of the Board of Directors Meeting No. 7/2020 on August 13, 2020.

Details of the net asset value resulting from a business combination are as follows:

	(หน่วย : บาท)
Project equipment	15,660,918
Intangible asset	26,000,000
Total net assets	41,660,918
Compensation paid to buy a business	(39,433,846)
<b>Profit from bargaining</b>	<b>2,227,072</b>

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15.2 On January 30, 2015, the Company entered into an Agreement relating to the purchase of the right to manage the broadcasting time (the “**Broadcasting Right Purchase Agreement**” or the “**BPA**”) with Media Agency Thai Company Limited (“**MAT**”). Under the BPA, the Company has been appointed as a co-manager, with the exclusive right to manage the broadcasting time, the purchase and sale of broadcasting time, lease or lease out the broadcasting time and products and services advertised through 5 satellite television channels (the “**Right to Manage the Satellite Television Broadcasting**”) for three years beginning on January 30, 2015 and ending on January 29, 2018. In consideration of the Right to Manage the Satellite Television Broadcasting, the Company agreed to make payments to MAT consisting of a onetime payment in the total amount of Baht 369,200,000 within 15 days from the date of the BPA, and monthly payments in the amount of Baht 10,300,000 (excluded VAT) throughout the term of the BPA. Under the BPA, MAT agrees to guarantee a monthly minimum income amount derived from the BPA for the Company in the amount of VAT included of Baht 24,000,000 for the first year, Baht 19,000,000 for the second year, and Baht 12,900,000 for the third year. If the income derived from the BPA is less than the aforementioned guaranteed amounts, MAT agrees to compensate the Company by making payments of the shortfall amount in order to procure that the Company receives the guaranteed amounts within the 25<sup>th</sup> day of each month, and the first payment shall be made by MAT on February 2015.

For the period between February 2015 and September 30, 2015, there are outstanding payments relating to the guaranteed minimum income consisting of the principal amount of Baht 93,543,538.46 and the default interest thereon in the amount of Baht 1,703,493.75 (together referred to as the “Outstanding Payments”) to be paid by MAT to the Company.

The Company did not record the fair value of the “Right to Sell the Advertising Time” as non-intangible asset in the financial statement since the received right is not considered as a novation. In this regard, the Repayment Agreement does not restrain MAT from performing its duties and obligations under the BPA. The Company and MAT intend to set forth methods for the repayment of debts arising out of the BPA and entitle the Company to deduct the income generated by the Right to Sell the Advertising Time from outstanding debts owed by MAT under the BPA. The Company shall also be entitled to claim the guaranteed minimum income provided by MAT to the Company under the BPA.

Inter-company contingencies and liabilities under that agreement, as of December 31, 2021, remain at Baht 299.45 million, comprising:

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A. Receivables under the Debt Restructuring Agreement remain as at December 31, 2021, of Baht 72.01 million (included VAT). The details are as follows:

Details	(Unit : Million Baht)
Accounts receivable under the Debt Restructuring Agreement	98.16
Less Payment received	(26.15)
Receivables under the Debt Restructuring Agreement as at December 31, 2021	72.01

B. Value under the Repayment Agreement of Baht 227.44 million (excluded VAT). The details are as follows:

Details	(Unit : Million Baht)
Fair value of the right to sell the advertising time during the broadcasting of Golf European Tour Program	254.79
Less Payment received	(27.35)
Value under the Repayment Agreement as at December 31, 2021	227.44

From the incident, the Company hasn't recognized revenues of the BPA on statement unless receipt of the money from MAT (Cash basis).

The Company recorded a provision for impairment of the rights with its net book value.

On September 7, 2017, MAT informed the Company that MAT was not entitled to the right to broadcast the Golf European Tour Program in Thailand for the years 2017 and 2018. The Company filed a lawsuit against MAT on September 21, 2017, which the Court arranged for the negotiation / plaintiff to testify on November 20, 2017. Later, the defendant postponed the mediation appointment to January 19, 2018, after which they could not mediate. The Court made the appointment to examine the plaintiff on May 17, 2018 and examine the defendant on May 18, 2018. On July 16, 2018, the court sentenced Media agency pay to the Company Baht 314.99 million plus interest at the rate of 12% per annum of principal amounting to Baht 243.36 million as from June 30, 2017 and pay interest at the rate of 7.5% per annum of principal amounting to Baht 68.76 million as from the date filing onwards (filing date on September 21, 2017) until the payment is completed. This case, the defendant did not appeal. The case has been to the end. At present, it is in the process of issuing regulations for the defendant to comply with the judgment. Currently, the company has investigated this debtor's assets and found that no business has been conducted and the debtor has not submitted financial statements for many consecutive years. On May 21, 2020, the Company inspected the defendant's assets and found that the defendant had no property to seize, attach or execute the case. Currently in the process of being in the compulsory force level. The executing officer has postponed the schedule for the confiscation indefinitely, due to the situation of the spread of the covid-19 virus.



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- 15.3 The rights to manage the satellite television channels for 16 channels at the cost of Baht 82 million including the rights for the period from December 2010 to November 2020 for 8 channels, and for the period from June 2013 to May 2023 for 8 channels.

On August 26, 2015, the Company signed an agreement of early termination of the satellite television co-production agreement with M.V. Television (Thailand) Co., Ltd. for the 8 satellite television channels for the period from June 2013 to May 2023 and wrote off fully intangible assets.

On November 17, 2015, the Company signed an agreement of early termination of the satellite television co-production agreement with M.V. Television (Thailand) Co., Ltd. for the 8 satellite television channels for the period from December 2010 to November 2020 by gradually termination. The Company wrote off fully intangible assets.

- 15.4 The rights of broadcasting and broadcast sounds in movies at the cost of Baht 117.44 million, the Company has recorded a provision for fully impairment.

The broadcasting and broadcast sounds in EDGE SPORT contents at the cost of Baht 67.84 million, the Company has recorded a provision fully impairment.

- 15.5 The rights of live broadcast of soccer match at the cost of Baht 48 million. The Company has recorded a provision for fully impairment.

## 16. Deferred tax asset

Deferred tax assets arising from temporary differences that are not recognized in the financial information are as follows:

	(Unit : Baht )			
	Consolidated		Separate	
	2021	2020	2021	2020
Accumulated loss not exceed				
5 accounting periods	303,728,048	334,831,228	286,085,524	317,534,157
Net deferred assets	303,728,048	334,831,228	286,085,524	317,534,157

As at December 31, 2021 and 2020, The Company and subsidiaries has deductible temporary differences. On which deferred tax assets have not been recognized as the Company's management considers that there is uncertainty whether the Company will have sufficient future taxable income to utilize such items and or they might not be used to offset taxable income in the future.

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**17. Other non-current assets - net**

	(Unit : Baht)			
	Consolidated		Separated	
	2021	2020	2021	2020
Other deposits	30,771,185	29,297,606	30,771,185	29,297,606
<u>Less</u> Allowance for non-refundable deposit	(29,527,827)	(28,258,406)	(29,527,827)	(28,258,406)
Deposits - net	1,243,358	1,039,200	1,243,358	1,039,200
Venture capital	29,242,022	29,242,022	29,242,022	29,242,022
<u>Less</u> allowance for doubtful accounts venture capital	(29,242,022)	(29,242,022)	(29,242,022)	(29,242,022)
Venture capital - net	-	-	-	-
Withholding tax - cumulative	9,916,719	7,467,159	9,715,417	7,467,159
Non-current assets held for sales	-	-	-	-
Total	11,160,077	8,506,359	10,958,775	8,506,359

A As at December 31, 2021 and 2020, non-current assets held for sales were non-operating assets represented the following assets for the construction stone mining which have been suspended, at the cost of Baht 17.02 million and the Company has made a provision for impairment all.

