

**DCON PRODUCTS**  
PUBLIC COMPANY LIMITED



**THE BLUEPRINT**  
FOR LIVING CREATION

FORM 56-1 ONE REPORT  
ANNUAL  
REPORT

**2021**



# THE BLUEPRINT

## FOR LIVING CREATION





# Vision

“ We shall be a producer of the construction materials and developer of the leading property projects of Thailand.”

# Mission

We are committed to create the quality of the products and the best service with business ethics and resolved to create value with those individuals who are our business alliance with sustainability.

## Dedication

We work with determination, dedication and unmitigated devotion in order to create the quality of our product and its global acceptability

## Operational Excellence

We are skilled in the work we do and expect Excellence of working results



## Consumer Centric

We take into account the need of the customers as the work centrality to maximize the satisfaction of the customers and the growth of the business.

## Novelty

We do not stop to create new things and espouse innovative thinking for Sustainable development.

# Quality policy

We are the customer-focused company which emphasize on the products and service quality and ethic in conducting business. Therefore, our company has achieved the largest market share for the precast concrete plank and pile in the residential segment since the company was found.



# Content

**ANNUAL REPORT 2021**

**FROM 56-1 ONE REPORT**

Dcon products Company Limited

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## Message from the Chairman of the Board of Directors



In the midst of the Covid-19 epidemic crisis for more than 2 years, causing economic recession around the world. Thailand, which has a significant income from tourism, was severely affected. However, basic housing demand, which is one of the four factors, is still in constant demand, making the company's performance Dcon Products Public Company Limited in 2021 can still overcome this crisis which can earn income from various concrete products for the construction of residential buildings that are not large buildings or high-rise condominiums, sales levels can be similar to those of the previous year and can maintain profit margins to share results with shareholders like every year.

Therefore, I would like to ask you to reassure the shareholders that the Company's directors Dcon Products Public Company Limited, which consists of experts in various fields have performed their duties with determination for the full benefit of all shareholders always and forever.

Yours truly,

A handwritten signature in blue ink, appearing to read 'Tortrakul Yomnak'.

Associate Professor Dr. Tortrakul Yomnak  
Chairman of the Board



## Message from the Executive Managing Director



To Shareholders

Real estate economy in 2021 was beginning to climb from downturn to upturn direction while COVID-19 pandemic outbreak significantly impacted upon the real estate sector. The Company had expenses incurred from Condominium Project of Orrada Co., Ltd. which had not yet sold out. The Company generated income of 928.01 million Baht, increasing from 928.01 million Baht earned in 2020, or 4 per cent increase in total sales, and had total profits of 116.75 million Baht, increasing from 92.43 million Baht in 2020, or 26 per cent increase in profit.

In 2022 the Company expedited leasing out condominium units in stocks to generate incomes in properties on hand and used the proceeds to invest in 25 million shares in Prinsiri Public Co., Ltd., a real estate development company in the Stocks Exchange, representing 12.13 per cent of total number of ordinary shares, at an average price of 2.42 Baht per share (investment value of 60.5 million Baht). Concurrently, the Company launched horizontal allocation projects namely, The DECO Bangna Project and The DECO Salaya Project.

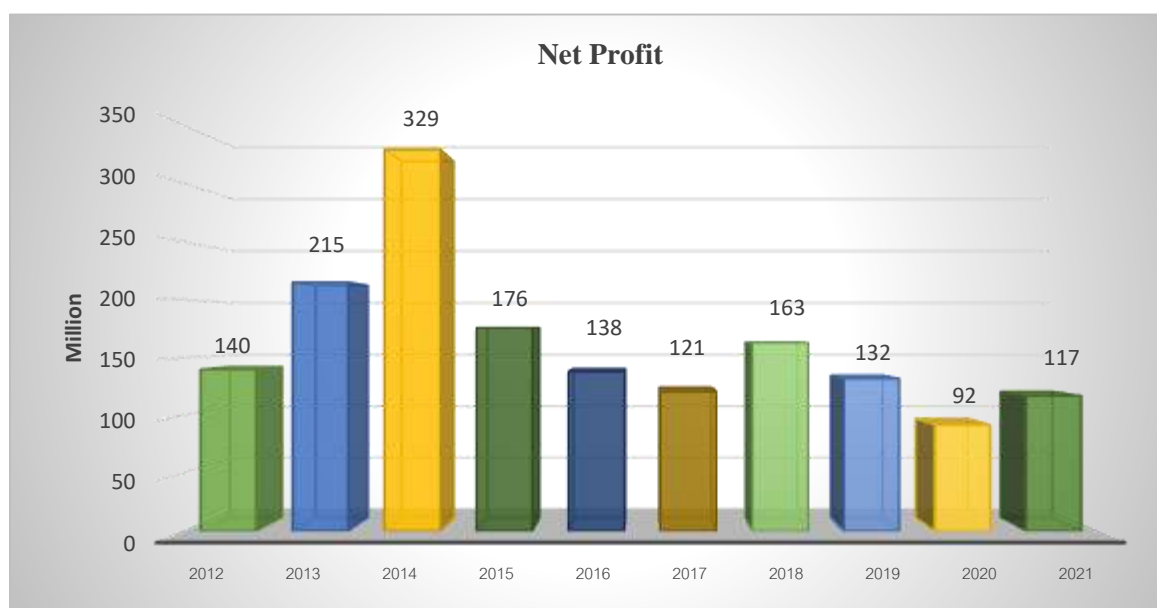
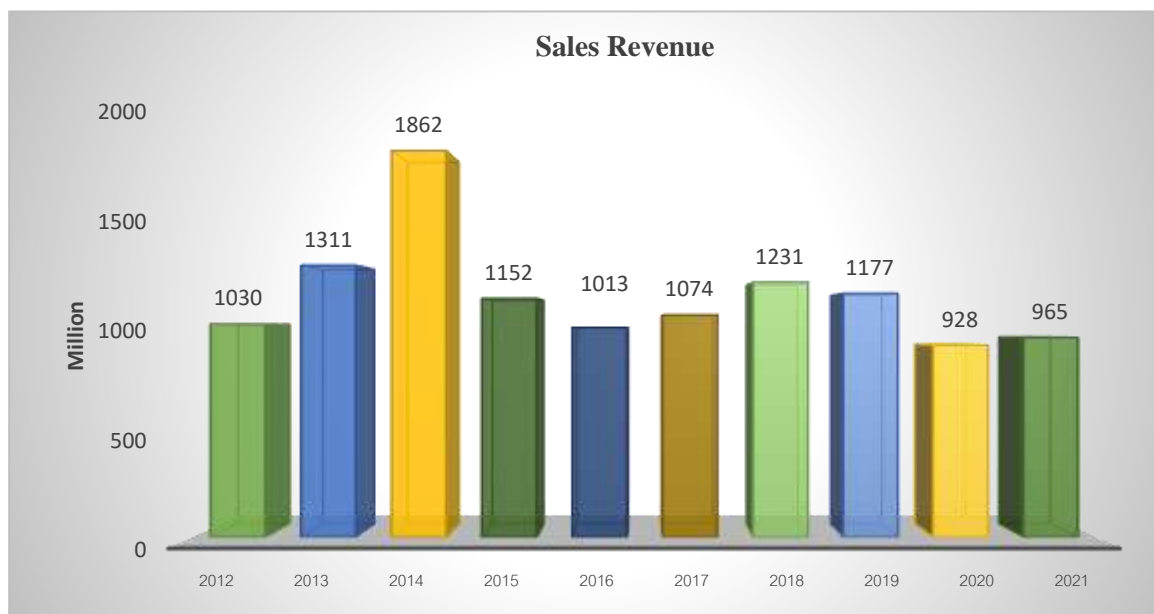
The Company had a policy to distribute dividends of not less than 25 per cent of net profit in each year. In the present year Board of Directors considered it appropriate to distribute dividends of 1.10 Satang per share, representing 50.75 per cent of the annual net profit.

The Management would operate the business prudently to generate maximum profits to shareholders to survive the economic and pandemic crisis and it was anticipated that the real estate market economy would recover from the present year onwards.

Yours truly,

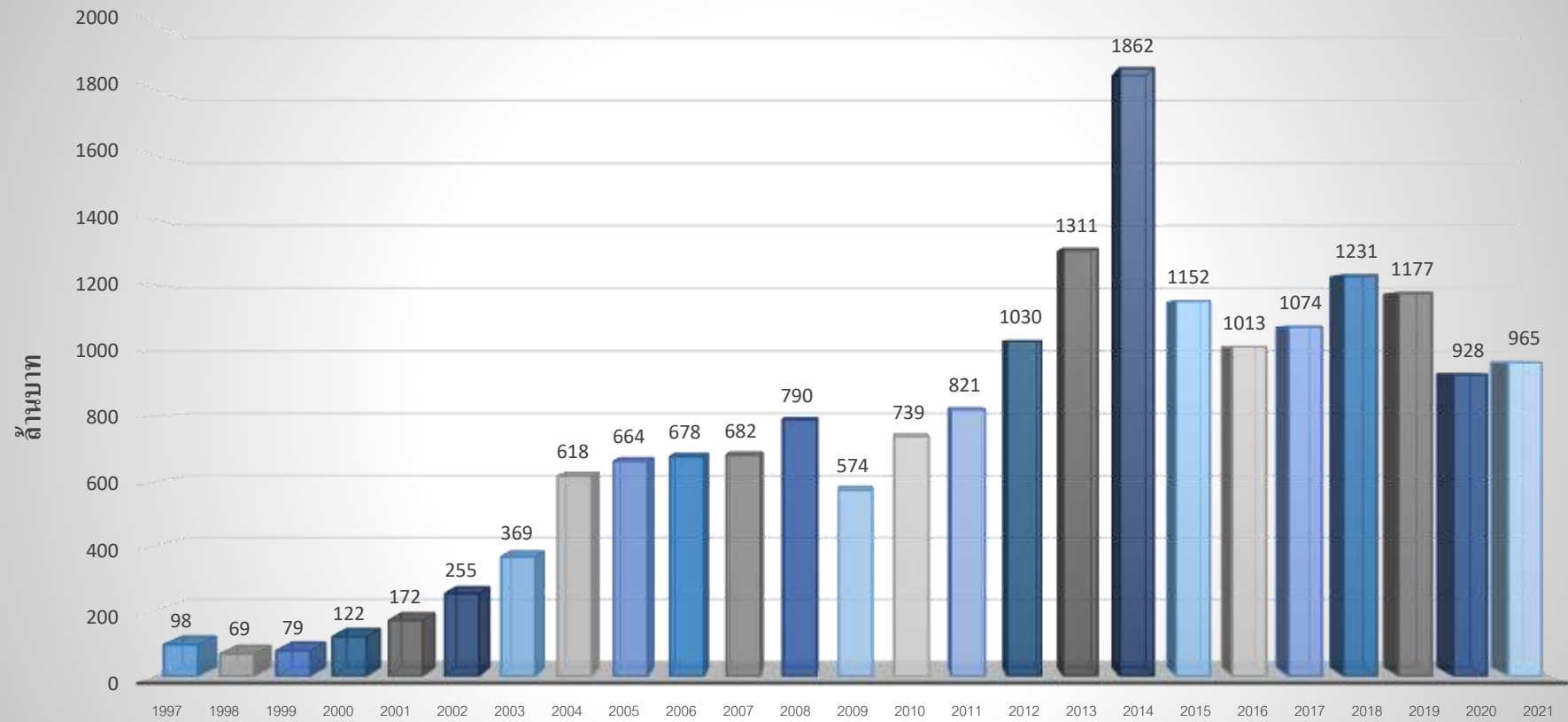
A handwritten signature in black ink, appearing to read 'Wittawat', written over a faint horizontal line.

(Mr. Wittawat Pornkul)  
Managing Director



### 10 Years Sales Revenue – Net Profit

Sales Revenue

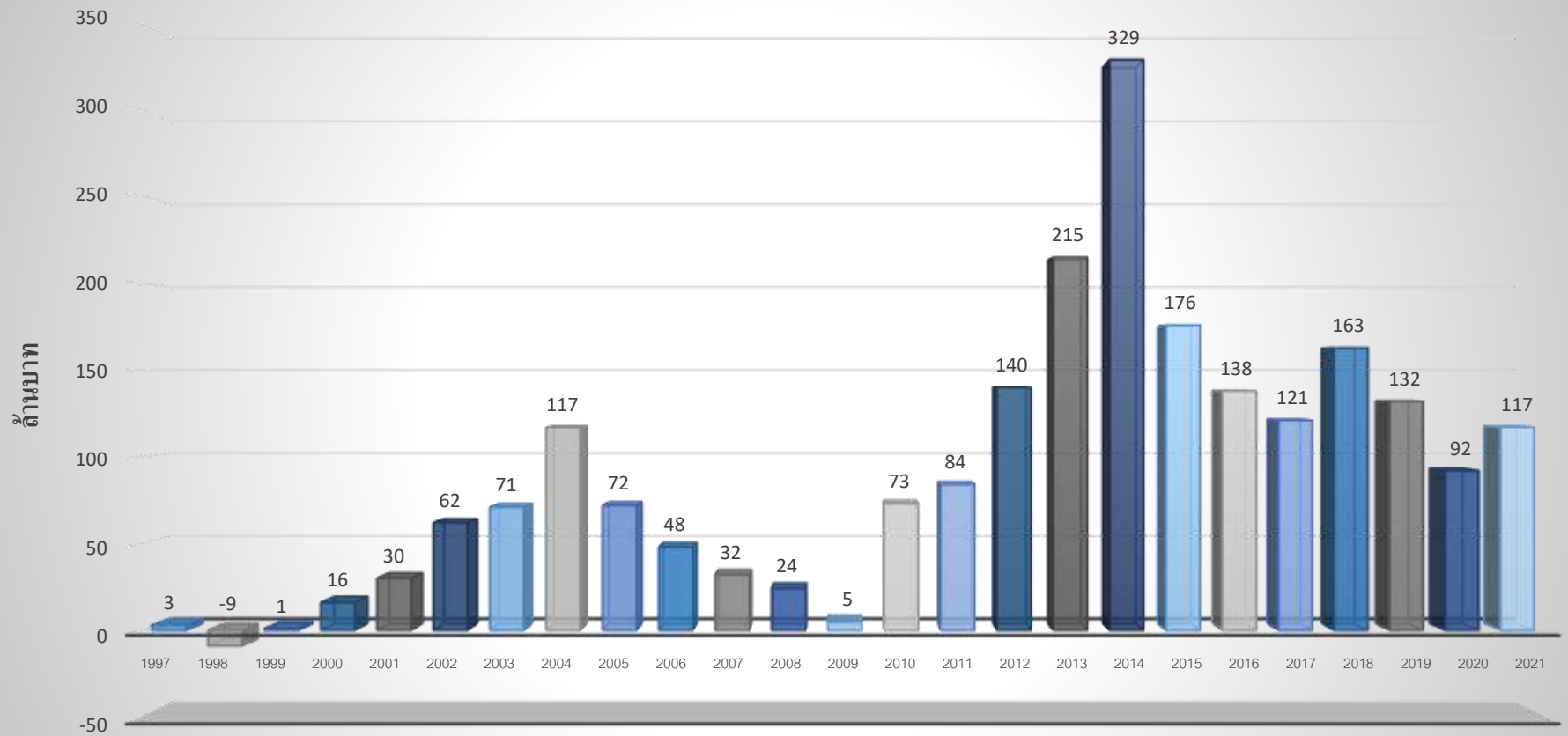


	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
ชุดข้อมูล 1	98	69	79	122	172	255	369	618	664	678	682	790	574	739	821	1030	1311	1862	1152	1013	1074	1231	1177	928	965

25 Years Sales Revenue



## Net Profit



	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
ข้อมูล1	3	-9	1	16	30	62	71	117	72	48	32	24	5	73	84	140	215	329	176	138	121	163	132	92	117

## 25 Years Net Profit

# Board of Directors



**Mrs. Pisamai Boonyakiat**  
Independent Director /  
Chairman of the audit Committee



**Mr. Wittawat Pornkul**  
Chief Executive Officer



**Assoo. Prof. Dr. Tortrakul Yamna**  
President



**Mr. Chana Towan**  
Director / Director to the nomination  
and remuneration Committee



**General Pisarn wattanawongkeeree**  
Independent Director / Audit Committee



**Mr. Nirut Intarathachang**  
Director



**Dr. Tanai Charinsarn**  
Director



**Mr. Wanchai Tantikul**  
Independent Director  
/ Director to the audit Committee  
/ Director to the nomination  
and remuneration Committee



**Dr. Kawin Worakanchana**  
Director

# Policies and business operation overview

## 1. Overview of business operation of the Company and subsidiaries

The Company was established on 6 August 1996 to operate a business of manufacturing and distributing precast concrete planks, pre-stressed concrete piles, finished solid fences, cowboy fences and cellular light-weight concrete (CLC) blocks. Its factory is located in Amphoe Pattana Nikom, Lopburi, with an area of approximately 200 rai.

The Company has a registered capital of 552,878,639.60 Baht of which 538,634,039.60 Baht was paid up as at 31 December 2021, with a par value of 0.10 Baht per share. The major shareholder is Mr. Wittawat Pornkul, holding 28.42 per cent of shares (see shareholding details in shareholding structure).

The Company has 4 subsidiaries, namely:

### 1. Orrada Co., Ltd.

The Company directly holds 99.99% of shares of the subsidiary, registered capital of 400 Baht which operates real estate business and leasing of mini factories.

- **Factory Land Project** located at Phaholyotin-Lamlukka Road in Amphoe Lamlukka, Pathumthani, established on 29 April 1989, with its office located at No. 41, Moo 4, Lamlukka Road, Amphoe Lamlukka, Pathumthani 12150.

- **Baan Orrada - Lamlukka Khlong 8 Project** located at Liab Khlong 8 Road, Amphoe Lamlukka, Pathumthani. The Company was granted allocation license No. 36/2549. It is a single house project for residential purpose and home office building, constructed on an area of 23 rai.

- **Dzio - Ratchapruek Project (Orrada-Ratchapruek)**, is a 2-storey single house project in 94 units constructed on an area of 20 rai and 2 ngarn at Ratchapruek Road, Nonthaburi, for demonstration of the use of goods of DCON. The Company was granted license No. 91/2554.

- **Dzio Condo - Ngam Wong Wan Project** is 8-storey condominium project with 4 buildings and a total of 792 units on an area of 7 rai at Soi Nagm Wong Wan 2 (Soi Duangmanee) behind the Ministry of Public Health, Nonthaburi. The entire project has been sold to a real estate company in the 4<sup>th</sup> quarter of 2014.

- **DCON Prime Condo** is 38-floor condominium project with 1 building and a total of 638 units on an area of 2 rai, 1 ngarn and 16 square wa, located on Rattanathibet Road near Phra Nangklao Bridge, 100 meters away from MRT Station (Sai Ma Station), 800 meters away from the Chaophraya River. The EIA was approved on 6 October 2015. The construction was expected to complete and transfer could be made to customers in May 2018. The estimated sales of the Project was 1,648.38 million Baht with net profit of 252.15 million Baht, or 15.3 per cent of the sales.



## **2. Wisarawan Co., Ltd. (“Wisarawan”)**

The Orrada company directly holds 99.99% of shares of the subsidiary, has registered capital worth 200 million Baht and paid-in capital worth 180 million Baht. Its business operation is real estate development which serves as product demonstrations for DCON.

- **The DECO Bangna** is a townhome housing project of 294 units, project size 35 Rai, 1 ngan 12.4 square meters, located on the main road On Bang Bo-Klong Dan Road, Bang Phriang Subdistrict, Bang Bo District, Samut Prakan Province, the construction is underway and will be transferred to customers in November 2022. Estimated sales of the project are 873.83 million baht and will have a net profit of 92.11 million baht. Accounted for 10.54 percent of sales.

- **The DECO Salaya** is a village project for detached houses and twin houses, totaling 180 units, project size 29 rai 1 ngan 99.3 square meters, located in Si Prawat Subdistrict, Bang Kruai District, Nonthaburi Province. Construction is underway and will be completed and can be transferred to customers. In December 2022, project sales of the project are 734.39 million baht and will have a net profit of 114.41 million baht or 15.58% of sales.

## **3. Rompo Products Co., Ltd. (“Rompo”)**

The Company directly holds 99.99% of shares of the subsidiary, registered capital of 35 Baht which operates the business of manufacturing and distributing planks, finished fences, established on 12 September 1995, located at No. 170, Moo 4, Tambon Pasak, Amphoe Muanglampoo, Lampoon 51000.

## **4. DSC Product Co., Ltd.**

The Company directly holds 70% of shares of the subsidiary, registered capital of 130 Million Baht which 130 Million Baht was paid up to manufacture and distribute fabricated walls at its modern concrete parts factory with the use of semi-automatic machinery imported from Germany. Production for distribution will begin in the forth quarter of 2019 in order to recognize its earning, located at No. 3300/97, Elephant Building, Tower B, 18<sup>th</sup> fl., Phaholyotin Rd., Chatujak Bangkok 10900

## **1.1 Visions and strategies of the Company**

### **Visions**

We shall be a producer of the construction materials and developer of the leading property projects of Thailand.

### **The Mission**

We are committed to create the quality of the products and the best service with business ethics and resolved to create value with those individuals who are our business alliance with sustainability.

## **Strategies**

1. The Company manufactures products with quality as per standard with lower cost than that of competitors because the Company emphasizes on continuous researches and developments.
2. The Company's manufacturing is conducted in a mass production manner to achieve lower unit production cost than that of competitors.
3. The work is closely managed by professional executives with comprehensions in the business and customers.
4. The factory is located near raw material sources thus saving raw material transportation cost and obtaining factory space at low price.
5. Maintains good relationships with raw material source owners and obtains raw materials at low cost.
6. Having its own finished goods transportation system, which allows the Company to be flexible and capable of controlling the delivery system and saving transportation cost.

## **The Core Value**

- D – Dedication. We work with determination, dedication and unmitigated devotion in order to create the quality of our product and its global acceptability.
- C – Consumer Centric. We take into account the need of the customers as the work centrality to maximize the satisfaction of the customers and the growth of the business.
- O – Operational Excellence. We are skilled in the work we do and expect excellence of working results.
- N – Novelty. We do not stop to create new things and espouse innovative thinking for sustainable development.

## **The policy of the company**

We are resolved to provide service and distribute the products of quality to the satisfaction of the customers and we adhere to business ethics. It therefore contributes our number one growth consistently throughout in sales of floor slabs and piles for residence.

### **1.2 Significant changes and developments**

- 1996 - Registered on 6 August with registered capital (fully paid-up) of 40 million Baht to operate the business of manufacturing and distributing pre-stressed concrete planks.
- Plank factory was constructed during August to December at A. Pattanikom, Lopburi.

- 1997 - Plank production platform zones 1-4 completed in April with total production capacity of 5,280 sq. m. per day.
- Was granted investment promotion from Board of Investment in respect of pre-stressed concrete planks.
- 2000 - The Company was granted ISO 9002 certificate from SGS for planks.
- 2003 - The Company was granted ISO 9001:2000 from SGS in August for planks and piles.
- Pile production platform zone 3 was expanded in September to 9,000 sq. m. per day production capacity.
- Plank production platform zone 5 was expanded in November to 6,600 sq. m. per day production capacity, and became 1 of 2 operators with the highest plank production capacity in the country.
- 2004 - The Company increased its registered capital by 120 million Baht in January, 100 million Baht of which was to purchase the Orrada Co., Ltd. at the price of 10 Baht per share, which equaled to the par value for the time being, from existing shareholders of Orrada Co., Ltd., constituting 99.99% of the shareholding proportion, and the total registered capital was 160 million Baht.
- The Company became a public limited company in March with registered capital of 200 million Baht.
- 2005 - A cellular light-weight concrete block production factory was constructed in May, about 2 kilometers away from the existing plank and pile production factory, expected to be completed and to commence production in the 3<sup>rd</sup> quarter of 2016.
- Investment was made in July to construct allocated houses under Baan Orrada Project, Baan Dee No. 5, energy-saving houses in 118 units, located at Liabkhleng 8 Road, A. Lamlukka, Pathumthani.
- Investment was made in October to expand Rompo Products Co., Ltd. factory to produce cellular light-weight concrete (CLC) blocks for markets in the Northern Region.
- ERP System Purchasing and Development Contract was signed in December for use in work management in the Company.
- 2006 - “Baan Orrada”, Baan Dee No. 5 and energy-saving house Project was opened for sales in March.
- A new factory was constructed at Surat Thani in June to support economic growth in the Southern Region.
- A thank you party was organized in October for customers and celebrated the 10<sup>th</sup> anniversary of DCON and introduced a new product, i.e. autoclaved aerated concrete block produced in the CLC system (Cellular Lightweight Concrete) under the name of heat-resistant block “DCON Block”.
- 2009 - New products were developed and introduced, i.e. fences, such as cowboy fences, finished fences.
- The Company was granted ISO 9001 Version 2008 from SGS.
- 2010 - New product, i.e. beams, was developed and introduced.
- 2011 - The “Dzio Ratchapruek” Project was opened for sales in March.
- 2012 - The Company was granted SET Award of Honor in respect of Outstanding Company Performance Awards from the Stock Exchange of Thailand.



- 2013
  - A thank you party was organized in January for customers and celebrated the 17<sup>th</sup> anniversary of DCON and introduced a new 20-cm. CLC as blocks which counter fungus from moisture and prevent heat from entering into the house.
  - Commenced constructing new factories in Maha Sarakam and Rayong in February to support economic growth in the Northeastern and the Western Regions.
  - Orrada Co., Ltd. opened the Dzio Ngam Wong Wan Condo Project in April.
- 2014
  - In April, the Company increased its registered capital from 205,730,000 Baht to 246,876,000 Baht to support issuance of warrants #1 for ordinary shares of DCON Products Public Company Limited (DCON-W1) to be offered for sales to existing shareholders based on their respective shareholding proportion free of charge at the ratio of 5 ordinary shares per 1 warrant.
  - In December, the Company was granted Forbes Asia's Best under a Billion 2014 Award in respect of outstanding operating results from Forbes Magazine, presented by M.R. Pridiyathorn Devakula, Deputy Prime Minister. Such award was from ranking of 200 companies in the Asian region, and from the 200 companies, 9 Thai companies won the award.
- 2015
  - The extraordinary shareholder meeting No. 1/2558 resolved in January to change the par value from 1 Baht to 0.10 Baht to increase the number of shares of the Company and to enhance the liquidity of the number of shares for trading in the Stock Exchange, and approved issuance of warrants #2 for ordinary shares of the Company (DCON-W2), by allocating to existing shareholders based on their respective shareholding proportion, and approved the increase of the Company's registered capital from 246,876,000 Baht to 285,736,000 Baht.
  - Orrada Co., Ltd. opened the DCON Prime – Rattanathibet Project in October.
  - The extraordinary shareholder meeting No. 2/2558 resolved on 21 December to increase the registered capital by 2,489,399,795 shares at a par value of 0.10 Baht per share by issuing 2,139,578,118 shares to be offered for sales to existing shareholders at the price of 0.45 Baht per share, and issuing 349,821,677 ordinary shares to support the right of holders of DCON-W1 and DCON-W2.
- 2016
  - In January, the proceeds from the sale of the capital increase shares to the existing shareholders as approved by the Extraordinary General Meeting of Shareholders No. 2/2058 totaling Baht 962.81 million.
  - In October, registered capital increase Dcon Panel Co., Ltd. from Baht 1 million to Baht 5 million. The Company holds 40%
- 2017
  - In November, set up the new subsidiaries: DSC Product Co., Ltd. to manufacture and distribute fabricated walls. The Company holds 70% and has a registered capital of 100 Million Baht of which 25 Million Baht was paid up
  - The Company was granted ISO 9001 Version 2015 from SGS.
- 2018
  - In march, Start to Presale The condominium DCON PRIME – Rattanathibet
  - Development of Hollow core Products at Lopburi factory and Rompo company
  - Development of Jumbo prefabricated fence products for quick installation at Lopburi factory
- 2019
  - DSC Products Company Limited began to renovate the factory building structure and installing machinery from Germany to produce Precast concrete wall and floor products.
  - Developed and released a new product, which is a hollow hexagonal pile.

- 2020 - DSC Products Co., Ltd. built a factory. Has begun production and sales
- Led laser system and video recording Used to record the Last Ten Blow value in pile driving. To increase the confidence of customers
- Developed and launched a new product, a precast concrete foundation.
- 2021 - Orrada Co., Ltd. started The DECO Bangna project.

## Research and development

In 2021, the Company conducted research and development for its main products in the nature of internal product research and development by its engineer team as follows.

Research and Development
1. Developed 3-way fence posts and 4-way fence posts for adjacent plot fences.
2. Developed fence posts of type I18 as a fence post used in the installation of a jumbo-type fence wall.
3. Developed piles of type I18 with a larger cross-section than the factory standard. For applications requiring special pile strength
4. The plasma cutter is used for cutting pile plates. To increase accuracy and speed in the production of work pieces.

## 1.3 Shareholding structure of the company group

On 9 March 2004, the extraordinary shareholder meeting No. 4/2547 resolved to transform the Company into public company and increase the registered capital to 200 million Baht, being 200 million single-type ordinary shares with a par value of 1 Baht per share, and change the name from “**DCON Products Co., Ltd.**” to “**DCON Products Public Company Limited**”. The Company’s shares were approved to become permitted securities in the Stock Exchange of Thailand on 21 September 2003 with head office located at No. 3300/57, Elephant Building, Tower B, 8<sup>th</sup> Floor, Phaholyotin Road, Chompol, Chatuchak, Bangkok 10900.

Currently, the Company has a registered capital of Baht 552 million, which is a single share of 5,386.34 million shares with a par value of Baht 0.10 per share.

Orrada Co., Ltd. in real estate development business group currently still emphasized on selling houses and condominiums and leasing of mini factories, with issued and paid-up capital of 400 million Baht, 99.99 per cent investment.

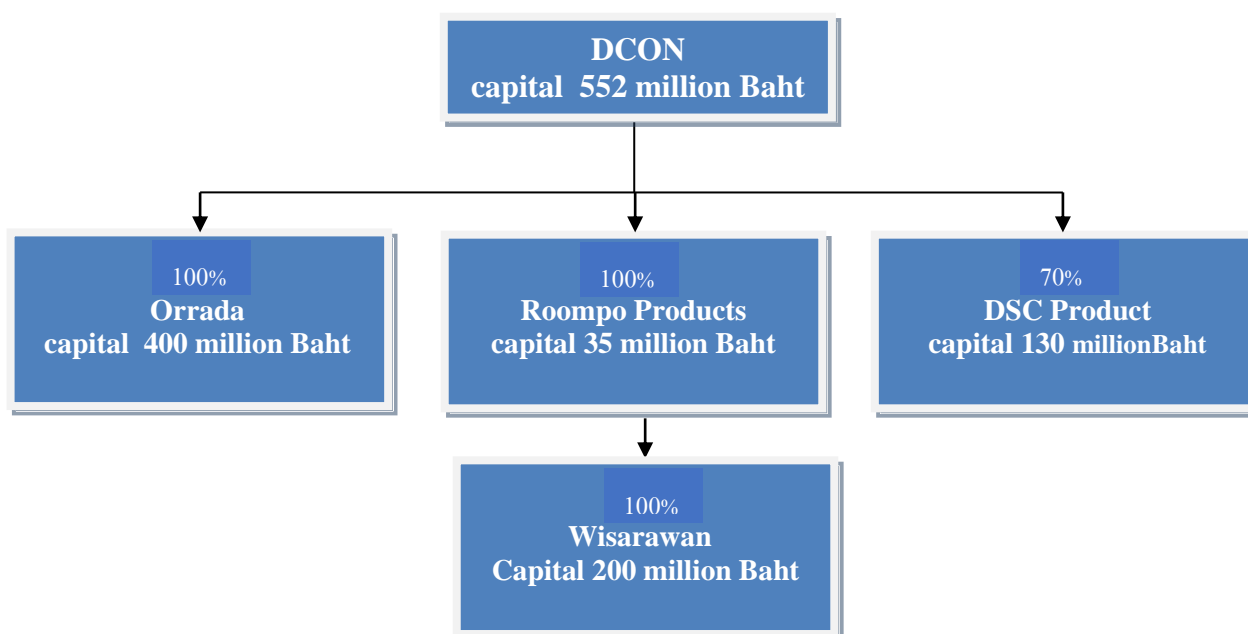
Rompo Products Co., Ltd. in plank, finished fence and cellular light-weight concrete (CLC) block manufacturing group in the Northern Region, with issued and paid-up capital of 35 million Baht, 99.99 per cent investment.

DSC Products Co., Ltd. directly holds 70% of shares with registered capital of 130 million Baht. (Produced and distribute fabricated walls) was established on November 13, 2017. The office is located at 3300/97 Elephant Building, Phaholyothin Road, Chomphon, Chatuchak, Bangkok 10900.

Wisarawan Co., Ltd. is the Real estate business group Registered capital 200 million baht Paid-up capital 180 million baht, Orrada Company Limited has 99.99 percent of investment

Currently, the Company had a policy to invest in the main business in manufacturing planks, pre-stressed concrete piles, cellular light-weight concrete blocks, finished fences and selling house-condominium projects and leasing mini factories through subsidiaries. The Company had no policy in investing in other non-relevant business. Appropriate return on investment would be taken into consideration in making any investment of the Company. Moreover, the management policy in Orrada and Rompo would be prescribed and undertaken by executive directors of the Company.

As at 31 December 2021 the Company Group's shareholding structure was as follows:



### Policy on distribution of work execution of companies in the Group

The Company has a policy on clear distribution of work execution through the Company and subsidiaries and the work execution of each company would not be overlapping but would optimally support, assist and promote the business of one another. The Company operated the business in manufacturing and distributing of planks and pre-stressed concrete piles used in construction work, while Orrada Co., Ltd. operated the business in real estate development emphasizing on selling and leasing mini factories and constructing finished residential structures, and Rompo Products Co., Ltd. operated the business in manufacturing and distributing planks in the Northern Region.



#### 1.4 Relationship with the business group of the major shareholder - nil –

## Business operation nature

### 1. Product nature

The Company is a manufacturer and distributor of concrete construction materials. Main products of the Company comprise:

#### 1. Concrete planks

DCON planks are flat bottom pre-stressed concrete planks, 35 cm. wide and 5 cm. thick. When using, they are placed adjoining together and coated with concrete. Besides acting as a mold, DCON planks are also a part of the structure which helps bearing load homogeneously with the coated concrete. The Company also manufactures planks which are 30 cm. wide and 5 cm. thick for some customers with special requirements.

DCON planks are suitable for construction of commercial buildings, condominiums, office buildings, schools, townhouses and single house in general. They enable the construction to be completed expeditiously, save cost and are also durable and beautiful.

DCON planks are divided into:

- 1.1 Flat bottom planks, suitable for structure with span not exceeding 4.20 meters.
- 1.2 Angular bottom planks were invented for use with structure with span between 4.20-5.00 meters, with special qualification in supporting longer span and could therefore be used with inconvenient structure with supports.

DCON planks were ISO 9001: 2015 certified by SGS (Thailand) Co., Ltd.



## **Rights of restrictions in business operation**

### **Privileges from investment promotion**

The Company was granted from the Board of Investment (BOI) investment promotion certificate No. 1089/2540 for planks and received privileges as per the Investment Promotion Act B.E. 2520. The Company was 100% exempted from income tax from 19 January 1996 to 18 January 2005 and 50% exempted from income tax after that from 19 January 2005 to 18 January 2010. Consequently, the Company would not be exempted from tax in 2010 due to termination of privileges from investment promotion.

## **2. Concrete piles**

Concrete piles for residential structures are construction materials used as part bearing load of buildings or structures by the mechanism of:

- (1) Friction from pile surface touching upon the surrounding soils; and
- (2) Pile load at the pile tip, where the load from building transferred to the foundation shall be further transferred to the pile which is placed on hard soil layer.

From the market survey and to obtain the same group of customers as that of planks, the Company selected to produce piles for residential structures only, which came in 6 sizes as follows:

1. I-18 for one-storey houses or fences or 2-storey houses such as Baan Ua Artorn, with maximum production capacity of 1,800 m. per day.
2. I-22 for 2-storey houses, with maximum production capacity of 5,100 m. per day.
3. I-26 for 3-storey townhouses or commercial buildings (or factory buildings), with maximum production capacity of 2,100 m. per day.
4. Quadrilateral piles -22 for 2-storey houses (TIS 396-2549), with production capacity of 216 meters per day at Rayong Branch Factory, and 228 meters per day at Surat Thani Branch Factory.
5. Quadrilateral piles -26 for 3-storey townhouses, commercial buildings or factory buildings (TIS 396-2549), with production capacity of 216 meters per day at Rayong Branch Factory, and 228 meters per day at Surat Thani Branch Factory.
6. Quadrilateral piles -40 for large buildings (TIS 396-2549), with production capacity of 912 meters per day at Surat Thani Branch Factory.

The Company's concrete piles were also ISO 9001: 2015 certified by SGS (Thailand) Co., Ltd.



### 3. DCON Lightweight concrete blocks

#### 3.1 DCON grey cellular lightweight concrete (CLC) blocks

DCON grey cellular lightweight concrete (CLC) blocks are produced by adding air bubbles with high stability into the concrete texture discontinuously. Being of a closed cell nature, they have low permeability, thus reducing fungi harmful to health. They carry good insulation property, such as thermal and acoustic, and normal mortar can be used in bricklaying and plastering process, suitable for people who care for their health.

The Company currently developed products which better responded to requirements and use by developing D815 formula which reduced the weight of DCON grey cellular lightweight concrete blocks, easy to use, but still maintained the strength which could tolerate heavy hanging load. The Company also developed 20-cm. blocks with thermal insulation and energy-saving property for high end houses, which enhanced the beauty to the walls.



### **3.2 DCON white autoclaved aerated concrete (AAC) blocks**

DCON lightweight concrete blocks are autoclaved aerated concrete (AAC) blocks produced by adding substance which creates air bubbles and autoclaved with production and quality control technology G4 standard system. They have light weight and easy to use. Heavy articles can be hung thereon, suitable for those who stress on light weight and beauty.

Both systems of DCON lightweight concrete blocks are suitable for construction of commercial buildings, condominiums, office buildings, schools, townhouses and single house in general. They enable the construction to be completed expeditiously, save cost and are also durable and beautiful.



## **4. DCON fences**

### **4.1 DCON solid fences**

DCON solid fences are pre-casted pre-stressed solid concrete fences comprising planks, posts and lintels. They are strong, beautiful from all angles, inexpensive, suitable for those who want strong and beautiful fences with privacy.





## 4.2 DCON cowboy fences

DCON cowboy fences are pre-casted pre-stressed open fences comprising planks and posts which are strong but are in open form to create landscape or install to divide zones to make the house looks pleasant, serene, suitable for those who require strength but airy or area zoning.

Both systems of DCON fences are suitable for use as required for each purpose, for example, house fence, official place fence, food garden fence or area zoning fence for clearness, because they are strong, beautiful, inexpensive, easy to install and easy to use.



**4.3 Jambo fences** has a sheet size, width 125 cm. X length 290 cm. X thickness 6 cm., Consisting of 2 fence panels (including lintel), 3 meters from pole to pole, suitable for fencing housing projects Government offices, residential houses, industrial factories



## 5. Hollow Core Slabs

DCON Hollow core slab is a hollow core pre-stressed concrete slab to increase cross-sectional efficiency. By reinforced with prestressed wire Used for general building floor structures such as office buildings (government / private), residential buildings. Small to large commercial buildings and industrial plants Which is lightweight compared to other floor structures in accordance with TIS 828-2546 standards, has its own strength, can be used to bear the weight immediately. Without any temporary bracing. Width is 0.60 m. Thickness is

available from 8, 10, 12 and 15 cm. Thickness size depends on length. And payload This can be seen from the table of the weight (Service Load Table) of the company.

#### Product Characteristics Hollow Core

1. Lower construction cost and light weight due to the hollow slab. Thus, it can save concrete and be lightweight, saving a lot of other structures, from piles, foundations, columns and beams.

2. Quick installation, as it does not require temporary bracing for construction, it is convenient to work, saving time and labor as well.

3. Smooth surface The bottom surface of the finished slab is smooth. Therefore, do not need to plaster or install a longer ceiling

4. Long cross section as it is hollow slab, the cross-section is highly efficient compared to other cross-sections. This makes the slab lightweight without reducing the cross-sectional power and durability, allowing it to be used with a wide range of lengths (Span Length) up to 8 meters without problems with deflection. (According to the size, thickness, slab)

5. Compliant with all slabs with high efficiency manufacturing processes, extruded and pressed concrete, thus making the slab cross-section with a consistent shape.

6. Strong because it is made from dry concrete (No Slump Concrete) and through modern machinery manufacturing processes. Resulting in relatively high compressive strength, so it is strong and durable. And higher quality than general prefabricated floors

7. Shear Key Concrete Due to the hollow slab, prestressed concrete. When laying the floor slab, there will be a SHEAR KEY groove for grooving with cement mortar. Makes it possible to distribute the weight between the floor slabs

8. Sound and temperature protection Due to the air inside the hollow, it greatly reduces the transmission of sound and temperature.

9. Fire protection Because the concrete coated with steel is sufficiently thick Therefore able to withstand the heat temperature for hours If the fire is severe at any point, it will cause local damage, not damage to neighboring structures.

10. Used for electrical wiring, water pipes with a large hollow, can be used for electrical wiring, water pipes or as a hole for ventilation as well. In addition, the plate structure features a thin upper and lower skin. Allows quick and easy modification, drilling, chiseling and opening of solid concrete litter channels.



## 6. Hexago piles

Product characteristics hollow hexagonal piles, prestressed concrete

1. Used as a foundation for carrying the weight of light structures such as corridors, platforms, parking lots.

2. Used as a foundation to support the weight of the fence posts. To build stability and strength

3. It is a hollow hexagonal pile, prestressed concrete type, strong because it has more than 350 KSC compressive strength.

4. Size and cross-section 15 cm. Weight 32 kg / m.

5. The effect of pile is hollow in the middle of the same piece. Will not be the same size  
One side narrow hole One side wide hole

6. Use with the wide holes hammered into the ground. To get the ground pressure This makes the soil transmitted through the channel to be more rigid, strong and compressive, making it better to hold the pole.

7. It reduces the problem of fracture. During driving more than ordinary piles

Typical applications of DCON hollow hexagonal piles

Used to load the weight of the weft beam, carpet hammering, parking lot, warehouse floor, foundation piles. For loading the fence work Foundation piles For weight gain Small structure work Or light structure Or used in small area extensions, easy to cut the needle head In case the needle pops up When encountering an underground obstacle that has been pegged or You may have to cut the needle off. To achieve the specified level It can save construction costs and labor. Light weight, easy to transport and install Available in length from 1.00 - 6.00 m.





## 7. Footing

Footing of the Company is a precast concrete foundation. It is the foundation of the fence posts to create stability and strength. Reinforcing standard steel, strength and durability. Available in 2 sizes, width 40 x 40 x 40 cm. And width 35 x 80 x 40 cm



## Real estate business

The Company operates the business in selling and leasing mini factories and pre-built single house projects sold through subsidiary, i.e. Orrada Co., Ltd. There are 2 types as follows.

**1. Orrada Factory Land** is a finished factory project which combines factories, offices, residences in the same unit in the area of 200 square wa with useful spaces of over 720 square meters, emphasizing on systematic layout, with standard public utilities. The composition in 1 unit shall be as follows.

Floor	Useful space	Dimension
1	Factory Office	16 X 24 = 384 sq. m. 12 X 7.5 = 90 sq. m.
2	Office	16 X 7.5 = 120 sq. m.
3	Residence	16 X 7.5 = 120 sq. m.