B On May 19, 2016, the Company executed 2 memorandums of understanding with Philippines investors in order to engage in the due diligence exercise on 2 companies registered under the laws of the Philippines and engaged in the energy business in the Philippines by acquiring 40 percent of the shares in the 2 companies. On August 11, 2016, the Company paid the security deposit for the land lease for the construction of the solar power plant in the amount of Baht 22.40 million to representatives or authorized persons of the 2 companies as the owners of the land. If the project is not approved by the shareholders of the Company, the lessor shall return the security deposit in full within the period specified by the Company. The payment of such security deposit is approved under the capped amount of Baht 50 million from the meeting of the Board of Directors of the Company held on July 13, 2016.

Nevertheless, on November 10, 2017, it was informed by the Company that NPSI could not obtain the construction permit for the project and may not provide the progress summary since there was a change in the policy with respect of the process and procedures of approval for the permit by the Department of Energy, the Ministry of Energy of the Philippines. Therefore, the Company had to cancel the investment in the project and the Company recorded the reserve for the security deposit which may not be refunded in the amount of Baht 34.10 million (consisting of the security deposit of the land lease Baht 22.40 million, the

DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

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operational costs for the acquisition of the construction permit of the project Baht 11.70 million) and wrote-off unrecallable security deposit (expenses for legal advisors, financial advisors, and technical engineering advisors) of Baht 8.63 million. However, the Company has officially given the notice to demand the security deposit for the land lease to the lessor twice and will proceed with legal procedures accordingly.

However, such payment is under the terms for the refund in various conditions including the condition that the project needs the approval from the shareholders. The security deposit is an appropriate amount when comparing to the value of the NPSI when it is fully operated.

The cancellation of the investment in NPSI resulted in the Company's entitlement in the full refund of the security deposit. Currently, the Company is under the negotiation for the counterparty to return the security deposit. In this connection, the counterparty agreed to enter into the agreement to return the security deposit which has the payment period for the total amount within August 15, 2018. At present, the company has not received a deposit for the rental of land and is in the process of preparing an affidavit and an indictment to prosecute the debtor.

If the Company received a refund. The Company will recognize the allowance for reversed damages. And recognized as other income in the statement of income for the period of repayment.

## C Venture capital

The Meeting of the Board of Directors No. 18/2017 held on November 7, 2017 resolved to approve the joint investment with Triple Ch Holdings Company Limited (Triple CH), who is licensed to live broadcast football in the Philippines, having 35 percent stake in the joint investment, valued at Baht 30 million, to engage in the business of live broadcasting football in the Philippines. Triple CH had an agreement as regards the guarantee on business operation for a period of 18 months, starting from December 1, 2017 that revenue that the Company receives shall not be less than the investment that the Company has made to support the operation of live broadcasting football matches. In addition, the Company has a condition on the payment of the joint venture that the payment is subject to the opinions of the Company's legal advisor on legal status of Triple CH and the due authorization and license to operate the business of live broadcasting football matches.

The Company has considered the opinions of the legal advisor regarding the status of Triple CH and the license, as well as the method of business operation and then made a decision to enter into the joint investment.

However, the business performance did not align with the initial plan, therefore, the Company has set aside an allowance for the whole amount.



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At present, the contract period has ended, but Triple CH has not yet repaid the investment amount in accordance with the terms of the Triple CH guarantee. Subsequently, on June 11, 2019 and July 5, 2019, the Company has already delivered the letter of dun. As the results, the Triple CH has requested for the indulgence of the payment for the period of 12 months and the Company has made the written notice and sent to the Triple CH through email to call for such repayment within June 30, 2020. It appears that the company has not received payment from the said debtor.

On December 4, 2020, the Company filed a lawsuit with the Southern Bangkok Civil Court by suing the defendants and surety for payment of Baht 29.24 million with default interest at the rate of 7.5% per annum from June 30, 2020 until the date of the filing, etc. And the total interest of Baht 30.18 million and interest at the rate of 7.5% per annum of the principal amount of Baht 29.24 million from the day following the filing date until both defendants have paid to complete the problem. Currently, it is in the process of submitting a summons and a copy of the indictment to correct both defendants. By the court to make a two-site determination and set the guidelines for prosecution or testimony on May 24, 2021. Due to the Covid-19 situation as a result, the court has ordered to cancel the scheduled appointment for day of settlement of issues or to examine the original plaintiff's witnesses on May 24, 2021 and set a new date on October 11, 2021. On November 11, 2021, the court ordered the 1st defendant to pay 30.18 million baht plus interest at the rate of 7.5% per annum of the Baht 29.24 million principal from the date of the lawsuit (December 4, 2020) until April 10, 2021. and a rate of 5% per year from April 11, 2021, onwards until the payment is completed to the plaintiff if the 1st defendant fails to comply with the verdict to the 2nd defendant to pay the debt instead with the two defendants to pay the costs on behalf of the plaintiff. Currently, This case is final.

**18. Trade and other current payables**

Details of trade and other current payables consist of:

	(Unit : Baht)			
	Consolidated		Separated	
	2021	2020	2021	2020
Trade payable and note payable				
to related parties	102,833	77,500	-	-
Trade payable and note payable	7,391,289	16,418,334	6,991,289	16,018,334
Accrued expenses	13,063,232	14,394,550	12,804,217	14,078,550
Other advance revenue	1,426,181	215,262	1,426,181	215,262
Undue output vat	4,636,419	11,283,655	4,636,419	9,608,479
Other payable	2,067,170	2,181,832	475,897	424,331
Net	<u>28,687,124</u>	<u>44,571,133</u>	<u>26,334,003</u>	<u>40,344,956</u>

DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

## 19. Lease liabilities- net

	(Unit : Baht)			
	Consolidated		Separated	
	2021	2020	2021	2020
Lease liabilities	27,663,216	29,969,928	27,663,216	29,969,928
<u>Less</u> Deferred interest expense	(7,586,700)	(8,708,993)	(7,586,700)	(8,708,993)
Net	20,076,516	21,260,935	20,076,516	21,260,935
<u>Less</u> Current portion of lease liabilities	(1,258,587)	(1,184,418)	(1,258,587)	(1,184,418)
Net	18,817,929	20,076,517	18,817,929	20,076,517

## 20. Provision for employee benefits

An independent actuary carried out an evaluation of the Company's obligations for employees' long-term benefits using the projected unit credit method. The Company has provided the provision for employees' long-term benefits as follows:

	(Unit : Baht)			
	Consolidated		Separated	
	2021	2020	2021	2020
Provision for employee benefits - beginning	1,201,432	954,489	1,201,432	954,489
Employee benefit expenses				
Current service cost	1,153,825	943,705	1,153,825	943,705
Interest cost	22,467	3,380	22,467	3,380
Actuarial gain	(1,262,254)	(63,312)	(1,262,254)	(63,312)
<u>Less</u> liability decrease from actual paid	(268,021)	(636,830)	(268,021)	(636,830)
Provision for employee benefits - ending	847,449	1,201,432	847,449	1,201,432

Significant actuarial assumptions are summarized below.

	Consolidated		Separated	
	2021	2020	2021	2020
Discount rate (%)	1.99	1.33	1.99	1.33
Future salary increase (%)	5.00	5.00	5.00	5.00
Retirement age (years old)	60	60	60	60

DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at December 31, 2021 and 2020, are summarized below:

(Unit : Baht)				
As at December 31, 2021				
<u>Assumptions that affect</u>	Consolidated		Separated	
	Increase	Decrease	Increase	Decrease
Discount rate (1.00%)	(78,296)	88,338	(78,296)	88,338
Salary increase rate (1.00%)	86,271	(78,024)	86,271	(78,024)
Turnover rate (1.00%)	(85,382)	18,137	(85,382)	18,137

(Unit : Baht)				
As at December 31, 2020				
<u>Assumptions that affect</u>	Consolidated		Separated	
	Increase	Decrease	Increase	Decrease
Discount rate (1.00%)	(115,550)	(132,014)	(115,550)	(132,014)
Salary increase rate (1.00%)	130,616	116,678	130,616	116,678
Turnover rate (1.00%)	(122,575)	(33,061)	(122,575)	(33,061)

The sensitivity analysis presented above may not be representative of the actual change in employee benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

As at December 31, 2021 and 2020, the maturity analyses of undiscounted cash flows of benefit payments are as follows:

(Unit : Baht)				
	Consolidated		Separated	
	2021	2020	2021	2020
Within 1 year	-	-	-	-
Within 2 - 5 years	114,865	247,731	114,865	247,731
Within 6 - 10 years	4,719,649	7,396,374	4,719,649	7,396,374
Within 10 - 15 years	3,197,589	4,295,744	3,197,589	4,295,744
Over 16 years	87,952,601	82,259,362	87,952,601	82,259,362

DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

## 21. Other non-current liabilities

	(Unit : Baht)			
	Consolidated		Separated	
	2021	2020	2021	2020
Guarantee received - co-production	2,830,050	2,830,050	2,830,050	2,830,050
Retention	1,161,886	-	1,161,886	-
Retention – DCORP – DLI Joint Venture (Note 5.1.2)	-	-	25,047,774	25,141,781
Total	<u>3,991,936</u>	<u>2,830,050</u>	<u>29,039,710</u>	<u>27,971,831</u>

## 22. Earnings (loss) per share

### Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the net profit (loss) attributable to shareholders by the weighted average number of ordinary shares issued and paid-up during the year.

## 23. Legal reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net income 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.

DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

## 24. Financial information by segment

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 Group operates business on single geographic segments that Thailand and business segments have 3 reports consist of : Media-advertising, Sale and Construction.

Business unit segment information of the Company and geographic segment of subsidiaries for the year ended December 31, 2021 and 2022, are as follows:

	(Unit : Thousand Baht)			
	Consolidated			
	For the years ended December 31, 2021			
	Media- advertising	Sales	Construction	Total
Revenue	101,343	79,661	14,604	195,608
Cost	(88,429)	(71,489)	(11,108)	(171,026)
Gross profit	12,914	8,172	3,496	24,582
Other incomes				8,814
Profit before expenses				33,396
Expenses				
Administrative expenses				(47,573)
Management benefit expenses				(27,149)
Finance costs				(2,029)
Share of loss from associates				(1,982)
Total expenses				(78,733)
Loss before income tax				(45,337)
Income tax				(1,292)
Net loss				(46,629)
<b>Timing of revenue recognition</b>				
At a point in time	-	79,661	-	79,661
Over time	101,343	-	14,604	115,947
<b>Total Revenues</b>	<b>101,343</b>	<b>79,661</b>	<b>14,604</b>	<b>195,608</b>

DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Unit : Thousand Baht)

	Consolidated			
	For the years ended December 31, 2020			
	Media- advertising	Sales	Construction	Total
Revenue	126,981	-	49,526	176,507
Cost	(81,248)	-	(50,908)	(132,156)
Gross profit	45,733	-	(1,382)	44,351
Gain on sales of other investment				14,000
Other incomes				20,027
Profit before expenses				78,378
Expenses				
Administrative expenses				(56,729)
Loss from dissolution of a subsidiaries				(498)
Loss from impairment of investment in associates				(108)
Management benefit expenses				(17,602)
Finance costs				(1,664)
Total expenses				(76,601)
Profit before income tax				1,777
Income tax				(341)
Net profit				1,436
<b>Timing of revenue recognition</b>				
At a point in time	-	-	49,526	49,526
Over time	126,981	-	-	126,981
<b>Total Revenues</b>	<b>126,981</b>	<b>-</b>	<b>49,526</b>	<b>176,507</b>



DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

## 25. Financial instruments

### 25.1 Fair Value

#### Carrying amount and fair value

The fair value of the following financial assets and liabilities approximates their book value.

- A) For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, trade and other current receivables, other current asset and trade and other current payables, their carrying amounts in the statement of financial position approximate their fair value.
- B) For lease liability and long-term borrowings with carrying interest approximate to the market rate, their carrying amounts in the statement of financial position approximates their fair value.

Book value of the above financial assets and liabilities is measured at amortised cost.

### 25.2 Interest rate risk

Interest rate risk incurs from the future interest rate instability, which may affect the Company operating result and cash flow. The Company also incurs interest rate risk from investment in financial institutes, bank overdraft, loan from banks, and promissory note - financial institute.

Since the financial assets and liabilities are held primarily in short - term and have fixed interest rates in relation with the current market interest rate, the Company has not used financial derivative to protect against such risk.

As at December 31, 2021 and 2020, significant interest-bearing 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.

DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Unit : Baht)

	Consolidated						
	As at December 31, 2021						
	Fixed interest rates						
	Within	1-5	Over	Floating	Non- interest	Total	Interest rate
	1 year	years	5 years	Interest rate	bearing		(% per annum.)
<b>Financial Assets</b>							
Cash and cash equivalents	-	-	-	66,909,902	80,340	66,990,242	0.05 - 0.15
Other current financial assets - net	-	-	-	160,000,000	-	160,000,000	0.55 - 0.60
Deposits pledged as collateral	-	-	-	60,419,603	-	60,419,603	0.38
	-	-	-	287,329,505	80,340	287,409,845	
<b>Financial liabilities</b>							
Current portion of lease liabilities	1,258,587	-	-	-	-	1,258,587	0.44 - 0.72
Lease liabilities- net	-	6,596,993	12,220,936	-	-	18,817,929	0.44 - 0.72
Other non-current liabilities	-	-	-	-	3,991,936	3,991,936	-
	1,258,587	6,596,993	12,220,936	-	3,991,936	24,068,452	

(Unit : Baht)

	Consolidated						(Unit : Euro)
	As at December 31, 2020						
	Fixed interest rates						
	Within 1 year	1-5 years	Over 5 years	Floating Interest rate	Non- interest bearing	Total	Interest rate (% per annum.)
<b>Financial Assets</b>							
Cash and cash equivalents	-	-	-	271,853,100	96,948	271,950,048	0.05 – 0.25
Deposits pledged as collateral	-	-	-	60,252,000	-	60,252,000	0.38
	-	-	-	332,105,100	157,726,877	489,831,977	
<b>Financial liabilities</b>							
Current portion of lease liabilities	1,184,418	-	-	-	-	1,184,418	0.44 - 0.72
Lease liabilities- net	-	6,448,439	13,628,078	-	-	20,076,517	0.44 - 0.72
Other non-current liabilities	-	-	-	-	2,830,050	2,830,050	-
	1,184,418	6,448,439	13,628,078	-	88,612,920	109,873,855	

DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Unit : Baht)

	Separated						
	As at December 31, 2021						
	Fixed interest rates						
	Within	1-5	Over	Floating	Non- interest	Total	Interest rate
	1 year	years	5 years	Interest rate	bearing		(% per annum.)
<b>Financial Assets</b>							
Cash and cash equivalents	-	-	-	64,283,702	34,859	64,318,561	0.05 - 0.15
Other current financial assets - net	-	-	-	160,000,000	-	160,000,000	0.55 - 0.60
Deposits pledged as collateral	-	-	-	45,356,103	-	45,356,103	0.38
	-	-	-	269,639,805	34,859	269,674,664	
<b>Financial liabilities</b>							
Current portion of lease liabilities	1,258,587	-	-	-	-	1,258,587	0.44 - 0.72
Lease liabilities- net	-	6,596,993	12,220,936	-	-	18,817,929	0.44 - 0.72
Other non-current liabilities	-	25,000,000	-	-	4,039,710	29,039,710	2.25
	1,258,587	31,596,993	12,220,936	-	4,039,710	49,116,226	

(Unit : Baht)

(Unit : Baht)							
Separated							
As at December 31, 2020							
Fixed interest rates							
Within 1 year	1-5 years	Over 5 years	Floating Interest rate	Non- interest bearing	Total	Interest rate (% per annum.)	
<b>Financial Assets</b>							
Cash and cash equivalents	-	-	-	270,330,914	37,165	270,368,079	0.05 - 0.25
Deposits pledged as collateral	-	-	-	45,188,500	-	45,188,500	0.38
	-	-	-	315,519,414	37,165	315,556,579	
<b>Financial liabilities</b>							
Current portion of lease liabilities	1,184,418	-	-	-	-	1,184,418	0.44 - 0.72
Lease liabilities- net	-	6,448,439	13,628,078	-	-	20,076,517	0.44 - 0.72
Other non-current liabilities	-	25,000,000	-	-	2,971,831	27,971,831	2.25
	1,184,418	31,448,439	13,628,078	-	2,971,831	49,232,766	

DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

## 26. Commitments and Contingent liabilities

### 26.1 Operating lease commitments

The Company has entered into agreements with an unrelated company. The lease term is 3 years. The contract expires on November 30, 2023. The service fee is Baht 156,825 per month.

### 26.2 Long-term service commitments

- A) The Company has entered into an advertising concession agreement. To acquire the right to broadcast broadcasting and broadcasting of music programs and or in a format mutually agreed upon within the said company. The agreement has a period of 1 year - 10 years. The company has an obligation to pay revenue sharing at the rate stipulated in the agreement as follows:

#### Revenue Sharing

Fixed The company has commitments amount of Baht 100,000 - 1,500,000 per month

Varied The company has commitments representing 30%-50% of advertising media revenue each month.

- B) The Company entered into a construction contract for piling and concrete foundation work with a company. For contractors for piling work and concrete foundation work, supporting the structure of public relations, amount of Baht 0.12 million.
- C) The company has entered into a construction contract and installation of a steel frame with a company. To hire a structural contractor and install a steel frame, public relations sign, amount of Baht 8.33 million.
- D) The Company entered into a contract for the installation of the main power supply system and the main control system with a company. To hire a contractor for the main power supply system and control panels, amount of Baht 2.50 million.

## 27. Expenses by nature

Significant expenses by nature for the years ended December 31, 2021 and 2020, are as follow:

	(Unit : Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
Depreciation and amortization expenses	15,409,571	20,872,614	15,409,571	20,872,614
Salaries and other employee benefits	33,267,193	25,586,739	33,267,193	25,586,739
Revenue sharing	33,529,021	27,934,450	33,529,021	27,934,450
Professional fees	10,323,531	19,987,446	9,675,963	19,146,298
Office rental and service expenses	2,003,793	2,109,840	2,000,700	2,064,840
Share of loss from associates	1,981,789	-	-	-
Management benefit expenses	27,149,357	17,601,981	27,149,357	17,601,981

DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

## 28. Fair value hierarchy

In applying the above-mentioned valuation techniques, the Company and its subsidiaries's endeavors to use relevant observable inputs as much as possible. TFRS 13 Fair Value Measurement establishes a fair value hierarchy categorizing such inputs into three levels as follows :

Level 1 - inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 - inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.

Level 3 - inputs are unobservable inputs for the asset or liability.

As at December 31, 2021 and 2020, the Company and its subsidiaries had no certain assets and liabilities that were measured or disclosed at fair value in the statement of financial position. (Either recurring or not recurring)

## 29. Capital management

The primary objectives of the Company's capital management are to maintain their abilities to continue as a going concern and to maintain an appropriate capital structure.

As at December 31, 2021, debt to equity ratio in the consolidated financial statements is 0.18:1 (Separate is 0.18:1).

## 30. Reclassification

Certain amounts in the financial statements for the year ended December 31, 2020, the Company and subsidiaries have been reclassified to conform to the current period, which no effect on net income or shareholders' equity previously reported.

DV8 PUBLIC COMPANY LIMITED AND SUBSIDIARIES

# NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

The impact of reclassification on the statement of financial position for the year 31 December 2021 as follows:

	(Unit : Baht)		
	Consolidated		
Financial statements			
previously reported	Increase (Decrease)		
by the auditor	from reclassification	After reclassification	
<u>Non-current assets</u>			
Furniture and equipment - net	15,579,516	11,792,906	27,372,422
Right-of-use assets - net	32,352,719	(11,792,906)	20,559,813
<u>Current liabilities</u>			
Trade and other current payables	85,782,870	(41,211,737)	44,571,133
Contract liabilities	-	41,211,737	41,211,737

	(Unit : Baht)		
	Separate		
Financial statements			
previously reported	Increase (Decrease)		
by the auditor	from reclassification	After reclassification	
<u>Non-current assets</u>			
Furniture and equipment - net	15,579,516	11,792,906	27,372,422
Right-of-use assets - net	32,352,719	(11,792,906)	20,559,813
<u>Current liabilities</u>			
Trade and other current payables	44,699,226	(4,354,270)	40,344,956
Contract liabilities	-	4,354,270	4,354,270

## 31. Approval of the financial statements

These financial statements have been approved by the Company's Board of Directors on February 24, 2022.