The Project is located at Phaholyotin-Lamlukka Road, Khlong 8, Amphoe Lamlukka, Pathumthani. The Project comprises 4 lines of 3-phase electricity, telephone, underground water, steel-reinforced concrete road with sewer, 16-meter footpath and 24-hour security system.

The Company applied for land allocation permission from the Land Department to allocate land for industrial purpose. Customs of the Project who rent or purchase shall apply for factory business operation permission from the Ministry of Industry.



## **2. Residential projects**

### **- Orrada Co., Ltd.**

**Baan Orrada - Lamlukka Khlong 8 Project.** The Project is located at Liab Khlong 8 Road, Amphoe Lamlukka, Pathumthani. The Company was granted allocation license No. 36/2549. It is a single house project for residential purpose and home office building, constructed on an area of 23 rai. The sales thereof were currently over 90%.

**Dzio - Ratchapruek Project (Orrada-Ratchapruek),** is a 2-storey single house project in 94 units constructed on an area of 20 rai and 2 ngarn at Ratchapruek Road, Nonthaburi, for demonstration of the use of goods of DCON. The Company was granted license No. 91/2554. The sales thereof were currently about 67%.

**Dzio Condo - Ngam Wong Wan Project** is 8-storey condominium project with 4 buildings and a total of 792 units on an area of 7 rai at Soi Nagm Wong Wan 2 (Soi Duangmanee) behind the Ministry of Public Health, Nonthaburi. The entire project has been sold to a real estate company in the 4<sup>th</sup> quarter of 2014.

**DCON Prime Condo** is 38-storey condominium project with 1 building and a total of 638 units on an area of 2 rai, 1 ngarn and 16 square wa, located on Rattathibet Road near Phra Nangklao Bridge, 100 meters away from MRT Station (Sai Ma Station), 800 meters away from the Chaophraya River. The EIA was approved on 6 October 2015. The construction was expected to complete and transfer could be made to customers in May 2018. The estimated sale of the Project was 1,648.38 million Baht with net profit of 252.15 million Baht, or 15.3 per cent of the sales.

### **- Wisarawan Co., Ltd.**

**The DECO Bangna Project** is a townhome housing project of 388 units, project size 34 rai, 14.2 square meters, located on the main road. On Bang Bo-Klong Dan Road, Bang Phriang Subdistrict, Bang Bo District, Samut Prakan, easily connected to Thepharak Road, Bang Na-Trad Road and Sukhumvit Road Easy access to the city with 3 main expressways: Burapha Withi Expressway, Motorway and Kanchanaphisek Expressway Close to many famous sources and industrial factories in Thailand Including close to department stores, fresh markets, famous schools, leading hospitals and Suvarnabhumi Airport, etc. Construction is underway, which will be completed and transferred to customers in Quarter 4 of year 2022, projected sales of the project equal to 920 Million baht.

**The DECO Salaya** is a village project for detached houses and twin houses of 180 units, project size 29 rai 1 ngan 99.3 square meters, located in Si Prawat Subdistrict, Bang Kruai District, Nonthaburi Province. Construction is underway and will be completed and can be transferred to customers. In Quarter 1 of year 2023, project sales of the project are equal to 740 million baht.

## 2. Marketing and competition

### DCON Products Public Company Limited

#### Competition strategies

- ☐ The Company enhances its potential in competition and profit earning in provincial branch factories by increasing production capacities for piles and solid concrete fences in line with the increasing market demands.
- ☐ Expands pile production capacity to include piles with cross section of 40 centimeters to support new group of customers.
- ☐ Initiates marketing promotion activities to maintain existing customer base in CRM format.
- ☐ The Company is able to manufacture standard quality products at lower cost than that of competitors because the Company emphasizes on research and development on a continuous basis.
- ☐ The Company opts to produce 3 sizes of piles, i.e. I18, I22 and I26, in a mass production manner to achieve lower unit production cost than that of competitors.
- ☐ The work is closely managed by professional executives with comprehensions in the business and customers.
- ☐ The factory is located near raw material sources thus saving raw material transportation cost and obtaining factory space at low price.
- ☐ Maintains good relationships with raw material source owners and obtains raw materials at low cost.
- ☐ Having its own finished goods transportation system, which allows the Company to be flexible and capable of controlling the delivery system and saving transportation cost.
- ☐ In addition to the previous business expansion by opening factories in Lampoon in the Northern Region and Surat Thani in the Southern Region, the Company opened another plank factory in 2013 to support growth in large provinces with continuous growth, in Maha Sarakham in the Northeastern Region, and Rayong in the Eastern Region, to reduce transportation cost, enhance flexibility in provision of services in respect of sales and deliveries, and expand regional customer base.

#### **Customer groups**

Customers are divided into the following groups.

Customer group	Percentage of sales in 2021
1. Real estate developers	58%
2. Construction contractors	34%
3. Material & equipment distributing agent and /or manufacturer	6%
4. Others	2%
Total	100%

### **Targeted groups**

Are those referred to above in Bangkok and vicinities and provinces in the Northern, the Southern, the Central, the Northeastern and the Eastern Regions. The Company currently has factories in all regions as follows: the Northern - Rompo Products Co., Ltd.; the Central - Lopburi factory; the Southern - Surat Thani factory; the Northeastern - Maha Sarakham factory; and the Eastern - Rayong factory.

### **Price policy**

The Company determines prices in accordance with market supply and demand principle by keeping the prices not too low which shall make too long lead time between the order placement and the goods delivery, or not too high which shall affect the customer base. In addition, the Company shall primarily take into account quantity of purchase, customers' past credit terms and industrial competition, which requires the Company to adjust prices to be consistent with the market and competition situations at all times.

### **Orrada Co., Ltd.**

#### Competition strategies

- ☐ The Factory Land Project is located in purple zone where factories can be constructed, and in community area where there are adequate purchasing power and labor to support the business of entrepreneurs who are customers of the Project. The locality is also convenient for traveling via Kanchanapisek Ring Road, which enhances the potential in respect of transportation system and traveling.
- ☐ Dzio - Ratchapruek Allocation Project is located where traveling is convenient, in developed area and is required by the targeted group. There is sky train transportation system, i.e. purple line sky train to be opened for services on 12 August 2016. Moreover, it is designed to demonstrate difference and respond to requirements of the customer group.
- ☐ DCON Prime - Rattanathibet Project (DCON Prime) is a condominium located at Rattanathibet Road only 100 meters away from Sai Ma MRT Station. The Project is 38-floor condominium project with 1 building and a total of 638 units. The salient point is that it is located in the boomed area of Nonthaburi, close to Central West Gate with convenient communication by sky train. It is also located close to the Chaophraya River with superior view. Besides seeing the Chaophraya River curve from the unit, it is enhanced with an infinity edge swimming pool on the 37<sup>th</sup> floor for residents to have a touch of freeness and serenity in swimming and relaxation with the river curve view from high angle. Moreover, the Project offers full decoration with built-in furniture and air-conditioners in all units. The Company is advantages in respect of construction cost because it uses materials which are products of its parent company, i.e. planks, piles and DCON lightweight concrete blocks.

#### Customer nature and targeted customer groups

- ☐ Customer groups of Orrada Factory Land Project are Small and Medium Entrepreneurs (SME), those working in nearby areas and targeted groups of the Company.
- ☐ Customer groups of Dzio - Ratchapruek Project are medium-level customers residing in Nonthaburi and working in Bangkok and vicinities with income of 50,000 Baht or more, with 35-50 years of age.
- ☐ Customers of DCON Prime - Rattanathibet Project (DCON Prime) are medium-level customers residing nearby in Nonthaburi adjacent to Bangkok northern and western zones with income of 40,000 Baht or more, with 25-45 years of age.

#### Price policy

- ☐ As for Orrada Factory Land Project, the Company determines the selling prices and rents at competitive level. As regards factory lease, the Company executes lease agreement with customers for a term of 3 years.
- ☐ Dzio - Ratchapruek Allocation Project prices are determined to be in the range of 4-6 million Baht.
- ☐ DCON Prime - Rattanathibet Project (DCON Prime) develops its form and functions including materials used in superior manner to those of competitors in nearby areas, while the selling prices are determined to be rather lower than those of nearby competitors to distinguish the salient point in respect of cost-worthiness, starting at 1.65 million Baht for 1-bedroom unit in an area of 26.58 square meters.

#### Distribution and distributing channels

- ☐ As for Orrada Factory Land Project, besides contacting targeted customers directly, most customers of the Company come from the advertisement in front of the Project and introductions by existing customers in the Project and the website.
- ☐ As for Dzio - Ratchapruek Allocation Project, DCON Prime - Rattanathibet Project and The DECO, they are publicized via advertisements, guideposts, magazines, newspapers, radios, booths in exhibitions and department stores, online social in the Internet and website providing publicity of the Project.

#### Raw materials

As regards main raw materials in the project construction, i.e. lands and main construction materials, for example, planks, piles, lightweight concrete blocks, concrete, steel wires, shape steel, roof planks, lighting system, sanitation system, building, door and window paints, the Company shall invite bids from contractors in respect of both labor and materials, except for planks, piles and lightweight concrete blocks, which are main products of the Company. The projects have been cooperated with main contractors with experiences and reliabilities on a continuous basis.



### **Environmental impacts**

- ☐ As for each unit of Orrada Factory Land Project, the factory owners shall erect their own wastewater treatment system in accordance with the quality of wastewater of each factory, which must meet the criteria determined by the Department of Industrial Work. The Project initially provides sanitation system for each unit as per the Allocation Act.
- ☐ In respect of allocation projects, fat trap is provided for each unit with consolidated wastewater treatment system for each project as per the Allocation Act.

### **Work not yet delivered**

As at the end of 2021 the Company had awaiting transfer Units at DCON Prime - Rattana Thibet Project by customers and transfer in 2022.

### **Wisarawan Co., Ltd.**

#### Competition strategies

- ☐ The DECO Bangna - The DECO Bangna project is a townhome on the main road. On Bang Bo Road - Khlong Dan Samut Prakan Easy to connect to Thepharak Road, Bangna-Trad Road and Sukhumvit Road. Easy access to the city With 3 main expressways: Burapha Withi Expressway, Motorway and Kanchanaphisek Expressway Close to work sites and large industrial estates such as Wellgrow Industrial Estate, Bang Phli Industrial Estate, as well as close to department stores, fresh markets, famous educational institutions, leading hospitals and Suvarnabhumi Airport, etc. 35 rai 1 nagn 12.4 square meters with a lot of advantages in green areas Including the central Club House that meets all lifestyles Whether it is a private work area, a fitness center and a swimming pool. Not only that, what the project thinks for customers can be called Pay attention to the customer in every square meter Customers can be 100% assured. The company has an advantage in construction costs because it uses materials from parent company products (DCON), namely slabs, piles, fences and DCON lightweight bricks.

#### Customer nature and targeted customer groups

- ☐ The DECO Bangna targeting customers at the middle level who live in Bangkok Nearby in the part of Samut Prakan Province in the eastern zone of Bangkok Income level of 25,000 baht or more, aged 25-50 years.
- ☐ The DECO Salaya targets a middle-class customer who live in Bangkok nearby in the part of Nakhon Pathom Province in the western zone of Bangkok Income level 25,000 baht or more, age in the range 25-50 years

### **3. Properties used in business operation**

Properties used in operation of businesses of the Company and subsidiaries as at 31 December 2021 were as follows.

DCON Products Public Company Limited

Asset type/nature	Book value (Baht)	Ownership nature	Obligations
Land in Amphoe Pattanakom, Lopburi:			
Factory area of 119rai, 1 ngarn 94 sq. wa	26,533,967	Owned	<u>Nil</u>
Goods pile area of 23 rai 2 ngarn 38 sq. wa	5,055,384	Owned	<u>Nil</u>
Area of 24 rai 2 ngarn 92 sq. wa bought for use of groundwater in production	2,124,547	Owned	<u>Nil</u>
Land for construction of factory and inventory storage yard, lightweight concrete block factory in area of 97 rai 3 ngarn 36 sq. wa	13,482,219	Owned	<u>Nil</u>
Land for construction of factory in Surat Thani in area of 57 rai 334 sq. wa	10,223,524	Owned	<u>Nil</u>
Land for construction of factory in Rayong in area of 36 rai 168 sq. wa	20,525,996	Owned	<u>Nil</u>
Land for construction of factory in Maha Sara Kham in area of 34 rai 99 sq. wa	18,022,373	Owned	<u>Nil</u>
Buildings/furniture/decoration	134,924,899	Owned	Lightweight concrete block factory mortgaged for 35 million Baht and machinery mortgaged for 60 million Baht as collateral against overdraft, short-term loan, long-term loan and possible debt from requesting a bank to issue letter of guarantee for raw material cost and power consumption with a domestic bank
Vehicles	62,396,732	Owned	<u>Nil</u>
Tools/machines/equipment	129,423,520	Owned	<u>Nil</u>
Construction in progress	248,152	Owned	<u>Nil</u>

Orrada Co., Ltd.

Asset type/nature	Book value (Baht)	Ownership nature	Obligations
Asset for rent	368,420,212	Owned	Nil
Land held for development (Factory's office)	14,223,250	Owned	Nil
Developed land for sale	905,362,698	Owned	Nil

Investments in subsidiaries as at 31 December 2021

Company	Business	Issued and paid-up capital	Investment percentage
Orrada Co., Ltd.	Real estate development currently emphasizing on sales and lease of mini factories	400 million Baht	99.99
Rompo Products Co., Ltd.	Production of planks and lightweight concrete blocks in Northern Region area	35 million Baht	99.99
DSC Product Co., Ltd.	Manufacturer and distributor of lightweight concrete wall	130 million Baht	70.00
Wisarawan Co., Ltd.	Real estate development	200 million Baht	99.99 (by Orrada)

Currently, the Company had a policy in investing in its main business, i.e. planks and pre-stressed concrete piles, and sale of pre-built single house project and sale-rent of mini factories through subsidiaries. The Company had no policy in investing in other non-relevant business. Appropriate return on investment would be taken into consideration in making any investment of the Company. Moreover, the management policy in Orrada would be prescribed and undertaken by executive directors of the Company.

Investments in Associated Company as of 31 December 2021

Type / characteristics of assets	Book value (Baht)	Type of ownership	Obligations
Prinsiri Public Company Limited	Real estate development	1,220.01million Baht	10.08

In the second quarter of 2020, the Company and its directors have gradually purchased ordinary shares in Prinsiri Public Company Limited to a 21.79% investment, and according to the minutes of the 2020 Annual General Meeting of Shareholders on July 17, 2020. Prinsiri Public Company Limited's shares resolved to appoint a director of the Company to be the Board of Directors, causing the Company to have significant influence in that company. Measured at fair value through other comprehensive income. It is a type of

measurement at cost in the separate financial statements. And measure the book value using the equity method in the consolidated financial statements.

#### 4. Legal dispute

4.1 On February 24, 2020, the Company was prosecuted for breach of contract to purchase a plot of land. and provide compensation for damages to the plaintiff (The seller holds joint ownership of the land) in the amount of 5.95 million baht with interest at the rate of 7.5% per annum, which the Court of First Instance dismissed the lawsuit. Subsequently, on March 26, 2021, the plaintiff appealed to the court. It is currently being considered by the court. which the management of the company No damage is expected as a result of the case.

4.2 On October 21, 2019, the Company was prosecuted as a co-defendant with a land seller by the plaintiff. Has asked the court to order the revocation of the transaction and registration of the sale of 6 plots of land at the cost of 145 million baht of the said seller with the Company. Subsequently, on October 14, 2020, the court dismissed the lawsuit. During the first quarter of 2021, the plaintiff has appealed to the court. And on December 14, 2021, the Company agreed to enter into a compromise agreement. The seller and the plaintiff agreed to pay the amount of 133.42 million baht with interest of 5.50% per annum to the Company within January 31, 2025 and the Company agreed to transfer the ownership of the land back to the trustee within 30 days from the date of receipt. pay such payment in full

#### 5. General information and other significant information

##### 5.1 General information



##### Company Profile

##### Dcon Products Public Company Limited



##### Address

Dcon Products Public Co., Ltd.  
3300/57 Elephant Building, Tower B 8<sup>th</sup> fl.  
Phaholyotin Road, Chatujak, Bangkok 10900  
Thailand. Tel. (66) 2937-3312

##### Juristic Person License No

0107547000303



Registered Capital	THB 552,878,639.60 (Paid Up) THB 538,634,039.60
Telephone	+66-2937-3312 (Automatic)
Facsimile	+66-2937-3328
Homepage	Website: <a href="http://www.dconproduct.com">www.dconproduct.com</a> E-mail: <a href="mailto:dcon@dconproduct.com">dcon@dconproduct.com</a>
Lopburi Factory 1	33 Moo 8 Chongsarika, Phattananikom, Lopburi 15220
Telephone	+66-36-436-413
Lopburi Factory 2	280 Moo 1 Chongsarika, Phattananikom, Lopburi 15220
Telephone.	+66-36-705-057, +66-81-372-0682
Surat Thani Factory	39/3 Moo 7 Natai Sub-District, Baan Nakhem Surat Thani 84240
Telephone	+66-81-822-5972
Mahasarakham Factory	236 Moo 11 Goh Sum Tha Phra Road, Paeng Kosumphisai Mahasarakham 44140
Telephone	+66-43-706-890-2
Rayong Factory	567 Moo 1 Makhamkhu Nikhompattana Rayong 21180
Telephone	+66-38-029-162-4

### **Type of Operations**

Production and distribution of construction materials, concrete products, namely, concrete reinforced piles, reinforced concrete floor slabs, light weight concrete (CLC) and a variety of finished product parts for buildings, beams, piles, walls, fences, Hollow core etc.

### **Number of Company Employees & Subsidiaries**

As of 31 December 2021, the company had a total of 278 employees

### **Subsidiaries**

**Orrada Co. Ltd., (Shareholding: 99.99%)**



Address	3300/97 Elephant Building, Tower B 18 <sup>th</sup> FL, Phaholyotin Road, Chatujak, Bangkok 10900
Registered Capital	THB 400 million
Telephone	+66-2-937-3312

Facsimile	+66-2-937-4337
Homepage	www.orrada.com
E-mail	orrada@orrada.com
Real Estate Development Projects	<ul style="list-style-type: none"> <li>- Factory Land Building</li> <li>- Orrada Land</li> <li>- Baan Orrada – Lamlukka Khlong 8</li> <li>- Baan Orrada – Dzio Project (Ratchapruek)</li> <li>- Condominium – Dzio Condo Project (Ngam Wong Wan)</li> <li>- Condominium – Dcon Prime Project (Rattanathibet)</li> </ul>
Future projects Condominium	<ul style="list-style-type: none"> <li>- Dcon Prime Project (Praksa)</li> <li>- Baan Orrada – Dzio Project (Bang Kruwat)</li> </ul>

### Type of Operations

Doing the real estate business for Demonstration projects for using DCON products.

### Wisarawan Co. Ltd., (Shareholding: 99.99%)



WISARAWAN CO.,LTD.

Address	3300/100 Elephant Building, Tower B 18 <sup>th</sup> FL, Phaholyotin Road, Chatujak, Bangkok 10900
Registered Capital	THB 200 million (Paid Up) THB 180 million
Telephone	+66-2-937-3312
Facsimile	+66-2-937-4337
Real Estate Development Projects	<ul style="list-style-type: none"> <li>- The DECO Bangna</li> <li>- The DECO Salaya</li> </ul>

### Type of Operations

Doing the real estate business for Demonstration projects for using DCON products.

### **Rompo Products Co. Ltd., (Shareholding: 99.99%)**



Address	170 Moo.4, Pasak District, A. Meaung, Lampoon, 51000
Registered Capital	THB 35 million
Telephone	+66-53-537-030
Facsimile	+66-53-802-4306

#### **Type of Operations**

Production and distribution of construction materials concrete products in the north of Thailand which includes reinforced concrete floor slabs, fences, cowboy fences and hollow core.

### **DSC Product Co. Ltd., (Shareholding: 70%)**



Address	3300/67 Elephant Building, Tower B 10 <sup>th</sup> FL, Phaholyotin Road, Chatujak, Bangkok 10900
Registered Capital	THB 130 million
Telephone	+66-2-937-4337
Facsimile	+66-2-937-3326

#### **Type of Operations**

To manufacture and distribute fabricated walls which is a factory to manufacture modern concrete parts with semi- automatic machines from Germany which will start production Recognized revenue in the third quarter of 2020 onwards.

## **Associate**

**Prinsiri Public Company Limited (Shareholding: 10.08 %)**



Address	244 Plearnari Mall, Watcharaphon Road, Tharang Subdistrict Tharang Subdistrict, Bang Khen District, Bangkok 10230
Registered Capital	THB 1,220,011,755
Telephone	+66-2-022-8988 , Call Center 1753
Email	info@prinsiri.com

## **Type of Operations**

Prinsiri Public Company Limited engages in real estate development business, low-rise buildings, housing projects and residential condominiums.

## **5.2 Other significant information**

### **Auditor**

Miss. Somjintana Polhirunrat  
Registration No. 5599  
DIA International Audit Co., Ltd.  
316/32 Sukhumvit 22 Road (Soi Sainumthip) Klongtoey Bangkok 10110  
Tel: +66-2259-5300  
Fax: +66-2260-1553

### **Securities Registration**

Thailand Securities Depository Co., Ltd.  
62 The Stock Exchange of Thailand Building,  
Rachadapisek Road, Klongtoey,  
Bangkok 10110, Thailand  
Tel: +66-2229-2800 , +66-2654-5599  
Fax: +66-2359-1259  
Website: [www.tsd.co.th](http://www.tsd.co.th)  
E-mail: [contact.tsd@set.or.th](mailto:contact.tsd@set.or.th)

## Securities and shareholders Information

### 1. Amount of registered capital and paid-up capital

The Company had a total of 552,878,639.60 Baht (of which 538,634,039.60 Baht was paid up), comprising 5,386,340,396 shares with a par value of 0.10 Baht.