# Attachments

04

# Details of directors, executives And the Company's secretary (as of January 20, 2022)

## Mr. Numchai Lowattanakul

| Age: 65 years old |

Chairman (Independent Director)

### Date of Appointment

February 26, 2016

### Family Relationship among Management

- none -

### Education Qualifications

- o Master of Business Administration, Kasetsart University
- o Bachelor of Engineering (Electrical Engineering), Chulalongkorn University
- o Diploma of Mini MBA, Kasetsart University
- o Diploma of Mains Operation & Maintenance Training, Germany

### Training from IOD

2010 Director Certification Program (DCP 140/2010)

### Work Experience in the past 5 years

2016 – July 2021

Director of Audit Committee,  
DV8 Public Company Limited

2012 – 2015

Governor, Provincial Electricity Authority

### Current Director Position in Other Organization

In listed companies:

Apr 2021 – Present

Independent Director - WHA Utilities  
and Power Public Company Limited

In non-listed companies: - none -

In listed companies or other organizations  
that may cause any conflict of interest to  
DV8: - none -

## Pol.Maj.Gen. Prayon Lasue

| Age: 67 years old |

Vice Chairman / Chairman of the Human  
Resources and Remuneration Committee /  
Director of the Risk Management  
Committee

\* Authorized Director

### Date of Appointment

February 26, 2017

### Family Relationship among Management

- none -

### Education Qualifications

- o Master of Public and Private Management Program, National Institute of Development Administration
- o Master of Political Science Program, Chulalongkorn University
- o Bachelor of Public Administration Program, Royal Police Cadet Academy (RPCA 31)

### Training from IOD

2018 Director Certification Program (DAP 144/2018)

### Work Experience in the past 5 years

2012 – 2014 Investigator of Metropolitan  
Police Bureau, Royal Thai  
Police

### Current Director Position in Other Organization

In listed companies: - none -

In non-listed companies: - none -

In listed companies or other organizations  
that may cause any conflict of interest to  
DV8: - none -

## Mr. PoonsukTochanakarn

| Age: 67 years old |

Independent Director /  
Chairman of the Audit Committee

### Date of Appointment

May 14, 2019

### Family Relationship among Management

- none -

### Education Qualifications

- o Bachelor of Accountancy, Chulalongkorn University
- o Fiscal Management Program Class 2, Economics and Finance Institute
- o Thailand Insurance Leadership Program Class 3
- o CFO Certification Program, Federation of Accounting Professions under the Royal Patronage of His Majesty the King

### Training from IOD

Director Certification Program (DCP)

### Work Experience in the past 5 years

Feb 2019 – Present

Managing Director, EGAT Saving and Credit Cooperative Limited

2016 – 2019

Consultant and Chairman of the Cooperative Savings Management Committee, EGAT Saving and Credit Cooperative Limited

2013 – 2015

Deputy Governor-Accounting and Finance Acting Chief Financial Officer (CFO), EGAT Saving and Credit Cooperative Limited.

### Current Director Position in Other Organization

In listed companies: - none -

In non-listed companies: - none -

In listed companies or other organizations that may cause any conflict of interest to

DV8: - none -

## Mr. Sorasak Saensombat

| Age: 64 years old |

Independent Director / Chairman of the Corporate Governance and Social Responsibility Committee / Director of the Audit Committee / Director of Investment Committee

### Date of Appointment

November 10, 2017

### Family Relationship among Management

- none -

### Education Qualifications

- o Master of Engineering (Traffic Systems Engineering and Transport), Chulalongkorn University
- o Bachelor of Engineering (Civil Engineering), Chiang Mai University

### Training from IOD

DCP 223/2016 Director Certification Program

RCL 3/2016 Risk Management Program for Corporate Leaders

### Work Experience in the past 5 years

2016 – 2017 Director of Marine Department, Ministry of Transport

2014 – 2016 Inspector, Ministry of Transport

### Current Director Position in Other Organization

In listed companies: - none -

In non-listed companies: - none -

In listed companies or other organizations that may cause any conflict of interest to

DV8: - none -

## Ms. Nataya Ouivirach

| Age: 66 years old |

Independent Director / Director of the Audit Committee / Director of the Human Resources and Remuneration Committee

### Date of Appointment

July 15, 2021

### Family Relationship among Management

- none -

### Education Qualifications

- o Master of Business Administration (General Management), Asian Institute of Management, Philippines
- o Bachelor of Business Administration (Accounting), Assumption University

### Training from IOD

BMT Board matters and Trends  
DCP Director Certification Program  
ACP Audit Committee Program  
DAP Director Accreditation Program

### Work Experience in the past 5 years

2020 – Present Management Consulting, Toolmorrow Company Limited  
2015 – 2019 Advisor to Board of Directors, Navee Group  
2013 – 2018 Member of Consulting Team for Performance Appraisal Project, Office to the Parliament Secretary (2013 – 2018)

### Current Director Position in Other Organization

In listed companies: - none -  
In non-listed companies: - none -  
In listed companies or other organizations that may cause any conflict of interest to DV8: - none -

## Mr. Prachuab Uj Jin

| Age: 70 years old |

Director / Chairman of the Risk Management Committee / Director of Investment Committee / Director of the Human Resources and Remuneration Committee / Director of the Corporate Governance and Social Responsibility Committee  
\* Authorized Director

### Date of Appointment

May 15, 2017

### Family Relationship among Management

- none -

### Education Qualifications

- o Master of Engineering (Electrical Engineering), University of Missouri-Columbia, USA
- o Bachelor of Engineering (Electrical Engineering), Chulalongkorn University
- o Diploma of Advanced Management Program, Harvard Business School, Boston MA, USA
- o Diploma of Senior Executive Program, Sasin Graduate Institute of Business Administration

### Training from IOD

RMP 1/2013 Risk Management Committee Program  
DCP 73/2006 Director Certification Program

### Work Experience in the past 5 years

Jul 2018 – Aug 2019 Chief Executive Officer, Demeter Corporation Public Company Limited (Former name of the Company)  
2014 – 2016 Chairman, Ratchaburi Power Company Limited  
2014 – 2015 Director, RATCH Group Public Company Limited

### Current Director Position in Other Organization

In listed companies: - none -  
In non-listed companies: - none -  
In listed companies or other organizations that may cause any conflict of interest to DV8: - none -

### Dr. Chotipan Tiawiwat, PhD

| Age: 34 years old |

Director / Director of the Investment Committee / Chairman of Executive Committee

### Date of Appointment

November 10, 2017

### Family Relationship among Management

- none -

### Education Qualifications

- o Doctor of Philosophy Program in Development Administration, National Institute of Development Administration
- o Master of Arts in Business and Managerial Economics, Chulalongkorn University
- o Bachelor of Economics, Chulalongkorn University

### Training from IOD

DAP 114/2015 Director Accreditation Program

### Work Experience in the past 5 years

2012 – 2016 Finance Director, Sugar Hill Global Capital Co., Ltd.

### Current Director Position in Other Organization

In listed companies: - none -  
In non-listed companies: - none -  
In listed companies or other organizations that may cause any conflict of interest to DV8: - none -

### Mr. Thanarath Thanavutwattana

| Age: 35 years old |

Director / Director of the Risk Management Committee / Director of Executive Committee

### Date of Appointment

May 15, 2017

### Family Relationship among Management

- none -

### Education Qualifications

- o Bachelor of Communication Arts, Bangkok University
- o Diploma of Holmes Collage, International Business Management, Melbourne, Australia

### Training from IOD

DCP 255/2018 Director Certification Program

DAP 143/2017 Director Accreditation Program

### Work Experience in the past 5 years

2013 – Present Online Consultants, PFO Food Company Limited

### Current Director Position in Other Organization

In listed companies: - none -  
In non-listed companies:  
2016 – Present  
Director - PTC Supplement Company Limited  
2015 – Present  
Chairman - TDC Digital Company Limited  
In listed companies or other organizations that may cause any conflict of interest to DV8: - none -

## Mr. Pakorn Leesakul

| Age: 37 years old |

Director / Director of Executive Committee

### Date of Appointment

September 16, 2021

### Family Relationship among Management

- none -

### Education Qualifications

- o Bachelor of Science (B.Sc.), Physics,  
Chulalongkorn University

### Training from IOD

DAP 189/2022 Director Accreditation  
Program

### Work Experience in the past 5 years

- 2020 – Present Director, Thailand Center of  
Excellence in Physics
- 2020 – Present Executive Assistant, thai  
flying service Co., Ltd.
- 2019 – Present Co-founder, Quantum  
technology foundation  
(thailand) Co., Ltd.
- 2019 – 2020 Committee on Science,  
Technology, Research and  
Innovation, House of  
Representatives
- 2018 – Present Co-founder, Phoenix  
Exchange Co., Ltd.