### 2. Shareholders

List of 10 major shareholders appeared in shareholder register: As at 30 March 2021.

Total Shareholders :	8,493
% Shares in Scripless Holding :	97.68
% Free Float :	29.21

#### Top 10 Major Shareholders

Name-Surname		Number of shares	Percentage of total number of shares
1. Mr. Wittawat	Pornkul	1,531,000,000	28.42
2. Miss Wisara	Pornkul	1,293,235,300	24.01
3. Mr. Chana	Towan	610,000,000	11.32
4. Miss Asama	Towan	187,000,000	3.47
5. Miss Arisara	Towan	187,000,000	3.47
6. Mr. Itsada	Pornkul	80,000,000	1.49
7. Mr.Prateep	Tangmatitum	55,764,700	1.04
8. Sarasin Co., Ltd.		40,916,062	0.76
9. Mr.Somsak	Vichaithanarak	30,000,000	0.56
10. Miss Wipaporn	Chaipornkeaw	30,000,000	0.56
Total		4,044,916,062	75.10

### 3. Issuance of other securities

- No issuance of other securities -



## Dividend distribution policy

The Company had a policy to distribute dividends at the rate of not less than 25 percent of net profit after corporate income tax in each year. In distributing dividends, the following factors were taken into consideration, e.g. operating results and financial position of the Company, liquidity of the Company, business expansion and other factors relating to work the Company's management. The dividend distribution referred to above would be subject to approval of shareholder meeting as appropriate and approval of the Board of Directors.

In 2021, the Company had 116,750,946.76 million Baht profit for the year, and the Board of Directors resolved to propose to the shareholder ordinary meeting on 27 April 2022 to approve distribution of dividends at the rate of 0.011 Baht per share, representing 50.75 percent of the profit for the year under the consolidated financial statement.

### The dividend payout ratio from operations each year in the past 5 years

Details of the distribution of Dividends	Y 2021 (Proposed)	Y 2020	Y 2019	Y 2018	Y 2017
Earnings per share (Baht)	0.02	0.02	0.02	0.03	0.05
Dividend per share (Baht)	**0.011	0.008	0.015	0.015	0.045
Dividend to earnings ratio (%)	50.75	46.62	61.39	48.76	104.9
Par (Baht)	0.10	0.10	0.10	0.10	0.10

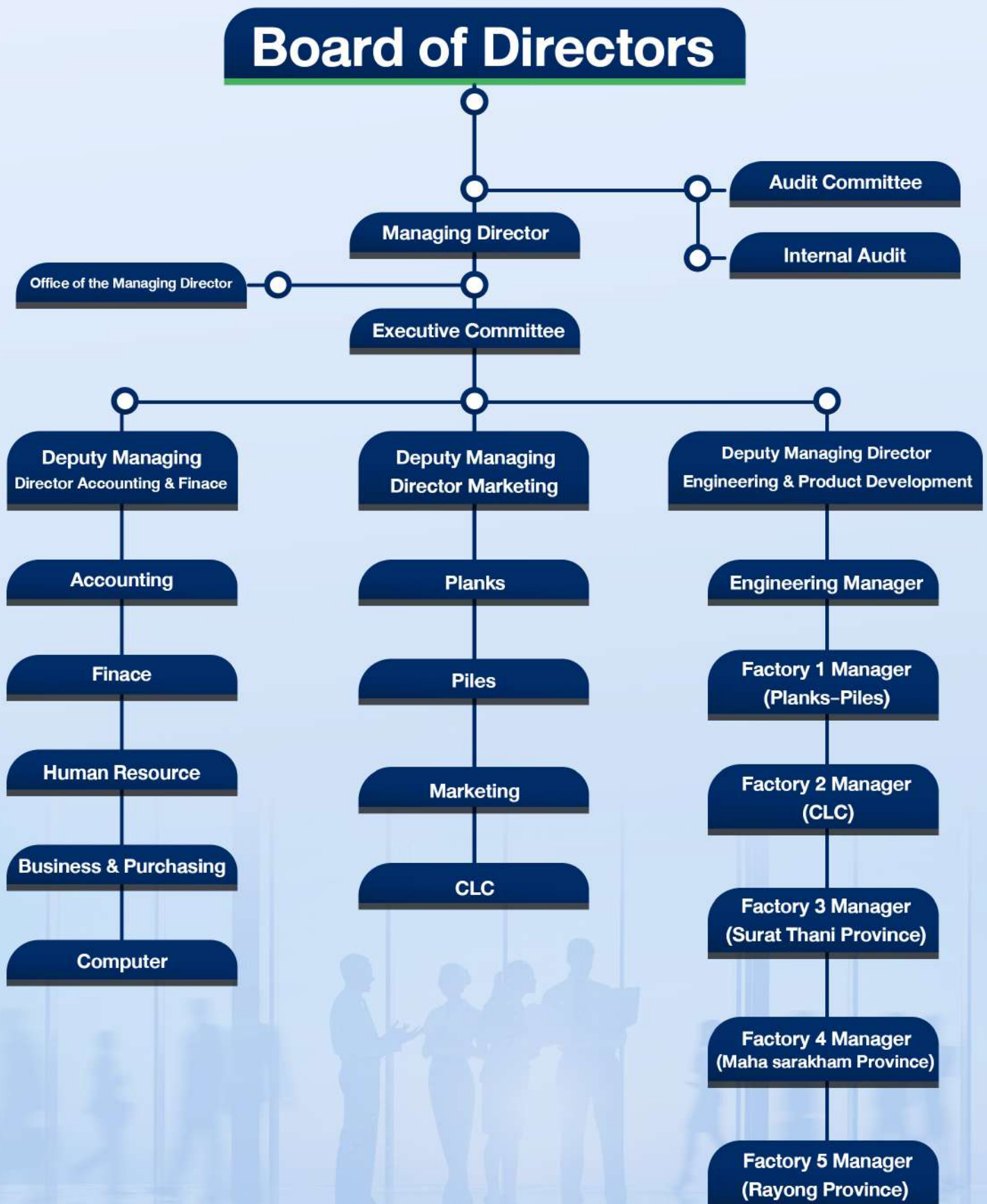
Year	Cash	Stock dividend	Earnings day
2021	0.011 Baht per Share	-	01/01/2021 - 31/12/2021
2020	0.008 Baht per Share	-	01/01/2020 - 31/12/2020
2019	0.015 Baht per Share	-	01/01/2019 - 31/12/2019
2018	0.015 Baht per Share	-	01/01/2018 - 31/12/2018
2017	0.045 Baht per Share	-	01/01/2017 - 31/12/2017

**Note:** Distribution of dividends in 2021 for operating results from 1 January to 31 December 2021 was still uncertain, depending on resolution of shareholder ordinary meeting on 27 April 2022.

\* Net profit means net profit for the year in respect of parent company shareholders' equity.

\*\* The Board of Directors resolved to propose to shareholder ordinary meeting on 27 April 2022 to approve dividend distribution for 2021 at 0.011 Baht per share.

# Organization chart



# Management structure

## 1. Board of Directors

### Board of Directors meetings

The Board of Directors holds at least 4 meetings per year. Meeting agendas for each meeting shall be clearly determined in advance throughout the year and details supporting the meeting agendas are sent to the Board of Directors for information of the Board of Directors and all executives so that they can allocate time for participation in the meetings. Extraordinary meetings may be held as necessary. The Secretary to the Board of Directors is required to be responsible as follows.

- Prepare letter of invitation to the meeting with clear meeting agendas, and send meeting documents at least 7 days in advance of the meeting date to allow the Board of Directors time to adequately study the information before attending the meeting.
- Organize meetings with sufficient time and give opportunities to debate fully and openly.
- Prepare minutes of meetings with complete essences and present to the President of the Board of Directors to certify in the next meeting before keeping systematically and in a searchable manner.

### Board of Directors

As at 31 December 2021 the Board of Directors comprised 9 directors, namely:

No.	Name-Surname	Position
1	Assoc. Prof. Dr. Tortrakul Yomnak	President (Independent director)
2	Mrs. Pisamai Boonyakiat	Vice President Chairman of Audit Committee , Chairman of remuneration director (Independent director)
3	Mr. Wittawat Pornkul	Chief Executive Officer
4	General Pisarn Wattanawangkeeree	Audit Director (Independent director)
5	Mr. Wanchai Tantikul	Audit Director, remuneration director (Independent director)
6	Mr. Chana Towan	Director, remuneration director
7	Dr. Tanai Charinsarn	Director
8	Mr. Nirut Intarathachang	Director
9	Dr. Kawin Worakanchana	Director

Authorized signatories are as follows

“Mr. Wittawat Pornkul to affix signature and corporate seal or Mr. Chana Towan, Dr. Tanai Charinsarn, Mr. Nirut Intarathachang, Dr. Kawin Worakanchana, two out of four directors to co-sign and affix the corporate seal.”

## **Scope, authority and duties of the Board of Directors**

1. Plan and determine key policies, directions, strategies, work programs, organizational structure and work management structure in the Company's business operation in harmony with economic conditions and competitions in the market for submission to the Board of Directors for consideration and approval.
2. Determine key policies in conducting business, financial, fund mobilization, fund management and risk management aspects of the Company.
3. Consider approval of budgets and investment projects and supervise project executions in accordance with the plans.
4. Supervise the Company's business operation to meet or surpass the established targets and determine remedial guidelines in case there is obstacle hindering achieving thereof.
5. Prepare reports on the Company's general and financial information to shareholders and general stakeholders accurately, timely and in compliance with laws.
6. Acknowledge significant audit reports and determine guidelines for improvement and correction in case any material flaw is detected.
7. Review adequacy and suitability of the internal control system and risk management of the Company.
8. Make available Succession Plan for high-level executives on continuous basis.
9. Oversee and monitor the Company's routine work performance as per the business plans approved by the Board of Directors.
10. Determine key policies in conducting business, financial, fund mobilization, fund management and risk management aspects of the Company.
11. Plan and determine business plans, annual budgets and authority for management of work in various lines of the Company and submit to the Board of Directors for approval.
12. The Board of Directors establishes a policy and guidelines on consideration of transactions which have, or may have, conflict of interest between shareholders, directors, executives and individuals who may have other conflicts, directly and indirectly, in case of related transactions which are under the approval power of shareholders, to be screened by the Audit Committee to ensure that the entering into such transactions is fair, reasonable and beneficial to shareholders and is in compliance with law and requirements of the Securities and Exchange Commission Office.
13. The Board of Directors ensures compliance with steps established deliberately within the principle of reasons and independency, with transparent process in granting approval to enter into the transaction and taking into consideration optimal benefits of the Company fully and properly in accordance with rules of the Securities and Exchange Commission Office.
14. Stakeholders shall not take part in making decision in the consideration to enter into a transaction. In every meeting of the Board of Directors, the Chairman shall inform the meeting seeking cooperation to require directors of the Company to comply with the policy

on consideration of transactions with possible conflict of interest, by requiring directors of the Company to inform the meeting to abstain from voting or commenting on agendas to which they are concerned or interested.

15. The Board of Directors ensures that information on transactions with possible conflict of interest are disclosed properly and fully in the annual report and the 56-1 form.
16. The Board of Directors emphasizes on and makes available internal control system to create reasonable confidence on proficiency and effectiveness of the operation and reliability of the financial report and compliance with rules, regulations and policies, by establishing an internal audit agency which is independent in performing its duties, to be responsible for checking on adequacy and proficiency of the internal control system on activities of the Company for reporting to the Audit Committee and the Board of Directors, respectively.
17. The Board of Directors reviews appropriateness and adequacy of all 5 elements of the internal control system, i.e. Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring, regularly once a year to ensure achievement of objectives and targets of the Company, including improvement of the internal control system on a continuous basis.
18. The Board of Directors makes available a system which is neutral and transparent in maintaining relationships with external and internal auditors through connection of the Audit Committee.
19. Auditing fees and other fees payable to the auditor are disclosed in the annual report to enhance transparency in the independency of the auditor.

**The Company determined qualifications of directors as follows:**

1. Being veterans in fields relating to the Company's business and prepared to fully devote their times to perform their duties for the Company.
2. Being individuals without incompatibility prescribed in the Public Limited Company Act B.E. 2535, the Securities and Exchange Act B.E. 2535 and the good corporate governance principles of listed companies.
3. High-level directors and executives must not be, or have been, an auditor of the Company, subsidiaries, associated companies and not a shareholder with control power or a partner of an audit office to which auditor of the Company, subsidiaries and associated companies belong.
4. A director may hold office of director in not more than 2 listed companies. However, if the director is a chief executive officer or managing director, the director should hold only office in only 1 company, i.e. DCON Products Public Company Limited.

The Board of Directors shall assign executives of the Company to consider approving and carry out executions relating to financial transactions of the Company and related transactions which are in the normal course of trade, transactions on acquisition or disposal of material assets of the Company and/or transactions or matters which individuals with possible conflict, interest, or conflict of interest in any other manner shall execute with the Company and subsidiaries (if any) with reference market price of not exceeding 20 million Baht.



In case of directors with possible benefits or interests or conflict with the Company or related company, such interested directors shall not have a voting right.

### **Audit Committee**

The Audit Committee is an independent agency providing support and operating on behalf of the Board of Directors to review financial information present to shareholders and other parties concerned, reviewing the internal control system established by the Board of Directors, the internal audit process and communicating with the auditor of the Company.

The Company had 3 audit directors in total, namely:

As at 31 December 2021 the Audit Committee comprised 3 directors in total, namely:

No.	Name-Surname	Position
1	Mrs. Pisamai Boonyakiat	Chairman of Audit Committee, Independent director
2	General Pisarn Wattanawangkeeree	Audit Director, Independent director
3	Mr. Wanchai Tantikul	Audit Director, Independent director

### **Scope, authority and duties of the Audit Committee**

1. Review to ensure that the Company has submitted financial reports with sufficient accuracy and disclosure by coordinating with the external auditors and executives responsible in preparing both quarterly and annual financial reports. The Audit Committee may recommend the auditor to review or check any transaction deemed necessary and significant while auditing the Company's accounts.
2. Review jointly with the external auditors and the internal auditor to ensure that the Company has suitable and effective internal control and internal audit systems.
3. Consider selecting and nominating auditors of the Company, and proposing remunerations of the auditors, taking into account reliability, sufficiency of resources and auditing workload of the audit office, including experiences of personnel assigned to audit accounts of the Company.
4. Consider disclosure of the Company's information in case of related transactions or transactions with possible conflict of interest to ensure accuracy and completeness thereof.
5. Perform any other work assigned by the Board of Directors and consented to by the Audit Committee, such as to review financial management and risk management policy, review executives' compliance with business ethics, review jointly with executives of the Company significant reports to be presented to the public as required by laws, i.e. management discussion and analysis etc.
6. Prepare reports on activities of the Audit Committee by disclosing in the Company's annual report, to be signed by the Chairman of the Audit Committee. Said reports should include the following information.

- 6.1 Opinions on the process of preparation and disclosure of information in the Company's financial reports regarding accuracy, completeness and reliability.
- 6.2 Opinions on adequacy of the Company's internal control system.
- 6.3 Reasons to believe that the Company's auditors deserve re-election for another term.
- 6.4 Opinions on compliance with law governing securities and exchange, requirements of the Stock Exchange of Thailand or laws applicable to the Company's business.
- 6.5 Any other reports of which shareholders and general investors should be aware, under the scope, duties and responsibilities assigned by the Board of Directors.

## 2. Executives

### Executive Committee

As at 31 December 2021 the Executive Committee comprised 8 executives in total, namely:

No.	Name-Surname	Position
1	Mr. Wittawat Pornkul	Chief Executive Officer
2	Mr. Nirut Intarathachang	Executive Director
3	Dr. Kawin Worakanchana	Executive Director
4	Miss Pradittha Worachart	Executive Director
5	Miss Somnuek Raksanit	Executive Director
6	Mrs. Siriporn Leetaweekulsomboon	Executive Director
7	Mr. Samak Saritchasombat	Executive Director
8	Miss Noppamas Alipariyakul	Executive Director

### Scope of authority and duties of the Executive Committee

1. Monitor compliance with established policies and management directions in various aspects of the Company to ensure efficiency and favorability to the business operation.
2. Oversee and monitor the Company's routine work performance in accordance with the business plan approved by the Board of Directors.
3. Perform other duties assigned by the Board of Directors from time to time.
4. The Chief Executive Officer shall consider approving and carry out executions relating to the Company's financial transactions within the amount not exceeding 20 million Baht.
5. The Chief Executive Officer shall consider approving and carry out executions relating to financial transactions of the Company and related transactions which are in the normal course of trade, transactions on acquisition or disposal of material assets of the Company and/or transactions or matters which individuals with possible conflict, interest, or conflict of interest in any other manner shall execute with the Company and subsidiaries (if any) with reference market price of not exceeding 20 million Baht, and must present the matter to the next Board of Directors meeting for information.

However, the Executive Committee has no authority to take any action in or relating to related transactions, transactions on acquisition or disposal of material assets of the Company and/or other transactions or matters which individuals with possible conflict, interest, or conflict of interest in any other manner shall execute with the Company and subsidiaries (if any) in case

the transaction exceeds 20 million Baht. Such transactions or matters shall be presented to the Audit Committee and the Board of Directors for consideration and approval.

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

1. Manage and supervise activities relating to the Company's general work management.
2. Take actions as assigned by the Board of Directors or the Executive Committee.
3. Employ, designate, transfer, remove, terminate, determine wages, grant rewards, increase salaries, remunerations and bonuses of all personnel of the Company at levels lower than executive and appoint employer's representatives to the Provident Fund Committee of the Company.
4. Approve and grant authorization to approve payments for property procurement and service employment for the Company's benefits, including approval for financial executions for transactions of the Company within the amount not exceeding 5 million Baht, which must be co-signed by one executive of the Executive Committee.
5. Issue orders, regulations, announcements, records to ensure that the work performance is in compliance with policies and interests of the Company and to maintain work disciplines within the organization.
6. Take action and represent the Company to third parties in activities which are relevant and beneficial to the Company.
7. Approve appointments of consultants on various aspects necessary to work execution.
8. Perform other duties assigned by the Board of Directors from time to time.

The Managing Director shall be under supervision of and report directly to the Board of Directors and the Executive Committee, and the Managing Director shall comply with guidelines and policies established by the Executive Committee.

However, the Managing Director has no authority to take any action in or relating to related transactions, transactions on acquisition or disposal of material assets of the Company and/or other transactions or matters which individuals with possible conflict, interest, or conflict of interest in any other manner shall execute with the Company and subsidiaries (if any). Such transactions or matters shall be presented to the Audit Committee and the Board of Directors for consideration and approval.

### **3. Nomination and Remuneration Committee**

As at 31 December 2021.

<b>No.</b>	<b>Name-Surname</b>	<b>Position</b>
1	Mrs. Pisamai Boonyakiat	Chairman of Nomination and Remuneration Director, independent director
2	Mr. Wanchai Tantikul	Nomination and Remuneration Director, independent director
3	Mr. Chana Towan	Nomination and Remuneration Director

## **Scope, authority and duties of the Nomination and Remuneration Committee**

1. Prescribe rules and policies in nominating committees and subcommittees of the Company.
2. Nominate directors by considering individuals suitable to hold the director office for presentation to the Board of Directors for consideration and approval and/or to shareholder meeting for approval, as the case may be.
3. Nominate candidate suitable to hold office of the Chief Executive Officer in case the office is vacant, and prescribe rules in nominating high-level executives.
4. Determine necessary and appropriate remunerations, in both monetary and non-monetary forms, to attract and retain the Board of Directors, subcommittees and high-level executives of the Company in each year.
5. Prepare rules and policies in determining remunerations of directors and high-level executives for presentation to the Board of Directors for consideration and approval and/or to shareholder meeting for approval, as the case may be.
6. Provide explanations in response to queries relating to remunerations of directors and high-level executives in shareholder meetings.

## **4. Secretary of the Company**

The Board of Directors appointed Mr. Nirut Intarathachang who possesses suitable competency, qualifications and experiences as Secretary of the Company. Background of the Company Secretary is as per the attached document.

## **Qualifications of the Secretary of the Company**

1. Possess knowledge in the fields of business, accounting, laws and regulations relating to the Company.
2. Possess knowledge and comprehension in good corporate governance and good business supervision practices.
3. Is independent and candid in performance of duties in making both suggestions and comments.

## **Scope of authority and duties of the Secretary of the Company**

1. Provide provisional suggestions to directors regarding matters of law, practices as per official rules, procedures and regulations of the Company, monitor to ensure proper and regular compliance therewith, including report on material changes to directors.
2. Promote cognizance pertaining to business supervision, provide information and push the Board of Directors to comply and arrange to have examined the results of the compliance therewith.
3. Prepare meeting agendas, shareholder and Board of Directors meeting documentation.
4. Organize shareholder and Board of Directors meetings in compliance with laws, Articles of Association and good practices.
5. Record minutes of shareholder and Board of Directors meetings and monitor to ensure compliance with resolutions of shareholder and Board of Directors meetings.
6. Prepare and keep director register, annual reports of the Company, letters of invitation to shareholder meetings, letters of invitation to Board of Directors meetings, minutes of shareholder meetings and minutes of Board of Directors meetings.

7. Arrange for directors and executives to prepare reports on their interests and related parties' interests as per provisions of law.
8. Keep reports on interests made by directors or executives and send copies thereof to the President and Chairman of the Audit Committee as required by law.
9. Ensure disclosure of data and information reports.
10. Contact and communicate with shareholders to inform them rights of shareholders and information of the Company and act as intermediary between shareholders and the Board of Directors and executives.
11. Oversee activities of the Board of Directors.
12. Pursue laws, requirements and practices in respect of business operation.
13. Coordinate between the Board of Directors and executives of the Company.

## 5. Remunerations of directors and executives

### Monetary remunerations

In 2021 the Company paid the Board of Directors and high-level executives their remunerations as follows.

Directors' remunerations	1,904,336 Baht
Executives' remunerations	7,785,574 Baht

In 2020 the Company paid the Board of Directors and high-level executives their remunerations as follows.