### Current Director Position in Other Organization

In listed companies: - none -

In non-listed companies:

2017 – Present

Chairman and Co-founder - Finema  
Co., Ltd.

In listed companies or other organizations  
that may cause any conflict of interest to

DV8: - none -

## Mr. Nathaphol Kasamvilas

| Age: 25 years old |

Director / Director of Executive Committee /

Chief Executive Officer

\* Authorized Director

### Date of Appointment

January 8, 2022

### Family Relationship among Management

- none -

### Education Qualifications

- o Bachelor Degree, IMI International  
Management Institute, Luzerne,  
Switzerland

### Training from IOD

DAP Director Accreditation Program

SFE Successful Formulation & Executive  
of Strategy

### Work Experience in the past 5 years

- 2016 Food & Beverage Analysis Manager,  
Bangkok Marriott Hotel Sukhumvit,  
Bangkok

### Current Director Position in Other Organization

In listed companies: - none -

In non-listed companies:

2022 – Present

Director - MY PLACE 5 Co., Ltd.

2022 – Present

Director - MY PLACE 7 Co., Ltd.

In listed companies or other organizations  
that may cause any conflict of interest to

DV8: - none -



## Ms. Ratchanok Supanit

| Age: 41 years old |

Director of Executive Committee / Chief Financial Officer

\* The person assigned to take the highest responsibility in Accounting and Finance

### Family Relationship among Management

- none -

### Education Qualifications

- o Master of Management, Kasetsart University
- o Bachelor of Accounting (B.Acc.), Technology University

### Training from IOD

DAP 159/2019 Director Accreditation Program

### Work Experience in the past 5 years

- 2020 – Present Accounting and Financial Advisor, TWZ Corporation PCL.
- 2015 – 2020 Assistant Director of Accounting and Finance, TWZ Corporation PCL.

### Current Director Position in Other Organization

In listed companies: - none -

In non-listed companies:

Nov 2021 – Present

Director - Hero Experience Co., Ltd.

Director - Demeter Innovation Co., Ltd.

Director - Hinoki Wood Work Co., Ltd.

In listed companies or other organizations that may cause any conflict of interest to DV8: - none -

## Mr. Prethanat Sorat

| Age: 46 years old |

Director of Executive Committee / Chief Commercial Officer

### Family Relationship among Management

- none -

### Education Qualifications

- o Bachelor of Marketing, University of Portland, USA

### Work Experience in the past 5 years

2015 – 2020 Chief Executive Officer, N.T.E.X.T Co., Ltd.

### Current Director Position in Other Organization

In listed companies: - none -

In non-listed companies: - none -

In listed companies or other organizations that may cause any conflict of interest to DV8: - none -

## Ms. Kochakorn Raksasuk

| Age: 39 years old |

Company Secretary

### Family Relationship among Management

- none -

### Education Qualifications

- o Master of Laws (Honors), Durham University, England
- o Master of Laws (Honors), Queen Mary University of London, England
- o Bachelor of Laws, Thammasat University
- o Barrister-at-law, The Thai Bar Under the Royal Patronage

### Training from IOD and Other

- CRP 23/2019 Company Reporting Program
- CSP 97/2019 Company Secretary Program
- BRP 29/2019 Board Reporting Program
- EMT 44/2019 Effective Minute Taking
- 1/2562 Fundamental for Corporate Secretaries - Thai Listed Companies Association

### Work Experience in the past 5 years

Nov 2021 – Present

Director - Demeter Innovation Co., Ltd.

Director - Hinoki Wood Work Co., Ltd.

2020 – Present

Director - Hero Experience Co., Ltd.

2019

Senior Manager of Company Secretary  
Office, Singha Estate Public Company  
Limited

2018 - 2019

Assistant Director of Legal Department  
and Company Secretary, Thai Group  
Holdings Public Company Limited  
(Southeast Insurance Group)

The directors, executives, and company secretary according to the list above not has a Criminal offence record during the past 10 years. As following:

- 1) Never been sentenced by a judgment in criminal offence.
- 2) Never been sentenced by a judgment to be bankrupt or insolvent.
- 3) Never been sentenced by a judgment as management or authorized person in the bankrupt or insolvent company.

## Shareholdings of Directors and the Executive

As of December 30 <sup>th</sup> , 2019				As of December 23 <sup>rd</sup> , 2020			
Name	Held Personally	Held by Spouse and Non-Sui Juris Children	Increase (decrease) during the Financial Year	Held Personally	Held by Spouse and Non-Sui Juris Children	Proportion of Shareholding	
1. Mr. Numchai Lowattanakul	-	-	-	-	-	-	
2. Pol.Maj.Gen. Prayont Lasua	1,000,000	-	-	1,000,000	-	0.07%	
3. Mr. Poonsuk Tochanakarn	-	-	-	-	-	-	
4. Mr. Sorasak Saensombat	220,000	-	-	220,000	-	0.02%	
5. Ms. Nataya Ouivirach	-	-	-	-	-	-	
6. Mr. Prachuab Ujjan	-	-	-	-	-	-	
7. Mr. Chotiphan Tiawiwat	-	-	-	-	-	-	
8. Mr. Thanarath Thanavutthana	63,230,000	-	-	63,230,000	-	4.42%	
9. Mr. Pakorn Leesakul	-	-	-	-	-	-	
10. Mr. Nathaphol Kasamvilas	87,986,424	-	-	87,986,424	-	6.15%	
11. Ms. Ratchanok Supanit	-	-	-	-	-	-	
12. Mr. Prethanat Sorat	-	-	-	-	-	-	

Remark: DV8 Public Company Limited has a registered capital of 1,430,416,192 Baht and paid-up capital of 1,430,416,192 Baht (1,430,416,192 shares).

## The Company Secretary Duties and Responsibilities

The Company Secretary shall perform the duties as prescribed in Section 89/15 and Section 89/16 of the Securities and Exchange Act (No.4) B.E.2551 (2008) effective August 31, 2008, with responsibility, caution and integrity, and must comply with the laws, the Company's objectives, Articles of Association, the resolutions of the Board of Directors as well as the resolutions of the shareholders' meeting. The duties per laws of the Company Secretary are as follows:

- (1) Prepare and maintain the following documents:
  - o Registration of Directors
  - o Notice of The Board of Directors' meetings, Minutes of the Board of Directors' meetings and the Company's Annual reports.
  - o Notice of shareholders' meetings and Minutes of the shareholders' meeting.
- (2) Maintain stakeholder reports reported by directors or executives and submit a copy of the stakeholder report pursuant to Section 89/14 to the Chairman of the Board of Directors and Chairman of the Audit Committee within 7

business days from the date the Company receives such report.

- (3) Take other actions as prescribed by the Capital Market Supervisory Board.