Directors' remunerations	1,680,000 Baht
Executives' remunerations	8,972,028 Baht

### Other remunerations

- Nil -

## 6. Risk Management Committee

No.	Name-Surname	Position
1	Mr. Nirut Intarathachang	Chairman of the Risk Management Committee
2	Miss. Naraphon Yaikenjan	Secretary
3	Mr. Aisoon Assavamaninthorn	Director
4	Dr. Kawin Worakanchana	Director
5	Mrs. Siriporn Leetaweekulsomboon	Director
6	Miss Pradittha Worachart	Director
7	Mr. Samak Saritchasombut	Director
8	Miss Noppamas Alipariyakul	Director
9	Miss Somnuek Raksanit	Director
10	Mr. Ittiyot Nilmanee	Director
11	Mr. Pitsanu Budchum	Director
12	Mr. Natthawut Thepkeaw	Director



13	Miss Wanwisa Tantikul	Director
14	Mr. Konlawat Weerayutbancha	Director
15	Miss Rungnipa Thanudperm	Director
16	Miss Chayanee Minanon	Director

## 7. Personnel

The Company had no material change in number of personnel nor material labor dispute.

### Personnel

As at 31 December 2021 the Company had a total of 278 personnel identical to that in the annual report.

### Employee training

Goal: percentage of total employee training. Must be at least 70% of the employee x 6 hours per year.

**Year 2021:** Staff training is 93.28 percent of the target.

### Employee training

Year	Number of employees	Percentage of goals (%)
Y 2021	278	93.28
Y 2020	282	107.33
Y 2019	280	86.60
Y 2018	230	80
Y 2017	230	80

### Personnel development policy

The Company firmly believes that personnel at all levels are valuable resources which play a key role for the organization's success. Consequently, the Company has a policy to develop personnel's competency to upgrade the work administration by organizing training and seminars for both existing and new personnel regularly to apply modern knowledge and technologies in the work operation, and also emphasizes on the recruitment system and remunerations which are consistent with those of other companies in the same industry.

The Company has a policy to "give appropriate remunerations to suitable persons" by establishing merit system to promote progress and growth for personnel along with the Company as per the following guidelines.

- ☐ The Company recruit's personnel with know-how and competency and suitability to their positions.
- ☐ Organizes training at the beginning of employment to acquaint the personnel with their duties beforehand.
- ☐ Organizes regular training, both internally and externally, on specific knowledges and techniques to enhance skills in respective fields. Personnel are also sent to study in countries with relevant know-how and technologies in such aspects, and employ personnel with quality and expertise from overseas to conduct training for personnel.
- ☐ The Company adopts salary determination rules as appropriate to the organization and the personnel to arrive at mutual satisfaction to attract and recruit high quality

personnel suitable to their duties. When compared with other companies at the same level and the labor market, the organization is considered to have attractive employment rates.

- The Company considers granting bonuses based on work performance and years of services of respective personnel including the sales and profits of the Company. If the sales and profits are large personnel shall receive greater bonuses.

## Corporate Governance

### 1. Corporate Governance policy

The Board of Directors recognizes the importance of good corporate governance and establishes policy encouraging continuous good corporate governance in the organization because it is considered necessary to business operation and instrumental for creation of sustainability of the business in the long run, thus generating optimal benefits and confidence to all shareholders and investors of the Company, and enables shareholders and the public to be aware of and review the Company's business operation conveniently, expeditiously, equally and efficiently. The Company emphasizes on compliance with policy on good governance of listed companies by stressing on rights of shareholders, equitable and fair treatment to shareholders, roles of stakeholders, including responsibility to the environments, disclosure of information and transparency and responsibilities of the Board of Directors, and intends to comply with the Good Corporate Governance Policy. The Company established the Good Corporate Governance Policy in writing with such contents and essences as to create development comparable to international standards, consistent with guidelines and recommendations of regulatory and related agencies by disseminating it to all directors, executives and personnel of the Company for their information and compliance therewith, and also to all shareholders of the Company and the general public for their information through the Company's website. The Company established corporate business operation ethics for all directors, executives and personnel at all levels to comply with and implement in a uniform basis. The Company has "Good Corporate Governance Policy" in accordance with good governance principles of listed companies prescribed by the Stock Exchange of Thailand and disclosed at the Company's website [www.dconproduct.com](http://www.dconproduct.com) for study by and information of all shareholders, investors and stakeholders.

The Company's good corporate governance policy comprises good principles and practices relating to business supervision. The Company is confident that with good management system, Board of Directors and executives with vision and responsibility to their duties, controlling mechanism, balance of power and business supervision process which are essential and necessary for operation of business towards sustainable growth, the business operation shall be achieved proficiently and effectively in accordance with the organization's mission and vision, which cover the following primary principles.

1. The Board of Directors emphasizes on leadership, vision, appointment elements and independency, by determining qualifications, scope of power, duties and responsibilities to create good management.
2. Equitable and fair treatment to shareholders and stakeholders.
3. Full, sufficient, reliable and timely disclosure of information to all parties.
4. Encouragement to have internal control, internal audit and risk management systems to reduce risks which may occur.

In 2021, the Company continuously complied with the good governance principles of listed companies, divided into 5 sections as follows.

## **1. Rights of shareholders**

The Company has a policy in supporting and protecting all shareholders to fully enjoy their basic rights prescribed by law, including:

1. The right to purchase, sell, transfer shares and take transfer of shares including the right to receive share certificates. All shareholders have the right to freely purchase, sell, transfer shares or take transfer of shares. Moreover, they have the right to receive share certificates and prescribed by law and the Company's Articles of Association. The Company has Thailand Securities Depository Co., Ltd. (TSD) acting as the Company's security registrar to facilitate shareholders in taking action relating to the Company's shares and security registration.

2. The right to vote on various agendas in shareholder meetings where all shareholders of the Company who have the right to attend may vote to resolve equally based on the number of shares respectively held by them. The Articles of Association stipulate that 1 share shall have 1 vote in any voting and shareholders may vote freely without restriction regardless of whether they shall attend the meeting personally or authorize an independent director or a third party to attend the meeting on their behalves.

3. The right to attend shareholder meetings or authorize a third party to attend and vote on their behalves. Shareholders can travel to attend meetings conveniently because the meeting venue is in a locality with convenient transportation and near public transportation systems, i.e. BTS, Phaholyothin 24 Station, and MRT, Chatuchak Station and Phaholyothin Station.

4. The right to equal profit sharing and dividends. All shareholders of the company have the right to the Company's profit sharing in the form of dividends which the Company shall distribute proportional to number of shares held by each shareholder.

5. The right to equal treatment in the Company's share repurchasing. The Articles of Association prohibit the Company from owning or taking its shares in pledge, except:

5.1 To protect the rights of shareholders who vote against the shareholder meeting resolution approving amendment to the Articles of Association regarding the rights to vote and the entitlements to dividends and consider that they are not fairly treated; or

5.2 For the purpose of financial management in case the Company has excessive retained earnings and liquidity, and such share repurchasing does not cause the Company to face with financial problems.

However, such shares repurchased by the Company shall not be counted as quorum, shall not have voting right and shall not be entitled to dividends, and the Company shall dispose of the repurchased shares within such time as fixed in the share repurchasing program. In case the Company fails to dispose of the repurchased shares within such time, the Company shall reduce the paid-up capital by canceling the registered capital not disposed of.

6. The right to determine directors' remunerations

Shareholders of the Company have the right to determine directors' remunerations in all forms, both in monetary and other remunerations, for example, meeting allowances, bonuses and other privileges, proposed by the Company for consideration and approval by shareholders regularly on annual basis. In determining the above-mentioned directors' remunerations, the Company has clear policy and rules in considering and presenting the matter for consideration by shareholders by also presenting policy on determining directors' remunerations in support of consideration by shareholders in addition to categories and amount of the remunerations.

7. The right to appoint and remove directors

The Articles of Association stipulate that at every annual ordinary meeting of shareholders, one-third (1/3) of directors at the time being shall retire and new directors shall be elected to replace those vacating office at the end of their term. Directors vacating office at the end of their term may be re-elected. Shareholders have the right to elect directors to hold office in the Company through ordinary shareholder meeting. Moreover, shareholders have the right to remove any director from office before the end of his/her term with votes of at least three-fourths (3/4) of the number of shareholders present at the meeting with the right to vote and holding shares, in aggregate, not less than one half of the total number of shares held by shareholders present at the meeting with the right to vote.

8. The right to grant approval for appointment of auditor and determination of auditor's remuneration

The Company shall present an agenda on appointment of auditor and determination of auditor's remuneration for approval by annual ordinary shareholder meeting. The Company shall give full details on the auditor(s) nominated for appointment including details on their remunerations for shareholders to consider making appointment. The Company shall take into consideration independence of the nominated auditor(s) to ensure that they have no interest or conflict of interest in auditing for the Company.

9. The right to stipulate or amend the Articles of Association and/or Memorandum of Association

Shareholders of the Company have the right to stipulate or amend the Articles of Association and/or Memorandum of Association as prescribed by the Articles of Association by a vote of not less than three-fourths (3/4) of the total number of votes of shareholders present at the meeting with the right to vote.

10. The right to grant approval for special transaction, related transaction or transaction on acquisition or disposal of asset with such transaction size as prescribed in applicable law and rules, or for any other matter with material impact upon the Company.

Moreover, the Company grants shareholders more rights than prescribed by law and standard rules of good corporate governance, for example, facilities provided for shareholders in annual extraordinary shareholder meetings, emphasis on fast and adequate awareness of updated information of the Company by providing news and essential updated information through the website [www.dconproduct.com](http://www.dconproduct.com) of the Company.

## 2. Equitable and fair treatment to shareholders

The Company recognizes the importance for protection of rights of all shareholders and launches a policy on equitable and fair treatment to all groups of shareholders. All shareholders, major, minor, institution including alien, are equitably treated in exercising their rights as shareholders and their interests are fairly taken care of to protect shareholders from being taken advantage of by those with controlling power as follows.

1. Proposal to add meeting agendas and nomination of qualified candidates for election to director office in advance of a meeting

To promote good corporate governance the Company designated the Company's secretary to inform shareholders through SET information dissemination system and the Company's website at least 1 month in advance of the meeting date to give minor shareholders or minority shareholders of the Company with the right to vote, which may be one or several shareholders holding, in aggregate, at least 200,000 shares (0.004 per cent of the current total number of shares) opportunity to add agendas to be taken up for consideration in ordinary shareholder meeting, including nomination of candidates with full qualifications and without incompatibility under rules prescribed by law and the Articles of Association for consideration by the ordinary shareholder meeting for election to director office in advance. The Company announced for information of shareholders rules on the right and method of proposal through SET information dissemination system and the Company's website. Shareholders could propose additional meeting agendas and nominating candidates with proper qualifications for election to office of director to the Company in advance of the meeting during the period from 18 January 2021 to 23 February 2021, but no shareholder proposed any additional meeting agenda or nominated any candidate with proper qualifications for election to office of director.

2. Submission of questions in advance of the meeting

The Company recognizes the rights and equality of shareholders as per good corporate governance principles and gives shareholders opportunity to submit questions to the Company at least 1 month in advance of ordinary shareholder meeting date to enquire on information relating to each agenda of the general meeting or other significant information of the Company. Shareholders may send the questions via post to the Company's secretary or the investor relations department, DCON Products Public Company Limited, No. 3300/57, Elephant Building Tower B, Floor 8, Phaholyothin Road, Jompol, Chatuchak, Bangkok, or via e-mail at [ir@dcomproduct.com](mailto:ir@dcomproduct.com) or facsimile No. 02-9373328. Shareholders could submit questions in advance of the meeting to the Company during the period from 16 November 2021 to 1 February 2022, but no shareholder submitted any question in advance of the meeting to the Company.

3. Shareholder meeting agendas

In shareholder meeting the Company clearly specifies meeting agendas and convene shareholder meeting in accordance with the agendas specified in the invitation to the meeting and there shall be no other agenda to be taken up for consideration of the meeting without notifying shareholders in advance. However, the Company does not restrict legitimate rights of shareholders, who are present at the meeting and hold shares, in aggregate, of not less than one-



third of the total number of shares already subscribed, to request the meeting to consider any matter other than those specified in the letter of invitation to the meeting.

#### 4. Letter of invitation to shareholder meeting and meeting documents

The Company treats each shareholder equally without regard as to the shareholder being a major, minority or foreign shareholder. All shareholders shall receive meeting agenda supporting information in advance. The Company prepared letter of invitation to shareholder meeting and related documents in 2 languages, i.e. Thai and English versions, to facilitate Thai and foreign shareholders, and sent the letter of invitation and the supporting documents at least 14 days in advance of the meeting adequately for shareholders to study them beforehand. The English version of the letter of invitation to shareholder meeting shall be disseminated simultaneously with the Thai version thereof. The Company specified shareholder meeting attendance rules and procedures for information of shareholders and gave adequate information on each meeting agenda for decision making.

In 2021 the Company sent the letter of invitation to meeting to shareholder on 5 April 2021 and held the shareholder meeting on 28 April 2021.

#### 5. Explanation on steps and rules adopted in the meeting

The Company has a policy to convene shareholder meeting in accordance with steps which are easy to understand, not confusing or duplicating and give all shareholders opportunity to become thoroughly aware of the information and take part in the meeting. Every time before a meeting enters an agenda to be taken up for consideration, the Company's secretary shall introduce directors, executives as well as certified auditor of the Company to all shareholders for convenience in making enquiries. The Company shall explain steps for exercising of rights of shareholders in all shareholder meetings to enable shareholders to know steps for exercising of rights to make enquiries or comment to directors, director's explanation in each agenda, including vote casting, vote counting and voting result display, before convening the meeting.

#### 6. Voting, vote counting and vote checking in shareholder meeting

Besides notifying on voting steps and methods in meeting agendas for information of all shareholders before convening all meetings, in voting and vote counting, the Company provides ballots for all agendas and the Company shall promptly display votes of shareholders in all agendas for which a resolution is passed for information of shareholders, and for the sake of transparency, the Company shall invite shareholders as representatives to witness the voting and vote counting in all shareholder meetings.

#### 7. Announcement of resolution results

Upon completion of a meeting the Company shall announce the resolution results through SET information dissemination system and website [www.dconproduct.com](http://www.dconproduct.com) of the Company within the same day after adjournment of the shareholder meeting, or not later than 9.00 hours of the next working day at the latest.

In 2021, the Company disseminated meeting resolutions and voting results on 28 April 2021 (Same day) for all shareholders to review.

#### 8. Invitation to the auditor to participate in shareholder meeting

The Company invited the certified auditor of the company to attend all shareholder meetings to respond to queries and questions relating to the Company's financial statement by giving shareholders opportunity to make inquiries directly. Moreover, during the meeting, all shareholders may express their opinions and make any query relating to meeting agendas or significant information of the company, and the Company shall record significant queries and opinions in the minutes of the meeting.

#### 9. Shareholder meeting broadcast

The Company arrange for meeting to be broadcasted live and videotaped for dissemination in clip files through the website [www.dconproduct.com](http://www.dconproduct.com) of the company for information of shareholders, investors and interested parties not participating in the meeting.

#### 10. Authorization for a third party to attend meeting

The Company publicizes for information of shareholders that in case any shareholder is unable to personally participate in a meeting, the shareholder may use the letter of authorization form B, whereby the shareholder can direct the voting as agreeing, disagreeing or abstaining, in each agenda, attached to the letter of invitation to the meeting, or may download the form from the website [www.dconproduct.com](http://www.dconproduct.com) of the company, or may authorize one of the independent directors whose names and descriptions are given in the list attached to the letter of invitation to the meeting, or any other person as required by the shareholder, to participate and vote in the meeting on the shareholder's behalf. Moreover, to ensure properness and get rid of problems in the proxy's participation in the meeting, the Company specifies documents and evidences required in the authorization in the letter of invitation to the meeting and the Company's website without stipulating conditions or rules requiring certification of documents by government agencies or other rules which cause problems to shareholders in making such authorization, and the Company facilitates shareholders by providing service in pasting stamp duties on the letters of authorization for proxies participating in the meeting free of charge at the registration point to reduce the burden of shareholders.

#### 11. Shareholder meeting minutes' preparation and dissemination

For information of and review by shareholders of details of shareholder meeting within reasonable time and enable equitable receipt of information between Thai and foreign shareholders, the company has a policy to disseminate shareholder minutes in full, comprising significant information, i.e. content and essence of the meeting agenda, meeting resolutions together with the votes for, against and abstention, queries, explanations and opinions made in the meeting, on the Company's website [www.dconproduct.com](http://www.dconproduct.com) within 14 days of the meeting date, as a channel for shareholders to review without waiting for the next meeting, and to forward it to the Ministry of Commerce within such time as required by law.

## 12. Access to information and communication with the Company

The Company gives all shareholders access to information of the Company and provides various clear and equitable channels for communications with the Company through the Company's website or other channels such as telephone, facsimile, mail or e-mail by making available "Investor relation" agency as a central agency in communicating with shareholders, investors, supervising agency including provision of general information to interested parties and stakeholders, which can be reached at DCON Products Public Company Limited, 3300/57, Elephant Building Tower B, Floor 8, Phaholyothin Road, Jompol, Chatuchak, Bangkok, 10900, Tel. 02-9373312 or at Email: [ir@dconproduct.com](mailto:ir@dconproduct.com).

## 13. Policy on safekeeping and prevention against utilization of inside information

The Company has a policy on and adhere to ethics, integrity and honesty in business operation with all stakeholders and counter corruption, especially regarding safekeeping and prevention against utilization of inside information, and keep business information not yet disclosed to the Stock Exchange of Thailand and the Securities and Exchange Commission (SEC) Office for information of and access by authorized persons only. Directors, executives and personnel are also prohibited from utilizing essential inside information of the Company not yet disclosed to the public, and from utilizing opportunity or information obtained from their being directors, executives or personnel for benefits of their own or of other parties, or from operating a business competing with the Company or a related business, even if the Company may not lose any benefit, as follows.

### 13.1 The first 4 directors and executives must report

- Their first holding of the Company's securities and report on changes to holding of securities as per the Securities and Exchange Act;
- All trading of the Company's securities thereafter, including spouse and *non sui juris* children as well as related persons as per the Securities and Exchange Act;
- Preparation and disclosure of report on holding of the Company's securities as well as report on changes to holding of securities every time the securities are purchased, sold, transferred taken transfer within 3 days of such purchase, sale, transfer or taking transfer to the Securities and Exchange Commission (SEC) Office.

The Company notified directors and executives concerned of their role and duties in reporting the holding of securities as per notification of the Securities and Exchange Commission (SEC) Office and regulations of the Stock Exchange of Thailand since their entering their office.

## 14. Policy on related transactions and disclosure of information

To ensure transparency in business operation to prevent taking advantage, directly or indirectly, by directors, executives and shareholders with controlling power and to prevent conflicts of interest as well to protect the rights of minority shareholders for the sake of equality and optimal benefits to the Company and all stakeholders, the Company has a policy on related transactions and disclosure of information as follows.

- 14.1 In case the Company desires to transact with any related party, that must be mainly for benefits of the Company's business and can be checked that the transaction is made in a fair and at arm's length manner under rules and regulations prescribed by the Securities and Exchange Commission (SEC) Office and the Stock Exchange of Thailand, for example, disclosure of information regarding names and relationships of related parties, policy on pricing and value of the transaction, including opinions of the Audit Committee and the Board of Directors in connection with such transaction. The price and conditions must be the same as if transacted on an arm's length basis and avoid related party transaction in such manner as providing financial assistance. In granting approval for each transaction, the Management shall present information to the Audit Committee, which shall be primary agency in reviewing appropriateness and suitability of the related transaction before entering, to consider making comments for the Board of Directors and/or shareholder meeting to consider granting approval as per the transaction size every time before entering a related transaction, with disclosure of information as per rules prescribed by the Securities and Exchange Commission (SEC) Office and the Stock Exchange of Thailand. The Company shall present related transactions in annual report certified by the auditor to ensure that there is no conflict of interest in such related transaction.
- 14.2 In case no market prices can be obtained for comparison, the Company shall find at least 3 independent experts approved by the Securities and Exchange Commission (SEC) Office to appraise the market prices to arrive at appropriate price and conditions not exceeding the average value given by all independent appraisers to ensure optimal benefits to the Company and shareholders. The Company shall propose for the Audit Committee to consider making comments on reasonableness of the transaction and appropriateness of the price in granting approval for the related transaction before presenting for approval from the Board of Directors or shareholders, as the case may be.
- 14.3 For all related transactions, the Company shall comply with laws, relevant notifications of the Stock Exchange Commission and notifications of the Capital Market Supervisory Board, including disclosure of information to all shareholders through SET information dissemination system and in the annual report.
15. Regarding prevention of conflicts of interest of directors and executives, the Company has the following policy.
- 15.1 Directors, executives and personnel are prohibited from utilizing their being directors, executives or personnel in the Company to seek benefits of their own or their families or close persons, whether being financial or any other business aspects.
- 15.2 Avoid making transaction related to oneself except if necessary for benefits of the Company under rules and regulations prescribed by the Securities and Exchange Commission (SEC) Office and the Stock Exchange of Thailand, for example, disclosure of information on names and relationships of related persons, policy on pricing and value of the transaction, including opinions of the Board of Directors on such transaction, and avoid related party transaction in such manner as providing financial assistance, such as lending money, guaranteeing credit for a company other than its own affiliate.

- 15.3 Refraining from operating any private business which affect the work performance and working time for the Company or operating any business with the Company in the name of their own, their families or any juristic person in which they are interested, or operating any business competing with that of the Company.
- 15.4 If there is any transaction which may involve conflict of interest and related transaction, the Board of Directors shall always cautiously consider its appropriateness and also comply with rules of the Securities and Exchange Commission (SEC) Office and the Stock Exchange of Thailand and price and conditions thereof shall be on an arm's length basis. Details on the transaction value, the parties, justification or requirements shall be disclosed in the annual report.
- 15.5 In case any director or executive is interested under any meeting agenda, the Company requires the director or executive to abstain from participating in that agenda to allow other non-interested directors or executives to consider the matter.

#### 16. Disclosure of the Company's shareholding structure

The Company has a policy on the matter and has been disclosing shareholding structure, whether being a list of major shareholders, shareholders with business controlling power, institution investor shareholders by disclosing only the top 10 shareholders with highest shareholding proportion, including proportion of minor shareholders (free float) of the Company by maintaining proportion of free float in accordance with rules of the Stock Exchange of Thailand.

### 3. Roles of stakeholders

The Board of Directors established a policy to treat all groups of stakeholders taking into account the rights of stakeholders provided by laws or agreements made with the Company for the Board of Directors, executives and personnel at all levels to comply with to ensure that the Company has undertaken to have such rights well protected and treated, to promote cooperation between the Company and stakeholders in creating financial wealth and stability, strength of the business, environmental and social conservation towards sustainable development. The Company recognized support from various groups of stakeholders in their roles and duties to enable well and stable business operation of the Company and yield fair benefits to all concerned. Roles played by the Company to customers, personnel, business partners, shareholders, business competitors and the society are disclosed as follows.

#### 1. Policy and treatment to shareholders

The Company is committed to being a good representative of all shareholders in operating the business with integrity and good ethics with a view to developing the business towards growth and stability, complying with obligations made with shareholders to create optimal satisfaction, taking into consideration creation of good yields to shareholders on a continuous and equitable basis, including transparent and reliable disclosure of information to shareholders, as follows.



1.1 To perform duties with integrity and to decide to take any action in good faith with care, cautiousness and fairness to major and minor shareholders for optimal benefits of shareholders as a whole.

1.2 To prevent assets of the Company from undue impairment or loss.

1.3 To report on the Company's status by notifying all shareholders thereof regularly, equally and fully as per facts currently and potentially, in both positive and the negative aspects, and give shareholders opportunity to exercise the right to propose additional meeting agendas or to nominate qualified persons for election to director office before the meeting, and to submit questions in advance to the Company through website [www.dconproduct.com](http://www.dconproduct.com) of the Company.

1.4 To manage the Company in such manner as enabling it to have high level of competency to achieve objectives of the Company, in both the short- and the long-term, proficiently and effectively and with competitiveness.

1.5 To ensure that no director, executive and personnel seek benefit for themselves, their families or close persons from any essential information of the Company not yet disclosed to the public by disclosing it to any third party and/or taking any action which may cause conflicts of interest with the Company.

## 2. Policy and treatment to customers

The Company has a policy regarding fair and responsible treatment to customers on a clear and concrete manner, taking into account health and safety of customers, and is committed to create satisfaction and confidence to customers which shall effect success of the business. The Company, therefore, always seek ways and means to proficiently and effectively respond to customers' requirements. To maintain good relationships on a long-term basis, guidelines are established as follows.

### 2.1 Goods and services aspect

(1) To construct immovable properties employing business partners who are contractors which meet the required standards and responsibilities.

(2) To deliver goods and services with qualities which meet or exceed customers' requirements at fair prices.

(3) To provide accurate, adequate and timely information to customers to prevent their mistaking on quality, quantity or any condition of such goods or service without derogating the facts.

(4) To deal with customers in a polite, proficient and reliable manner, provide a system and process for customers' complaints appropriately and expeditiously respond to customers' requirements and shall spare no efforts to ensure optimal satisfaction to customers.

### 2.2 Confidentiality of customers' information

Directors, executives and personnel at all levels shall keep confidential customers' information and shall not make use thereof for undue benefits of their own or of related persons, and shall not disclose customers' information without prior permission from the customers or authorized person of the Company, except for information required to be disclosed to any third party concerned for explanation or execution required by law.

### 2.3 After-sales services to customers

With commitment to create satisfaction and confidence to customers with a view to developing the business towards sustainable growth, the Company also emphasizes on caring for customers by providing after-sales service system to create good relationships by enquiring on customers' satisfaction and monitoring the work on a continuous basis with a team of engineers to provide consultations and 20-year warranty for goods quality.

### 3. Policy and treatment to personnel

Personnel are considered most valuable resources and a key success factor of the Company. The Company, therefore, emphasizes on developing good corporate culture and working environments, promoting teamwork and creating love and unity within the Company. Activities were organized in 2017 for executives to meet with personnel, for example, the Songkran Festival etc. Personnel's remunerations, welfare and provident fund are also taken into account. Guidelines are established as follows.

3.1 To treat personnel with politeness and respect to their individuality.

3.2 To make appointments and transfers, including provision of awards or consideration of merits and penalization in good faith and based on knowledge, capabilities and suitability of personnel and Articles of Association.

3.3 To listen to comments and suggestions based on professional know-how of personnel.

3.4 To establish grievance procedures as a channel to prevent unfair treatment to personnel at all levels.

3.5 To emphasize on development of knowledge and capabilities of personnel by giving opportunities on a thorough and regular basis, with continuous training for personnel, both inside and outside the Company, for example, provision of relevant technical know-how or welfare or sending personnel for training at various agencies outside the Company to enhance the work performance proficiency by using the knowledge gained in the work performance or enhancing the work performance, including stimulation and promotion of teamwork, maintenance of relationships among fellow workers and between supervisors and workers, from both training and activities organized within the Company.

3.6 To maintain work environments to ensure safety to life and properties of personnel and good sanitation in the workplace at all times. A policy on safety, welfare and privileges of personnel, for example, the provident fund, medical treatment, marriage allowance, funeral allowance, adversity allowance, life insurance, accident insurance etc., is clearly and concretely established in personnel manual and continuously communicated to personnel to enable them to make use of their welfare to maintain good health of all personnel.

3.7 To strictly comply with all laws and regulations pertaining personnel. Moreover, the Company has a policy and guidelines on development of personnel's knowledge and potential on other aspects by emphasizing on developing skills and concepts to improve all aspects of work performance on a continuous basis and encouraging initiatives and incentive value addition for the Company.

The Company deems that personnel are most valuable resources of the organization and, therefore, determines to provide care and development for personnel in a systematic and continuous manner to enhance the value of personnel and thoroughly create their morale.

#### 4. Personnel management policy

4.1 To find and select personnel with knowledge and expertise to join the Company as required and appropriate to each unit taking into consideration employment of human resources to the optimal benefits.

4.2 To promote personnel progress by clearly determine personnel development direction and ensure that personnel at all levels are developed in that direction on a systematic and continuous basis to enable them to perform their current duties proficiently with preparedness to assume higher responsibilities in the future.

4.3 To manage wages, salaries and welfare in a just and comparable manner with that of leading companies.

4.4 To adopt the merit system in salary increment and upgrading by taking into consideration knowledge, capabilities, performance and potential of each personnel.

4.5 To consider selecting personnel with knowledge and capabilities within the Company to fill higher positions before recruiting outside applicants.

4.6 To promote teamwork for personnel to cooperate and confederate in performing their duties as if they were members of the same family.

The Company deems that supervisors at all levels have significant responsibilities in supervising their subordinates to have good morale, developing personnel to gain knowledge and capabilities to perform their work proficiently, and must conduct themselves in such manner as setting a good example to their subordinates.

#### 5. Policy on remunerations and welfare of personnel

##### 5.1 Provident fund

With a view to saving and creating securities for personnel and their families and tax privilege. Contributions by personnel shall be made voluntarily and based on their respective years of service.

##### 5.2 Social security fund

In case of non-work-related illnesses and accidents, the sources of the fund come from personnel contributions, company and government subsidies.

5.3 Allowances, such as in case of marriage, adversity, wreath, funeral hosting and funeral allowances, which cover the personnel, their parents, spouses and children, etc.

## 6. Policy and treatment to creditors

The Company has a policy regarding fair and responsible treatment to creditors, whether being trade creditors or financial institution creditors, in timely performance of obligations as agreed or contracted without default to maintain the Company's reliability to creditors and financial institutions which rank the Company excellent customer at all times of the Company's business operation, including strictly compliance with conditions prescribed by creditors. Guidelines for treatment to creditors to ensure mutual fairness are as follows.

6.1 To provide information of the Company which are accurate and adequate for creditors to properly analyze granting of any credit.

6.2 To utilize credit granted by a creditor or financial institution in accordance with objectives of the Company expressed to the creditor or financial institution.

6.3 To repay debts to creditors timely and in accordance with the conditions prescribed.

6.4 To notify creditors upon occurrence of any significant incident which may material affect the financial status and may affect the debt payable, to jointly find preventive or corrective action to prevent damage.

6.5 To strictly comply with conditions prescribed by the creditors or financial institutions.

## 7. Policy and treatment to business partners

The Company establishes policy and procedures on selection of and treatment to business partners equitably and fairly taking into consideration reputation, compliance with laws, rules, regulations and traditional practices, including obligations with business partners to provide fairness to business partners and benefits to all parties concerned as follows.

7.1 The Company shall establish a committee to select business partners who are contractors from those submitting their offers.

7.2 To give new business partners opportunity to participate.

7.3 Not to demand, accept or give any commercially dishonest benefit from or to business partners.

7.4 To encourage business partners of the Company to cooperate in preventing and countering corruption by not giving bribes of all types to government officers or personnel of the Company for undue benefits in all cases.

7.5 To strictly comply with all conditions agreed upon.

7.6 To urgently notify business partners in case any condition cannot be complied with to jointly consider finding remedial action based on business relationships.

7.7 To hold meetings with contractor business partners every month to create proper understanding in the work performance for benefits of all concerned.

7.8 To support business partners to enable them to operate their business in line with the Company's business without taking commercial advantages on them.

#### 8. Policy and treatment to trade competitors

Fair competitions with competitors are policy and ethics in business operation emphasized and practiced regularly by the Company. The Company stressed on operating business fairly and transparently by observing good competition governance in accordance with principles of law, business traditions and good practices consistent with international principles under the legal frame governing trade competition practices, as follows.

8.1 To practice under the generally-accepted competition rules.

8.2 To support and promote free and fair trade without monopolizing or requiring business partners to deal with the Company alone.

8.3 Not to violate obligations of confidentiality or seek trade secrets of competitors by dishonest, illegal or unethical means.

8.4 Not to defame trade competitors by ways of calumny.

8.5 Not to enter into trade agreement or commit any act implicitly which may cause unfair competition or exclusive dealing.

8.6 Not to commit trade competition by means of calumny, defamation or derogation of facts of competitors.

#### 9. Policy on fair practices and responsibilities to the society

Fair business operation without greed for other benefits which may be obtained unethically shall create confidence to stakeholders of the Company, which depicts attention of the Company towards the society and shall lead to good results to the business operation in a long run. Consequently, the Company recognizes and holds fast to it as principle of the Company at all times that the Company shall progress, develop and grow sustainably and survive in the society only if it offers quality goods, is honest in operating the business and responsible to enhance the society development, and determines guidelines as follows.

9.1 To avoid any exercise which may cause conflict of interest, or if any conflict of interest is found, a fair mediation process should be established with full disclosure of essential information.

9.2 To promote free trade competitions, avoid acts of favoritism or conspiracy.

9.3 Not to support any act of infringement of intellectual properties.

9.4 To make available management system which can prevent bribery and corruption or which can detect such act without delay should there occur any such case.

9.5 To campaign for personnel to recognize the significance of the process to counter corruption including all forms of blackmails and bribery.

9.6 The Company shall, every time before commencing any business, survey and familiarize itself with relevant regulations and provisions of law to prevent the Company's business operation from affecting ways of that society of community.

9.7 The Company implants conscious and creates awareness of responsibilities to the society and the environment to personnel at all levels continuously, and favors trade partners which adhere thereto and with fair treatment and responsibilities to the society.

9.8 Should there be any incident or news relating to the Company, the Company would urgently communicate explaining facts and status of the Company to the society and communities at the first opportunity without concealing or derogating so that the society would comprehend the Company's situation on a timely basis.

#### **4. Disclosure of information and transparency**

The Board of Directors recognizes and emphasizes on quality of information and disclosure of information equitably, transparently and fairly via channels which can access the information easily and reliably, by determining policy and supervising to ensure that preparation and disclosure of information, both financial and non-financial, can be made easily, adequately, reliably and timely. The information to be disclosed shall be prepared concisely, luminously, consciously, clearly, accurately, transparently and can be checked. Essential information, in both positive and negative aspects, are disclosed regularly to enable stakeholders of the Company to be confident and receive the information equitably as per provisions of laws, regulations of the Company and state agencies concerned. The Board of Directors may, however, designate the audit committee and/or the management, as the case may be, to take such action on its behalf.

The Company emphasizes on facilitating investors and parties concerned to access the Company's information conveniently by disclosing accurate, complete, transparent, thorough information on financial aspect, operation results and other information relating to the Company's business operation, equitably and timely on a regular basis, for investors and related parties to review in support of their decision to invest. Such disclosures are made through various information dissemination channels and media of the Stock Exchange of Thailand, meetings with analysts, road show launching, annual report as well as the website of the Company, in both the Thai and the English versions, for example, the nature of the Company's business operation, financial statement of the Company, public relations news of the Company, shareholding structure, organizational and executive structures, information on investor relations, annual report, letters of invitation to shareholder meeting.

In 2021, the Company had no record of delay in submission of financial reports, both quarterly and annually, to regulatory agencies.



#### 4.1 Disclosure about auditors and certification of statements by auditor

In electing auditor, the Company shall consider employing auditors who can perform the work appropriately, completely, independently and with no relationship or interest with the Company, any subsidiary company, associated company, executives, major shareholders or persons related thereto, and is approved by the Securities and Exchange Commission (SEC) Office to ensure independency in auditing, opining and certifying financial statement of the Company.

The Company considered electing D I A International Co., Ltd. by:

1. Miss. Somjintana Polhirunrat Certified Auditor Registration No. 5599
2. Mr. Wiroj Satjathumnukul Certified Auditor Registration No. 5128
3. Mr. Jumpod Pairatanakorn Certified Auditor Registration No. 7645
4. Mrs. Noppareuk Pitsanuwig Certified Auditor Registration No. 7764

Remunerations of auditors, Auditor's remuneration Both the company audit fee in 2022 is 1,610,000 baht which is equal to in 2021. Orada Co., Ltd. is 340,000 baht, Rompo Products Co., Ltd. is 245,000 baht, DSC Products Co., Ltd. 190,000 baht and Wisarawan Co., Ltd. is 200,000 baht including audit fees for companies and subsidiaries for 2,585,000 baht

#### Other fees paid to an auditor or audit firm

- None -

#### **Information on the auditor's remuneration compared to the previous year**

(Unit : Baht)

The remuneration of the auditor	Y 2022 (proposed year)	Y 2021	Y 2020	Y 2019	Y 2018
Audit fee	1,610,000	1,610,000	1,610,000	1,580,000	1,580,000
Other service fees	None	None	None	None	None

#### 4.2 Availability of various communication channels

To enable shareholders or investors to access the Company's information conveniently, thoroughly and equitably, the Company communicated information of the Company through various channels, for example, annual report, annual registration statement (Form 56-1 One Report), quarterly report on operation results and meeting with analysts.

#### 4.3 Annual registration statement Form 56-1 One Report

The Board of Directors prepared the annual registration statement (Form 56-1 One Report) and the annual report of the Company in accordance with rules of the Securities and Exchange Commission (SEC) Office and requirements of the Stock Exchange of Thailand as one of the channels for disclosure of clear, accurate and complete information of the Company

relating to the business operation and the results thereof in the previous year for information and benefits of shareholders, stakeholders, investors or the general public and for use in support of their decision. Disclosure was made on information such as shareholding structure, information on shareholding of directors and executives, policy and operation regarding good corporate governance, visions and the Company's business operation targets, both short- and long-term, financial status and operation results, report on responsibilities of the Board of Directors to financial report, nature of business operation and competition condition, business group structure, primary risks in business operation, dividend distribution policy, whistle blowing policy and histories of directors.

#### 4.4 Disclosure of information through SET Community Portal (SCP) and the website [www.set.or.th](http://www.set.or.th) of the Stock Exchange of Thailand

Apart from disclosure of information of the Company through channels provided by the Company, to comply with rules on information reporting and disclosure of the Stock Exchange of Thailand, the Company disclosed information and news of the Company, in both the English and the Thai versions, to shareholders, stakeholders, investors and the general public for their information and convenient, thorough and equitable access to the Company's information through SET Community Portal (SCP) and the website [www.set.or.th](http://www.set.or.th) of the Stock Exchange of Thailand every time when material information was disclosed.

#### 4.5 Availability of website [www.dconproduct.com](http://www.dconproduct.com) of the Company

The Company developed website [www.dconproduct.com](http://www.dconproduct.com) of the Company in both the Thai and the English versions to disseminate and present information of the Company to shareholders or investors for their timely awareness thereof, for example, information on investor relations, annual report and letter of invitation to shareholder meeting which are downloadable.

#### 4.6 Investor relations agency

The Company makes available investor relations agency with which shareholders can contact conveniently. The agency has advance investor relations plan to provide information, advertise activities of the Company which are beneficial to investors, shareholders, analysts and the general public, including declaration of turnovers and operation results to analysts, financial institution investors, financial institutions and mass media on a quarterly basis, press conference and disclosure of information to the Stock Exchange of Thailand to ensure that the Company has complied with all legal regulations and rules relating to listed companies in full.

Interested parties may obtain information from the investor relations agency at DCON Products Public Company Limited, No. 3300/57, Elephant Building Tower B, Floor 8, Phaholyothin Road, Jompol, Chatuchak, Bangkok, or via e-mail at [ir@dconproduct.com](mailto:ir@dconproduct.com) or search for the information at website [www.dconprodudct.com](http://www.dconprodudct.com) of the Company.

#### 4.7 Financial report of the Company

The Company prepares financial report, financial statement, financial status analysis and Management Discussion and Analysis (MD&A), both quarterly and annually, and disclose them through the information and report disclosing system of the Stock Exchange of Thailand in respect of quarterly financial report, financial statement, financial status analysis and Management Discussion and Analysis (MD&A), including those disclosed additionally in the

annual registration statement (Form 56-1 One Report) and the annual report for information of and review by interested parties updated financial information of the Company at all times.

#### 4.8 Site visit

For transparency and confidence in the Company's operation, the Company allowed customers and suppliers to do site visit.

#### 4.9 Information on participation in meetings of the Board of Directors and the Audit Committee

In 2021 the Board of Directors held 4 Board meetings, 4 Audit Committee meetings, 1 AGM and 0 EGM. Participation of each director could be summarized as follows.

Name	Term of office	Total participation in meetings (times)			
		BOD	AC	AGM	EGM
1. Ass. Prof. Tortrakul Yomnak	21 Jun 2004-present	4/4	-	1/1	-
2. Mrs. Pitsamai Boonyakiat	31 Mar 2005-present	4/4	4/4	1/1	-
3. General Pisarn Wattanawangkeeree	15 May 2019-present	4/4	4/4	1/1	-
4. Mr. Wittawat Pornkul	6 Aug 1996-present	4/4	-	1/1	-
5. Mr. Chana Towan	6 Aug 1996-present	4/4	-	1/1	-
6. Dr. Tanai Charinsarn	6 Aug 1996-present	4/4	-	1/1	-
7. Mr. Wanchai Tantikul	9 Mar 2004-present	4/4	4/4	1/1	-
8. Mr. Nirut Intarathachang	15 May 2007-present	4/4	4/4	1/1	-
9. Dr. Kawin Worakanchana	1 Jul 2018-present	4/4	4/4	1/1	-

#### 4.10 Remunerations of directors and high-level executives

The Board of Directors administered on determination of remunerations of directors and high-level executives by designating a Compensation Sub-committee comprising 1 directors of the company and 2 independent directors, namely:

- |    |                         |                      |
|----|-------------------------|----------------------|
| 1. | Mr. Pitsamai Boonyakiat | Independent Director |
| 2. | Mr. Chana Towan         | Director             |
| 3. | Mr. Wanchai Tantikul    | Independent Director |

#### Determination of meeting allowances of the Board of Directors

- Meeting allowances

<b>Audit Committee</b>	<b>Allowances</b>	<b>Unit</b>
Chairman of the Audit Committee	10,000	Baht/time
Directors	7,500	Baht /Person/ time

<b>Board of Directors</b>	<b>Allowances</b>	<b>Unit</b>
Chairman of the Board of Directors	25,000	Baht / time
Directors	15,000	Baht /Person/ time
Executive Directors	10,000	Baht /Person/ time

- Directors' bonuses

Determined to pay at the rate of 1 percent of the net profit and set the maximum payout limit of not more than 3,000,000 baht (Three million baht) by allowing the board to consider allocating gratuity according to the responsibility.

In 2021 the Company had a total net profit of 116,750,946.76 Baht and paid bonus of 1,167,509 Baht in total to the Board of Directors by proposing that the bonus be distributed among the directors based on their respective responsibilities.

As for 2020 the Company had a total net profit of 92,433,647.51 Baht and paid bonus of 924,336 Baht.

Other directors' remunerations

- Nil -

4.11 Examination made on 9 directors and the first 4 high-level executives revealed changes to shareholding proportions of 1 director as follows.

<b>Name</b>	<b>Date</b>	<b>Stock type</b>	<b>number (share)</b>	<b>Average price (baht)</b>	<b>Transfer of securities</b>
1. Mr. Wittawat Pornkul	27 Aug 2021	Ordinary Share	Buy 9,000,000	0.54	-

Changes to shareholding proportions of other directors and high-level executives

- Nil -

## 5. Responsibilities of the Board of Directors

To assure shareholders and investors that the Company, by the Board of Directors, establishes visions, obligations, direction and strategies for business operation, with a system to

monitor and evaluate performance of executives who are proficient and independent from the Management, and responsible for their performance of duties as per good governance principles in the following matters.