In addition, the Company Secretary shall have other duties as assigned by the Board of Directors to support the works of the Board of Directors in relation to the following regulations:

- o Provide legal advice and relevant rules and governance practices in the implementation of the Board's activities in accordance with the laws.
- o To conduct the Board of Directors' meetings and Shareholders' meetings.
- o Coordinate with regulatory authorities such as the SET office and oversee the disclosure of information and report information to regulatory authorities and the public in accordance with the laws.
- o Provide orientation and advice to the newly appointed directors.
- o Other duties as assigned.

## Detail of the Directors of Subsidiaries (as of January 20, 2021)

Name list	Subsidiary		Associates	
	1	2	1	2
Mr. Nathaphol Kasamvilas			○	
Mr. Thanarath Thanavutwatthana				○
Ms. Ratchanok Supanit	○	○	○	
Ms. Kochakorn Raksasuk	○	○	○	

Remark : ○ = Director

Subsidiary 1

= Demeter Information Co., Ltd.

Subsidiary 2

= Hinoki Wood Works Co., Ltd.

Associates 1

= Hero Experience Co., Ltd.

Associates 2

= DCORP-DLI Joint Venture

# Details of heads of Internal Audit

The Company has appointed Ascent Advisory Co., Ltd. as the internal auditor of the Company. The Detail of internal audit providers are as follow:

**Juristic person:** Ascent Advisory Company Limited (“ASCENT”)

Internal Audit Team of ASCENT are expert in Internal Control system of Accounting, Finance and Evaluation of the adequacy of Internal Control system by the Securities and Exchange Commission, Thailand assessment form.

Internal Audit Team of ASCENT do not have any relationship or conflict of interest with the Company or the managerial staff of the Company or majority shareholders, or person related to the said person. And, they have potential to be the Internal Auditor of the Company by the COSO 2013 Framework principle.

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**Assigned person (1):** Pakaorn Assawatuschaporn

**Position:** Partner in charge

**Education Qualifications:** Master of Business Administration, Khon Kaen University

**Training:**

- Certified Professional Internal Audit of Thailand (CPIAT), The Institute of International Auditors of Thailand
- Financial Advisor Program, Association of Thai Securities Companies
- 7 of Risk Operation and Crisis Management Guideline Program

**Work Experience:** Experience in Internal Control of Industrial Sector and Financial Institutions of Thai Listed Companies for more than 20 years.

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**Assigned person (2):** Narongsak Wangtapan

**Position:** Manager in charge

**Education Qualifications:** Bachelor of Accounting, Kasetsart University Chalermphrakiat Sakon Nakhon Province Campus

**Training:**

- IT Audit for Non-IT Auditor Program, Federation of Accounting Professions Under Thai Royal Patronage of His Majesty King
- Integrated Audit Program (2/2018), Federation of Accounting Professions Under Thai Royal Patronage of His Majesty King
- Information Technology General Control: ITGC, In-House Training

**Work Experience:** Experience in Internal Control of Thai Listed Companies by business sector are as follow: - Property Development / Construction Services / Industrials

## Assets for business undertaking and details of asset appraisal \_\_\_\_\_

The detail of Assets for business undertaking and details of asset appraisal are shown on page 17.



## Details of asset appraisal

- none -

# **Unabridged policy and guidelines on corporate governance and unabridged code of business conduct prepared by the Company in the following matters**

The details appear on the Company's website: [www.dv8.co.th/corporate-governance](http://www.dv8.co.th/corporate-governance)

1. Corporate Governance Policy
2. DV8 Code of Conduct
3. Anti-Corruption Policy
4. Whistle blower policy
5. Charter of the Board of Director
6. Charter of the Committee

# Audit Committee Report

The Audit Committee of DV8 Public Company Limited is appointed by the Board of Directors, comprised of 3 independent directors whose term is in accordance with the term of directorship. All directors are qualified independent directors and meet all the qualifications as specified by the Stock Exchange of Thailand which consists of:

1. Mr. Poonsuk Tochanakarn  
Chairman of the Audit Committee
2. Mr. Sorasak Saensombat  
Director of the Audit Committee
3. Ms. Nataya Ouivirach  
Director of the Audit Committee  
and Ms. Kochakorn Raksasuk  
Secretary of the Audit Committee

In fiscal year 2021, the Audit Committee conducted its work independently and completely as assigned by the Board of Directors. The meeting was held with executives, auditors and internal auditors to present information, discuss and exchange ideas on related agendas. The Audit Committee has internal auditors from outside as tool to carry out the mission in accordance with the charter set forth. They are able to perform duties independently, transparency and in accordance with the principles of good governance principles to protect rightly the interests of the Company and access to adequate information. During the year 2021, meetings were convened 6 times, including meeting with the auditors, without the Executives, 1 time. Major activities performed by the Audit Committee are summarized as follows:

## 1. Financial Reports

The Audit Committee reviewed quarterly and annual financial reports as of the year 2021 and discussed with the auditors along with considering recommendations on the internal control systems including hearing

from the Chief Financial Officer. The Audit Committee agree that the Company's financial reports were fairly presented in accordance with generally accepted accounting principles and the disclosure of relevant information were adequate.

## 2. Internal audit

The Audit Committee has approved an audit plan which covers the Company's important work system including the appropriateness, scope of work, responsibility and independence of internal auditors. The Audit Committee has considered appointing Ascent Advisory Co., Ltd. as internal auditor for the year 2020 and reviewed their performance and recommendations as well as subsequent result of improvement from audit recommendation. The Audit Committee focus on the quality of internal control, accuracy and reliability of Financial Reports and compliance with policies, regulations and related laws. The Audit Committee is of the opinion that the Company's internal control audit were independent, adequate and effective.

## 3. Law and Regulatory Compliance

The Audit Committee has reviewed the compliance with the securities and exchange laws, regulations of the Stock Exchange of Thailand and applicable laws, including compliance with the Company's requirements and obligations to third parties. The Audit Committee is of the opinion that no significant issues were found, regarding non-compliance with laws, regulations and obligations that with outsiders.

# Audit Committee Report

## 4. Transactions with Related Parties and Conflicts of Interests

The Audit Committee has reviewed and commented on related party transactions or transactions that may lead to conflicts of interests to ensure that the agreement is fair and be justified in the best interests of the Company, which the Company has adhered to in accordance with its corporate governance policy by providing adequate transparency and disclosure in accordance with the requirements of the Stock Exchange of Thailand and the Securities and Exchange Commission. In 2020, no significant conflicts of interest were found. The Audit Committee is of the opinion that material items have been disclosed and listed in the financial statements and notes to the financial statements accurately and completely.

## 5. External Auditor

The Audit Committee assessed the independence of external auditor and commented on the audit fee and presented to the Board of Directors to seek approval at the 2020 annual general meeting of shareholders to appoint Karin Audit Co., Ltd. as an auditor of the Company and its subsidiaries for the year 2020, whereby the Audit Committee has opinions on the nomination such auditor as follows:

- The auditor has no relationship with the Company and its subsidiaries.
- In the last fiscal year, the auditor performed with independence and

professional proficiency and provided recommendations on internal control systems and risks.

- Auditor fee is appropriate to perform the audit.

## 6. Performance of the Audit Committee

The Audit Committee has proposed the performance report of the Audit Committee in the meeting of the Board of Directors who acknowledge every time, including to offer opinions and provide useful recommendations that are beneficial to the administration of the management, which the management has taken appropriate actions to improve and fix as suggested.