#### 5.1 Transactions which may have conflict of interest

- (1) The Board of Directors establishes a policy and guidelines on consideration of transactions which have, or may have, conflict of interest between shareholders, directors, executives and individuals who may have other conflicts, directly and indirectly, in case of related transactions which are under the approval power of shareholders, to be screened by the Audit Committee to ensure that the entering into such transactions is fair, reasonable and beneficial to shareholders and is in compliance with law and requirements of the Securities and Exchange Commission Office.
- (2) The Board of Directors ensures compliance with steps established deliberately within the principle of reasons and independency, with transparent process in granting approval to enter into the transaction and taking into consideration optimal benefits of the Company fully and properly in accordance with rules of the Securities and Exchange Commission Office.
- (3) Stakeholders shall not take part in making decision in the consideration to enter into a transaction. In every meeting of the Board of Directors, the Chairman shall inform the meeting seeking cooperation to require directors of the Company to comply with the policy on consideration of transactions with possible conflict of interest, by requiring directors of the Company to inform the meeting to abstain from voting or commenting on agendas to which they are concerned or interested.
- (4) The Board of Directors ensures that information on transactions with possible conflict of interest are disclosed properly and fully in the Form 56-1 One Report.

#### 5.2 Internal control and audit systems

- (1) The Board of Directors emphasizes on and makes available internal control system to create reasonable confidence on proficiency and effectiveness of the operation and reliability of the financial report and compliance with rules, regulations and policies, by establishing an internal audit agency which is independent in performing its duties, to be responsible for checking on adequacy and proficiency of the internal control system on activities of the Company for reporting to the Audit Committee and the Board of Directors, respectively.
- (2) The Board of Directors reviews appropriateness and adequacy of all 5 elements of the internal control system, i.e. Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring, regularly once a year to ensure achievement of objectives and targets of the Company, including improvement of the internal control system on a continuous basis.
- (3) The Board of Directors makes available a system which is neutral and transparent in maintaining relationships with external and internal auditors through connection of the Audit Committee.
- (4) Auditing fees and other fees payable to the auditors are disclosed in the Form 56-1 One Report to enhance transparency in the independency of the auditor.

# Responsibility to the society

## 1. Policy overview

The Company has been developing and growing continuously. Since creation of business opportunities, preparedness in coping well with situations could not be made without the Company's strong foundation, the Company recognized and emphasized on operating business with responsibility to the society, i.e. fair business operation, anti-corruption, respect to human rights, fair treatment to labors, responsibility to consumers, environmental conservation, participation in community or society development, inventions and dissemination of inventions derived from operating business with responsibility to the society and the environment for sustainability of the business and the society as a whole.

The Company established guidelines for responsibility of the Company to the society as follows.

1. Fair business operation. The Company strictly observed and implemented the good corporate governance policy on a continuous basis by encouraging activities which promoted and implanted morals and ethics upon executives and personnel in the organization and emphasizing on communicating and disseminating to personnel in the organization for their information and observation ethics, good corporate governance policies and fair treatment to all stakeholders, and also disciplinary offenses in the Articles of Association.

2. Anti-corruption. The Company emphasizes on transparency. Apart from the business operation policies, which must not be contradictory to laws, all personal were also implanted to observe transparency and non-contradiction to legal principles, morals, rules and regulations. The Company, therefore, established guidelines to control and prevent corruption in the Company's anti-corruption policy and ethics, which have been approved by the Board of Directors.

3. Respect to human rights. The Company recognized and took into account human rights, respect to individuality and human dignity, equality, non-discrimination upon all stakeholders, emphasis on work administration for better livelihood of all business-related groups involved.

4. Fair treatment to labors. As human resources are most valuable to business operation, the Company, therefore, had a policy to treat labors fairly.

5. Responsibility to consumers. The Company emphasized most on responsibility to customers and, therefore, controlled the goods quality in compliance with quality policy and international standard, and strictly complied with conditions and agreements made with customers on a transparent, equal and fair basis for optimal satisfaction of customers.

6. Environmental conservation. The Company recognized the significance of taking part in the environmental conservation, taking into account impacts upon natural resources and the environment, by campaigning for personnel to utilize resources most efficiently without loss or wastes.



7. Participation in community or society development. The Company encouraged organization of activities and regularly participated in community and society development, including localities where the Company's factories are established in all regions.

8. Inventions and dissemination of inventions derived from operating business with responsibility to the society and the environment. Inventions are significant factor in developing and enhancing competitiveness potentials in changing industrial and fluctuating economic situations. The Company had a policy in organizing activities which helped stimulating personnel to participate in creating inventions or improving work performance efficiently and effectively on a continuous basis.

## **2. Execution in respect of safety, occupational health and the environment**

### **Environmental quality**

In 2021, the Company emphasized on good environmental management in work performance in factories to ensure that personnel had good environmental condition appropriate to their work performance. The Company measured and prepared reports on the results of the environmental quality measurement as per the environmental impact prevention and correction measure and the health impact monitoring measure for the Company's personnel in factories, with the following objectives.

1. Protect the environment by focusing on pollution prevention and problem solving at the root cause.

2. Carry out production in accordance with the law and other requirements. related to the environment by adhering to the initial standard.

3. Continuous improvement of environmental performance by determining and reviewing the achievement of objectives and goals appropriately and efficiently

4. Use production technology resources and energy efficiently and cost-effectively for maximum productivity and product quality without causing any impact on the environment or the least impact on the environment.

5. Determined to reduce the amount of waste (Waste) by applying the principle of "3Rs" i.e. Reduce Reuse Recycle to apply in the company.

6. Promote and support employees and contractors to have awareness of environmental protection and safety in operation. by communication and training on environmental management.

7. Control, prevent, reduce risks and impact on the environment. by focusing on the prevention of pollution at the source as well as management Reducing greenhouse gas emissions from production activities and services in the business of Companies that affect the community and stakeholders continuously.

In this regard, greenhouse gas emissions will be designated as the Key Performance Indicator (KPI) of the organization, which must define a policy and plan to reduce the amount of greenhouse gas emissions to meet the target. and follow up on the performance leading to a low-carbon business slowing climate change Social and environmental friendliness.

In 2021, the company is in the process of studying the guidelines for collecting greenhouse gas emission sources. and assessing the organization's carbon footprint. Has started a policy to create an in-depth product carbon footprint calculation plan. In order to check from the production in the factory whether it affects the environment in a sustainable way or not. And has dispatched personnel Attend in-depth workshops on the subject "In-depth Product Carbon Footprint Calculation Guidelines" on October 26 - 27, 2021 by Climate Action Academy

(CAA), Greenhouse Gas Management Organization. In order to disclose information on greenhouse gas emissions according to international standards or equivalent, the Company's management will continue to push and support the Company to continue to implement the said policy in order to achieve the set guidelines.

#### Green Industry Project

The company is aware of the importance of environmentally friendly business operations. by focusing on the development and improvement Continuing and conducting business with social responsibility both inside and outside the organization as well as for sustainable development. for sustainable development by focusing on 3 areas as follows:

1. Developing and improving the efficiency of the production process
2. Environmental management for continuous improvement
3. Social and environmental responsibilities inside and outside the organization

The Company has been certified for Green Industry Level 2: Green Activity is the implementation of activities to reduce environmental impacts successfully according to the set commitment.



### Safety, Occupational Health and Work Environment

In 2021, the company continually develops and improves safety performance to reduce the risk of illness, injury or death and to properly care for the quality of life of employees or employees. With safety training, such as managing a safe working area First Aid and Firefighting Staff However, the company has measures to prevent such measures as follows: Provide training to raise awareness of accidents and to be more careful.

### Environmental care

The Company is committed to ensuring that employees and communities surround the factory and workplace of the Company have good living conditions and to maintain a good environment. The Company has established the operating methods to be friendly to nature and create environmental responsibility as follows:

- The Company has a policy to operate its business with due regard for the environment and to comply with the requirements of relevant laws and regulations. including regulations of local administrative organizations such as municipalities, sub-district administrative organizations, etc.

### Community and Society

The company is aware of the benefits for the community and society. In order to instill in everyone in the organization the importance of being part of the society, therefore, the Company organizes projects and activities to develop communities in the organization's environment every year with examples of social and environmental contributions. in the past such as

- Support the Company's products to improve housing for redundant handicapped patients







- Tree planting activities



- Project to improve the multi-purpose courtyard floor in front of the auditorium Nong Pho School, Lopburi Province



- Workshop on the prevention of Coronavirus Disease 2019 (COVID-19) and the preparation of masks for self-defense at Chong Salika Subdistrict Administrative Organization, Phatthana Nikhom District, Lopburi Province



### 3. Activities in 2021

In this year 2021, the company has emphasized on good environmental quality management in working in the factory. To provide employees with a good environment suitable for the company's work has conducted measurements and prepared a report on the results of environmental quality measurements according to the measures to prevent and correct environmental impacts and measures to monitor the health impacts of the Company's employees within the factory with the following objectives: the temple and Buddhism continues

1. To monitor and monitor environmental quality by examining the environmental quality of the Company as follows:

- Pollution Measurement work area
- 8-hour average noise inspection in the working area
- heat measurement work area



- Light intensity measurement work area
- 2. To bring information on the results of monitoring and surveillance of environmental quality to be used in the formulation of preventive measures and correcting environmental impacts within the factory and surrounding areas.
- 3. To bring the results of the company's monitoring to compare with the standard set by the government and bring it to guidelines for organizing environmental management systems in the future.
- 4. To carry out the implementation of preventive measures and correct environmental impact to use as information in Review of the efficiency of the implementation of the ISO 14001 international standard system.

#### **4. Activities for the benefit of society and the community**

##### **Merit activities of the casting company**

Because October 30, 2021 is the birthday of Mr. Wittawat Pornkul, the Chairman of the Executive Committee. The company has arranged for the company's annual merit-making day. This year, the company and company employees and affiliated companies to make merit in casting Buddha images. It has a lap size of 29 inches to be enshrined at Wat Phrom Panyo, San Kamphaeng District, Chiang Mai Province. It is also to help maintain the temple. and Buddhism continued





# Risk management

## 1. Policy and Risk Management

The Company's Board of Directors emphasizes the importance of risk management and assigned the Risk Management Committee to oversee the Company's risk management and apply risk management as tools for managing the Company's corporate business. The Risk Management Committee are the Company's top executives. The Company intends to apply risk management as a means to mitigate probable loss and enable the Company to achieve its sustainable growth, and create long-term added value for its shareholders. The Committee is also responsible for consideration and determining the Company's risk management policy as well as assessing and managing the Company's risks to be at an acceptable level. The committee also monitors and assesses the risk management performance of the Company and encourages all management levels to participate in risk management.

## 2. Risk Factors

In the business operation of DCON Products Public Company Limited and its subsidiaries, there are risk factors affecting the Company's operations as follows:

### 1) Risk from volatility in fuel and raw material prices

Fuel is the main cost of transportation of goods. And it is a very high expense after the cost of raw materials. But the volatility of fuel prices These are all factors beyond our control. because it is related to many other events such as the world economy international political problems resulting in volatility in oil prices. The company has managed the risk by purchasing new trucks to replace the old trucks with low efficiency. as well as maintain the truck to have good performance all the time The company regularly trains drivers to drive safely and economically. In addition, GPS systems have been installed in all trucks for speed control and prevention of driver corruption.

Raw material prices are highly volatile. due to economic changes Including changes in demand and supply, especially the price of cement, rebar, PC-Wire, stone and sand, which are the main raw materials used in the production process, will have both positive and negative impacts on the business. The Company must closely monitor and assess the situation. and set Appropriate risk management strategy Including management of raw material procurement to reduce price risk. Research to find alternative raw materials Efficient inventory control and management.

### 2) Risk from fluctuations in domestic economic conditions and competition

In the past year, Thailand was still experiencing a slowdown in the economy. This makes the market of building materials and real estate business have intense competition. There was an oversupply in the market. Competitors accelerating product release The Company, which has invested in real estate business, therefore has a risk in investing in such condominium projects. Therefore, to increase the competitiveness in the building materials business The management therefore attaches great importance to product research and development. Quality Control, Service, Inventory Management and Management personnel development Shipping and Transportation Management for more efficient management and continue to be a

leader in this business. And for real estate business, to reduce financial risks and reduce marketing costs.

3) Institute from the Institute of COVID-19

Due to the severe epidemic situation of the Covid-19 virus in 2020 until now, the Thai economy has contracted and resulted in a significant slowdown in real estate investment. construction in various projects The plan was postponed causing sales of goods and construction materials to decline in the same direction. together with the measures to control the lending of commercial banks This is the main reason for the real estate sector slowdown this year. However, the management has emphasized on increasing the online distribution channel more in line with the epidemic situation of the Covid-19 virus. In addition, the management has focused on product research and development in order to prepare for future demand. when the situation returns to normal.

## Internal control

The Board of Directors encouraged personnel at all levels to have ethical and moral consciousness by recognizing the importance of the internal control and audit system with availability of efficient internal control and audit system throughout the organization but maintaining the flexibility in work performance. The system could be controlled, processed and reviewed by personnel themselves to reduce risk in respect of corruption and immoral exercise of power and prevention of illegal acts.

The Company required that there would be an internal auditor directly reporting to and performing under the supervision of the Audit Committee, who would audit performance in various aspects to ensure compliance with policies, work plans, authorities and rules and regulations, and to assess the risk management and internal control appropriateness and efficiency.

The Company considered appointing the Well Planning Solution Co., Ltd., by Miss Hassaya Jaibuchasak, as internal auditor of the Company. In 2021, the Company assessed the risk management and examined business activities of the Company in various aspects as follows.

<b>1<sup>st</sup> quarter</b>	<b>Inspect the process of the QA-QC process, production and production planning.</b>
<b>2<sup>nd</sup> quarter</b>	<b>Inspect the process of procurement, maintenance and factory warehouse processes.</b>
<b>3<sup>rd</sup> quarter</b>	<b>Inspection the process of the delivery-transportation process and maintenance.</b>
<b>4<sup>th</sup> quarter</b>	<b>Inspection the process of the sales process and the administrative process.</b>

The internal audit made in each quarter was made by the internal auditor with approval and acknowledge of the audit results by the Audit Committee as well as the Board of Directors.

## Related transactions

Intercompany transactions between the Company, subsidiaries and associated companies, which occurred in 2020 from having common shareholders and/or directors in material aspects, had prices and returns which were commercially normal as per market prices and were already disclosed in notes to financial statement of the Company, and were explanations on additional details of relationships and necessity and reasonableness of intercompany transactions which were disclosed in the above-mentioned notes to financial statement.

Transaction or agreement	Recipient/borrower	Payer/lender	Transaction or agreement description	Pricing and conditions	Ending 31 Dec 2021 (million Baht)	Nature of relationship	Necessity and reasonableness of transaction	Note
Income from lending (loan interest)	DCON Products PCL.	Orrada Co., Ltd.	The Company lent Orrada money for use as working capital	Lent in a form of promissory note repayable upon demand charging interest at money market rate	33.28	Orrada CL. is subsidiary 99.99% held by the Company	Loan from the Company will save interest more than borrowing directly from financial institution	Said company is subsidiary operating real estate business and rent of mini factories
Loan	DCON Products PCL.	Orrada Co., Ltd.	Short-term loan	Upon demand	1,088			
Income from sale of goods	DCON Products PCL.	Wisarawan Co., Ltd.	Sale of goods	Market price	5.90	Wisarawan CL. is subsidiary 99.99% held by Orrada CL.	Being goods produced by DCON PCL	
		Chusin Concrete Co., Ltd.	Sale of goods	Market price	0.90	Company partner	Being goods produced by DCON PCL	
		DSC Product Co., Ltd.	Sale of goods	Market price	1.39	DSC is subsidiary 69.99% held by the Company	Being goods produced by DCON PCL	
Rental income and accounting	DCON Products PCL.	DSC Product Co., Ltd.	Rental and accounting	The rent is based on the room price at Chang Tower. Accounting fee according to the salary rate of the accountant	0.63	DSC is subsidiary 69.99% held by the Company	Dcon Products Plc. has vacant space centralized account for the speed of making financial statements.	
Board's opinions:	Loan from the company will save much interest of the projects and the Company has no risk because it is a subsidiary held 99.99 per cent by the Company and have common directors.							

### **Necessity and reasonableness of transactions**

The intercompany transactions between the Company and subsidiaries were in normal course of business and in accordance with general commercial conditions. Conditions and prices of trading were in accordance with market prices or fair prices comparable to transactions with third parties to enable the Company, subsidiaries and associated companies with the same group of shareholders and/or directors to have optimal benefits, which was already audited by certified auditors.

### **Intercompany transaction approving measure or step**

The Chief Executive Officer was authorized by the Board of Directors to grant approval for execution of transactions with related companies or individuals with common interests under conditions of normal business operation and general commercial conditions, and must be in compliance with law governing securities and stock exchange, notifications, orders or requirements of the Stock Exchange of Thailand, including requirements pertaining to disclosure of information on related transactions and acquisition or disposal of significant properties of the Company or subsidiaries as per accounting standard established by the Institute of Certified Accounts and Auditors of Thailand.

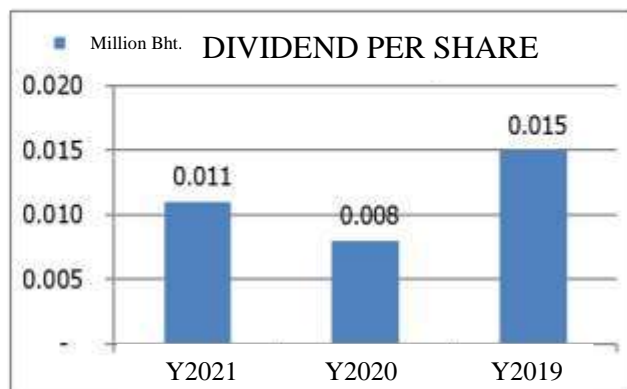
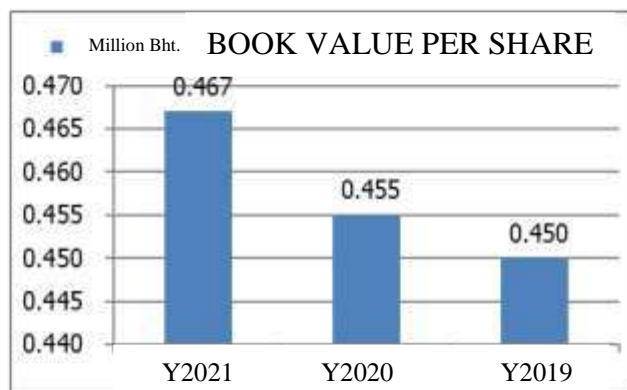
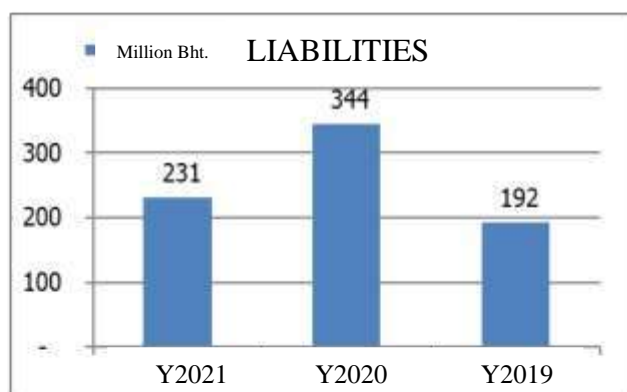
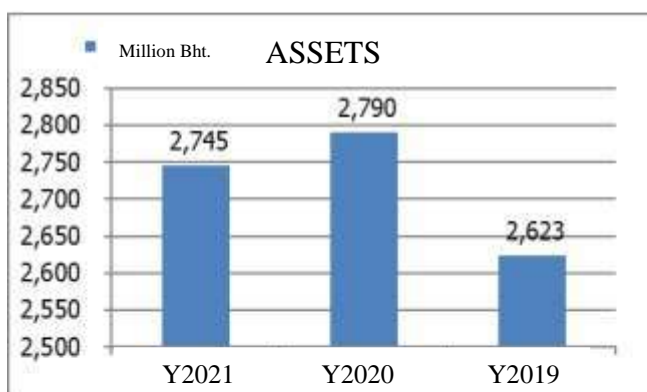
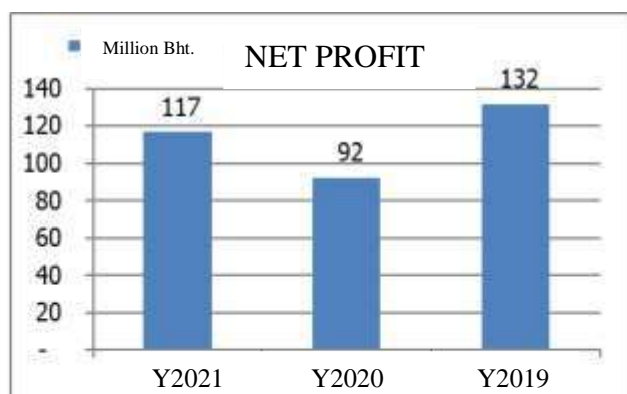
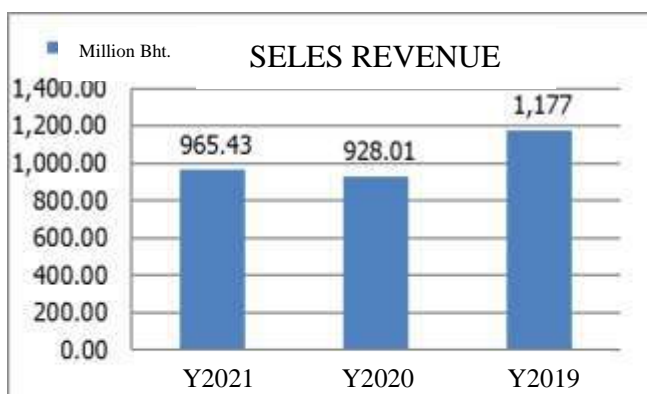
However, related transactions that may occur in the future are The Board of Directors must comply with the law. with securities and the Stock Exchange of Thailand and regulations, notifications, orders or regulations of the Stock Exchange of Thailand. including complying with the requirements for disclosure of connected transactions and the acquisition or disposition of important assets of the Company or Subsidiaries according to accounting standards set by the Association of Certified Accountants and Auditors of Thailand.