From the activities taken during 2020 as mentioned above, the Audit Committee is of the opinion that the Board of Directors and Executives hold the corporate governance policy as a priority and adhere to business ethics. They are committed to fulfilling the Company's goals in a quality manner, such as professionals. And take into account the performance in accordance with the policy, regulations and various related laws, including developing the most effective risk management system and promoting internal control system to be effective, appropriate and adequate. The internal audit is independent and there is an audit process that is consistent with international standards for the professional internal audit practice by developing and improving for better internal audit works which are suitable for continuous business environment.

**Mr. Poonsuk TochanaKarn**  
Chairman of the Audit Committee

# Human Resources and Remuneration Committee Report

Human Resources and Remuneration Committee ("HRC") consists of 1 independent director and 2 directors, with a term of 3 years each time. The member are as follows

1. Pol.Maj.Gen. Prayont Lasua,  
Chairman of HRC
2. Mr. Prachuab Ujjin,  
Director of HRC
3. Ms. Nataya Ouivirach  
Director of HRC  
and Ms. Kochakorn Prasaksuk, Secretary of  
the Human Resources and Remuneration  
Committee

In 2021, the Human Resources Committee has been strictly performed by the assignment of Board of Directors under the principles and policies of the Company's corporate governance. There have been six meetings to consider the importance of duties and responsibilities, which summarizes the substance as follows.

## Nomination

- 1) Review of the board structure and nominate qualified persons to propose appointment as directors to replace directors who have resigned and left their positions on an agenda, with regard of qualifications, knowledge, competence, skills and experience of various expertise that are beneficial to the company's business operations, as well as the size of the structure and composition of the Board of Directors appropriately. To promote the business administration and ensure effective management, as well as in accordance with the requirements of the Stock Exchange of Thailand and related agencies.

- 2) Consider the recruitment of qualified persons to represent the Company in the company's subsidiaries and/or associates , taking into account the qualifications, knowledge, competence, skills and expertise experience that are beneficial to the Company's operations.
- 3) Consider defining the title succession at the executive level of the Company, as well as establishing the policy of developing directors and executives of the Company and presenting them to the Board of Directors' meetings for preparation, continuity of succession and continuously management of the Company.

## Remuneration

Consider the remuneration rates of the Board of Directors and sub-committees by comparing remuneration to the same level, the same industry, conjunction with the company's operating results, including suitability for the responsibilities of the Board of Directors.

## Other

Review the appropriateness of the performance evaluation form, including 1) the Performance Assessment form of the Board of Directors (the whole board), 2) the performance evaluation form of the Directors (individuals), 3 ) the performance evaluation of the Human Resources Committee, and 4) the Performance Assessment form of the Chief Executive Officer, as well as the report on the results of such assessments to the Board of Directors' meeting, to ensure that the directors know and jointly discuss or express their opinions on the results of duties in 2021.

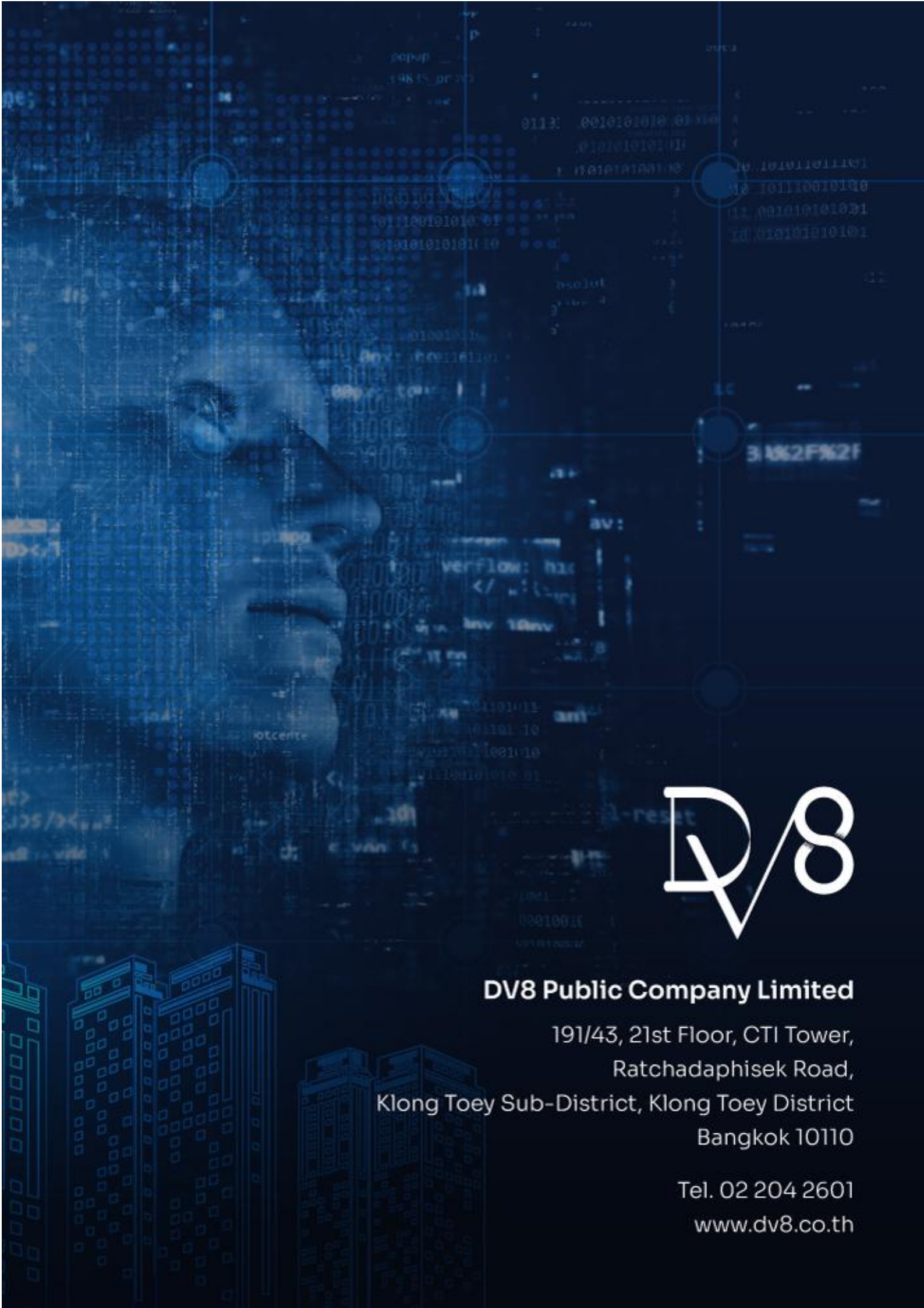
Human Resources Committee perform duties as assigned with care, prudence, reasonableness and be able to perform duties independently, without being dominated by the management. In 2021, directors receive remuneration as shown in the Board of Directors' Remuneration report 2021, which is compared with the overall picture of all listed companies, companies in the same industry and companies with sales

size and net profit similar to the Company. It is appropriate and fair, both with the Company and with directors in office which is consistent with the duties and responsibilities and has been approved by the Board of Directors and proposed to the shareholders' meeting for consideration the benefits of minority shareholders according to the principles of corporate governance.



**Pol.Maj.Gen. Prayont Lasua**  
**Chairman of the human resources and  
Remuneration committee**





**DV8 Public Company Limited**

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