# Significant financial information

## 1. Summarized financial statement table

### Summarized past operation results and financial position (please see details in consolidated financial statement)

Significant financial information	2021	2020	2019
<b>Consolidated income statement</b> (million Baht)			
Income from sale	965	928	1,177
Costs and expenses	668	613	773
Earnings before interest, taxes, depreciation and amortization (EBITDA) including dividend receivables from subsidiaries		617	220
Profit for the year*	117	92	131
<b>Consolidated statement of financial position</b> (million Baht)			
Assets	2,745	2,790	2,623
Liabilities	231	341	192
Shareholders' equity	2,514	2,449	2,431
Parent company shareholders' equity	2,485	2,414	2,393
<b>Financial ratio</b>			
Number of shares issued (million shares)**	5,386	5,386	5,386
Book value per share (Baht)	0.47	0.45	0.45
Profit per share (Baht)	0.02	0.02	0.02
Dividend payable per share (Baht)	0.011	0.008	0.015
Liquidity ratio (times)	8.51	6.18	11.21
Gross profit rate (%)	31%	34%	34%
Net profit rate (%)	12%	10%	11%
Shareholders' return rate (%)	4.6%	3.8%	5.6%
Total rate of return from assets (%)	4.3%	3.4%	5.1%
Debt to equity ratio (times)	0.09	0.14	0.08





Statement of Financial Position	Consolidated financial statement as per audit report					
	2021		2020		2019	
	Amount	%	Amount	%	Amount	%
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents	223,825	8	86,880	3	191,635	7
Temporary investment	-	-	-	-	-	-
Trade and other account receivables	141,907	5	118,930	4	127,660	5
Short-term loans	-	-	-	-	-	-
Inventories	1,058,242	39	1,532,889	55	1,147,571	54
<b>Total current assets</b>	<b>1,423,974</b>	<b>52</b>	<b>1,738,699</b>	<b>62</b>	<b>1,736,866</b>	<b>66</b>
<b>Non-current assets</b>						
Other non-current financial assets	16,600	1	-	-	-	-
Investments in associates	230,135	8	139,664	5	-	-
Land held for development	-	-	-	-	19,933	1
Real estate for investment	398,808	15	333,391	12	315,476	12
Property, plant and equipment	478,847	17	510,277	18	492,127	19
Intangible assets	2,700	0	3,492	0	3,667	0
Deferred tax assets	7,918	0	9,293	0	8,619	0
Non-operating assets	-	-	-	-	29,880	1
Rights of use assets	34,834	1	45,525	2	-	-
Other non-current assets	150,991	6	9,657	0	16,634	1
<b>Total non-current assets</b>	<b>1,320,833</b>	<b>48</b>	<b>1,051,299</b>	<b>38</b>	<b>886,336</b>	<b>34</b>
<b>Total assets</b>	<b>2,744,807</b>	<b>100</b>	<b>2,789,998</b>	<b>100</b>	<b>2,623,202</b>	<b>100</b>
<b>Liabilities and shareholders' equity</b>						
<b>Current liabilities</b>						
Bank overdrafts and short-term loans from financial institutions	260	0	165,361	6	443	0
Trade and other account payables	151,497	6	96,597	3	130,820	5
Short-term loans	-	-	-	-	-	-
Long-term liabilities due within one year	2,428	0	7,192	0	7,520	0
Accrued income tax	13,099	0	12,143	0	16,204	1
<b>Total current liabilities</b>	<b>167,284</b>	<b>6</b>	<b>281,293</b>	<b>10</b>	<b>154,987</b>	<b>6</b>
<b>Non-current liabilities</b>						
Long-term loans	-	-	-	-	-	-
Financial lease liabilities	24,179	1	26,610	1	7,851	0

Deferred tax liabilities	10,345	0	6,571	0	6,000	0
Employee benefit obligations	25,071	1	24,728	1	15,398	1
Other non-current liabilities	3,979	0	1,672	0	1,551	0
<b>Total non-current liabilities</b>	<b>63,574</b>	<b>2</b>	<b>59,581</b>	<b>2</b>	<b>27,786</b>	<b>1</b>
<b>Total liabilities</b>	<b>230,858</b>	<b>8</b>	<b>340,874</b>	<b>12</b>	<b>236,282</b>	<b>9</b>
<b>Shareholders' equity</b>						
<b>Share capital</b>						
Authorized share capital	552,879		557,000		557,000	22
Issued and paid-up capital	538,634	20	538,634	19	520,435	21
Premium on ordinary shares	1,325,757	48	1,325,757	48	1,286,265	51
<b>Retained earnings</b>						
Appropriated						
Legal reserve	55,700	2	55,700	2	55,700	2
Unappropriated	570,794	21	500,340	18	433,766	18
Other components of equity	(5,849)	(0)	(6,141)	(0)	(12,966)	(0)
Non-controlling interests	28,913	1	34,834	1	7,330	1
<b>Total shareholders' equity</b>	<b>2,513,949</b>	<b>92</b>	<b>2,449,124</b>	<b>88</b>	<b>2,290,530</b>	<b>93</b>
<b>Total shareholders' equity</b>	<b>2,744,807</b>	<b>100</b>	<b>2,789,998</b>	<b>100</b>	<b>2,526,812</b>	<b>100</b>

(Unit : thousand Baht)

Statement of comprehensive income	Consolidated financial statement as per audit report					
	2021		2020		2019	
	Amount	%	Amount	%	Amount	%
Income from sales and services	965,430	100	928,013	100	1,177,219	100
Cost of sales and services	(667,701)	(69)	(613,241)	66	(773,437)	(66)
<b>Gross profit</b>	<b>297,729</b>	<b>34</b>	<b>314,772</b>	<b>34</b>	<b>403,782</b>	<b>34</b>
Other income						
Profit from sales of Land	-	-	-	-	-	-
Profit from sales of real estate for investment	39,937	4	-	-	-	-
Share of profit from investments in associates	27,321	3	11,113	1		
Others	21,676	2	14,036	2	12,402	1
Selling expenses	(150,242)	(16)	(139,951)	(15)	(164,263)	(14)
Administrative expenses	(91,011)	(9)	(79,835)	(9)	(85,167)	(7)
Financial cost	(3,941)	(0)	(4,937)	(1)	(1,115)	(0)

<b>Profit before income tax</b>	141,469	15	115,198	12	165,639	14
Income tax expenses	(30,638)	(3)	(26,002)	(3)	(34,961)	(3)
<b>Profit for the year</b>	110,831	11	89,196	10	130,678	11
Other comprehensive income (expense)	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	110,831	11	89,196	10	130,678	11
Other comprehensive income	292	0	16,775	2	-	-
<b>Total comprehensive loss for the year</b>	111,123	12	105,971	11	130,678	11
<b>Share of profit (loss)</b>						
Part of the company	116,751	12	92,255	10	131,614	11
Equity of non-controlling interests	(5,921)	(1)	(3,059)	(0)	(936)	(0)
Total profit for the year	110,830	11	89,196	10	130,678	11
<b>Total Share of profit (loss)</b>						
Part of the company	117,043	12	109,030	12	131,614	11
Equity of non-controlling interests	(5,920)	(1)	(3,059)	(0)	(936)	(0)
<b>Total profit for the year</b>	111,123	12	105,971	11	130,678	11
<b>Basic earnings per share</b>	0.02		0.02		0.02	

(Unit : thousand Baht)

Statement of cash flows	Consolidated financial statement as per audit report		
	2021	2020	2019
<b>Cash flows from operating activities</b>			
<b>Profit before income tax</b>	<b>110,831</b>	<b>115,199</b>	<b>165,639</b>
Loss for the year from discontinued operations	-	-	-
Adjustment	-	-	-
Income tax expenses	30,638	-	-
Loss on fair value adjustments	165	-	-
Profit from changes in investment value	-	-	-
Doubtful accounts	(201)	(3,251)	37
Reserve for obsolete products	55,102	55,529	48,333
Depreciation	-	-	-
Share of profit from investments in associates	(27,321)	(11,113)	-
Amortized withholding income tax	14,128	1,063	120

Profit from sale of investment in subsidiary	-	-	-
Loss on obsolete goods	-	-	-
Gain from sales of real estate for investment	(39,937)	-	-
Goodwill Amortized	-	-	-
(Profit) loss from disposal of tangible assets	(448)	13	-
Gain from sales of equipment	-	-	(1,301)
Profit from the sale of land that is not used in operations	-	-	-
Intangible asset amortization	904	854	237
Employee benefit provision	2,380	4,618	5,995
Dividend received	(470)	(480)	-
Interest payable expenses	4,119	4,713	1,008
<b>Profit from operating activities before changes in assets and operating liabilities</b>	<b>149,890</b>	<b>167,145</b>	<b>220,068</b>
(Increase) decrease in components of operating assets			
Trade and other account receivables	(24,555)	6,662	32,382
Inventories	(2,445)	(116,476)	(40,411)
Land held for development	-	-	-
Other non- assets	-	2,971	(1,630)
Other non-current assets	(722)	-	(2,767)
(Increase) decrease in components of operating liabilities			
Trade and other account payables	55,085	(31,749)	(27,515)
Employee benefit obligations	-	-	-
Other non-current liabilities	2,308	(145)	266
<b>Cash generated (paid) from operation</b>	<b>179,561</b>	<b>28,408</b>	<b>180,393</b>
Cash paid, interest paid	(3,928)	(4,239)	(539)
Cash Benefits Employee	(2,414)	(1,118)	(216)
Income tax paid	(33,148)	(31,707)	(41,907)
<b>Net cash generated from (paid in) operating activities</b>	<b>140,071</b>	<b>(8,656)</b>	<b>137,731</b>
<b>Cash flows from investment activities</b>		-	-
Proceeds from sales of temporary investment		-	-
(Increase) decrease in short-term loan		-	-
Cash paid for equity securities of other parties		-	-

Cash Dividends Received from Equity Instruments of Other Entities		-	-
Cash paid for equity securities in associates		-	-
Cash paid to purchase a subsidiary		-	-
Cash paid for intangible assets		-	-
Cash received from the sale of investments in subsidiaries		-	-
Cash received from sale of investment property		-	-
Proceeds from sales of real estate for investment	(9,658)	(61,329)	(84,014)
Cash paid for purchase of tangible assets	1,184	236	3,823
Cash received from purchase of other intangible assets	(112)	-	-
Proceeds from sales of equipment	-	-	-
<b>Net cash generated from (paid in) investment activities</b>	<b>212,261</b>	<b>(173,120)</b>	<b>(80,191)</b>
<b>Cash flows from financing activities</b>			
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	(165,100)	(164,918)	(1,591)
Increase (decrease) in short-term loans	-	-	-
Increase (decrease) in long-term loans	-	-	-
Payments for financial lease liabilities	(7,196)	(7,101)	(5,926)
Proceeds from share capital increase	-	-	-
Proceeds from share capital increase Subsidiary	-	-	31,500
Proceeds from Warrant	-	-	57,691
Dividends paid	(43,091)	(80,796)	(79,498)
<b>Net cash generated from (paid in) financial activities</b>	<b>(215,387)</b>	<b>77,021</b>	<b>2,176</b>
Net increase (decrease) in cash and cash equivalents	136,945	(104,755)	59,716
Cash and cash equivalents as at 1 January	86,880	191,635	131,919
<b>Cash and cash equivalents as at 31 December</b>	<b>223,825</b>	<b>191,635</b>	<b>86,880</b>

Financial ratio	2021	2020	2019
<b>Liquidity Ratio</b>			
Liquidity ratio (time)	8.51	6.18	11.21
Liquidity quick ratio (time)	2.19	0.73	2.06
Trade account receivable turnover ratio (time)	7.45	10.18	11.21
Average debt collection time (day)	49	35.87	32.55
Inventory turnover ratio (time)	0.74	0.42	0.50
Average goods selling time (day)	494.00	878.00	723.00
Account payable turnover ratio (time)	5.45	5.39	4.92
Debt repayment time (day)	67	67.68	74.12
Cash Cycle (day)	476	846.19	681.43
<b>Profitability Ratio</b>			
Gross profit rate (%)	30.8%	33.9%	34.3%
Net profit rate (%)	12.1%	9.9%	11.2%
Shareholder return rate (%)	4.64%	3.8%	5.1%
<b>Efficiency Ratio</b>			
Rate of return on total assets (%)	4.25%	3.4%	5.1%
Tangible asset turnover ratio (time)	2.02	1.80	2.46
Total assets turnover ratio (time)	0.35	0.34	0.46
<b>Financial Ratio</b>			
Rate of debt to equity ratio (time)	0.09	0.14	0.08
Interest solvency ratio (time)	36.91	24.33	149.55



# Management Discussion and Analysis (MD&A)

## Management Discussion and Analysis for the 2020 operating results (consolidated financial statement)

### 1. Operating result analysis for 2021 consolidated financial statement compared with the 2020

#### 1.1 Income from sale and service provision

In the year 2021 and 2020, the Company had revenues from sales and services of Baht 965.43 million and Baht 928.01 million, respectively. The total revenue was high by Baht 37.42 million or 4.03%. The segment of construction materials business increased by Baht 134 million or 17.6%. Real estate business decreased Baht 96.58 million or %58.6. The drop in sales was due to the economic conditions in Sabra, a result of the COVID-19 virus outbreak, and commercial banks' retail credit control measures. This is the main reason for the slowdown in the real estate sector this year.

Unit : Million Baht

	2021	2020	Difference	
			Increase (decrease)	%
1.1.Income from sale and service provision				
1.1.1 Construction materials	897.19	763.19	134.00	17.6%
1.1.2 Real estate business	68.24	164.82	(96.58)	-58.6%
1.1.3 Total income	965.43	928.01	37.42	4.0%

Proportions of incomes between construction material business and real estate business

Unit : Per cent

	2021	2020
Income from construction material business	93	82
Income from real estate business	7	18
Total income	100	100

#### 1.2 Costs of sale and service provision

Cost of sales and services in 2021 was Baht 667.70 million and Baht 613.24 million in 2020, a increase of Baht 54.46 million or 8.9% which corresponds to increased sales where the price of raw materials, especially steel, has increased As for energy, fuel and labor costs in 2021, the rates are close to those of 2020.

Unit : Million Baht

	2021	2020	Difference	
			Increase (decrease)	%
1.2 Cost of sale and service provision				
1.2.1 Construction material business	626.85	518.51	108.34	20.9%
1.2.2 Real estate business	40.85	94.73	(53.88)	-56.9%
1.2.3 Total cost of sale and service provision	667.70	613.24	54.46	8.9%

### 1.3 Gross profit

The gross profit margin of the year 2021 was Baht 297.73 million, a decrease of Baht 17.04 million or 5.4% in 2020 (Year 2020 gross profit is 314.77 million baht.) due to the decrease in sales and service income. The gross margin in the segment of construction materials business was Baht 270.35 million and the real estate business was Baht 27.38 million.

Unit : Million Baht

	2021	2020	Difference	
			Increase (decrease)	%
1.3 Gross profit				
1.3.1 Construction material business	270.35	244.68	25.67	10.5%
1.3.2 Real estate business	27.38	70.09	(42.71)	-60.9%
1.3.3 Total gross profit	297.73	314.77	(17.04)	-5.4%

Gross profit rate to total income from sale and service provision

Unit : Per cent

	2021	2020
Gross profit rate of construction material business	30.1	32.1
Gross profit rate of real estate business	40.12	42.5
Total gross profit	3.8	33.9

### 1.4 Selling expenses

Selling expenses were Baht 150.24 million and Baht 139.95 million for the year 2021 and 2020, respectively, increased by Baht 10.29 million or 7.4%. Because of new reporting categorization. The selling expenses of the construction materials business increased by Baht 22.42 million or 20.9% and the selling expenses of the real estate business decreased by Baht 12.13 million or 37.3%. Due to in 2021 there are no expenses for advertising, publicizing and promoting sales in stagnant market conditions.

Selling expenses compared to revenue from sales and services of the construction materials business were 14.5%, which is equal to 2020, and for the real estate business, it was 29.9% in 2020 and 19.8% in Year 2019. Increased due to sales of investment properties.

Unit : Million Baht

	2021	2020	Difference	
			Increase (decrease)	%
1.4 Selling expenses				
1.4.1 Construction material business	129.81	107.39	22.42	20.9%
1.4.2 Real estate business	20.43	32.56	(12.13)	37.3%
1.4.3 Total selling expenses	150.24	139.95	10.29	7.4%

Selling expense rate compared with income from sale and service provision

Unit : Per cent

	2021	2020
Selling expenses compared with income from sale		
Selling expenses of construction material business	14.5	14.5
Selling expenses of real estate business	29.9	19.8
Total selling expenses	15.6	15.1

#### 1.5 Administrative Expenses

Administrative expenses were Baht 85.34 million and Baht 69.95 million for the year 2021 and 2020, respectively, decreased by Baht 15.39 million or 22%.

#### 1.6 Financial costs

The financial cost in 2021 was Baht 3.94 million and in the year 2020 was Baht 4.72 million, decrease of Baht 0.78 million or 16.5%

#### 1.7 profit for the year

In 2021, the company had the net profit attributable to the parent company equal to 116.75 million baht, increased from 24.32 million baht in year 2020, representing 26.3 percent (In 2020, the net profit attributable to the parent company was 92.43 million baht), with The main reason was due to the sales increased by 134 million baht causing the gross profit to increase 25.67 million baht and the selling and administrative expenses increased by 39.94 million baht.

## 2. Analysis of financial position for the consolidated financial statements of 2021 and 2020

### 2.1 Assets

As at 31 December 2021 the Company and subsidiaries had total assets of 2,745 million Baht, decreasing by 45 million Baht or 1.61 per cent from 2020. Significant changes to the assets were:

Unit : Million Baht

	2021	2020	Difference	
			Increase (decrease)	%
Cash and cash equivalents, temporary investment	223.83	86.88	136.95	157.6%
Trade and other account receivables	141.91	118.93	22.98	19.3%
Inventories	1,058.24	1,532.89	(474.65)	-31.0%
Investments in associates	230.13	139.66	90.47	67.78%
Property, plant and equipment	150.99	9.66	141.33	1463%

1. Cash and cash equivalents, short-term investments increased by Baht 136.95 million due to cash flow from financing activities of Baht 215.38 million derived from investment activities of Baht 212.26 million and used in operating activities Baht 140.07 million.

2. Inventories decreased by Baht 474.65 million or 31%. Almost all of which were the decrease in the real estate business due to the inventories were transferred to investment properties of 329.54 million baht and other non-current assets of 133.42 million baht.

3. Investments in associates increased by 90.47 million baht due to investments in ordinary shares of the company. Prinsiri Public Company Limited, accounting for 10.08% of the registered capital of that company.

4. Other non-current assets increased by 141.33 million baht due to a dispute with a land seller. by the seller and the company have agreed to a compromise agreement The seller agreed to repay the company in the amount of 133.42 million baht by moving from inventories to other non-current assets instead.

## 2.2 Liabilities

As at 31 December 2021 the Company and subsidiaries had total liabilities of 230.86 million Baht, decreasing by 113.22 million Baht or 32.91 per cent from 2020. Material transactions were as follows.

Unit : Million Baht

	2021	2020	Difference	
			Increase (decrease)	%
Short-term loans from financial institutions	0.26	165.36	(165.10)	-99.8%
Trade payables and other payables	151.50	96.60	54.90	56.8%
Lease liabilities	24.18	26.61	(2.43)	-9.13%
Non-current Provisions - Employee Benefits	25.07	24.73	0.34	1.4%

1. Short-term loans from financial institutions decreased by 165.10 million baht or equal to 99.8% because the company received money from the sale of real estate for investment. Therefore, the money was used to repay short-term loans from financial institutions.

## 2.3 Shareholders' equity

As at the end of 2021, the Company and its subsidiaries had total shareholders' equity of Baht 2,513.95 million, an increase of Baht 68.03 million from the end of 2020 due to the increase in comprehensive income for the year 0.29 million baht, cash dividend payment of 43.09 million baht and net profit 110.83 million baht.

## **3. Liquidity, asset manageability and profitability**

As at 31 December 2021 the Company and subsidiaries had current assets of 1,423.97 million Baht and current liabilities of 167.28 million Baht, hence a liquidity ratio of 8.51 times and a liquidity quick ratio of 2.19 times, average debt collection time of 49 days and average debt repayment time of 67 days.

From the operating results of the year 2021, the company has a total net profit of 116.75 million baht, a decrease from the year 2020 by 24.32 million baht, resulting in the year 2021 the company has a return on total assets ratio of 4.3 percent. Fixed assets was 2.02 times, increased from 2020, which was 0.22 times, and total asset turnover was 0.35 times, decreasing from 2020, which was 0.01 times.

At the end of 2021, the Company and its subsidiaries had a total debt to equity ratio of 0.09 times, a decrease from the year 2020, which was 0.05 times.

## **AUDITOR'S REPORT**

### **To The Shareholders of DCON PRODUCTS PUBLIC COMPANY LIMITED**

#### **Opinion**

I have audited the accompanying consolidated and separate financial statements of DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES (the Group) and of DCON PRODUCTS PUBLIC COMPANY LIMITED (the Company), which comprise consolidated and separate statements of financial position as at December 31, 2021, consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in shareholders' equity, and consolidated and separate statements of cash flows for the year then ended, and notes to financial statements including a summary of significant accounting policies.

In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES and of DCON PRODUCTS PUBLIC COMPANY LIMITED as at December 31, 2021, and 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 Federation of Accounting Professions' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### **Key Audit Matters**

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



## **Recognition of revenues from sales of goods**

The Group have revenues from sales and services for the year ended December 31, 2021 amount of Baht 965.43 million. Most of revenue is derived from sales of construction materials amount Baht 897.19 million which is material amount in the financial statements as described in notes 31 to financial statements. Accordingly, I have addressed the accuracy of recognition of revenues from sales of goods as key audit matter.

I have obtained an assurance relating to the accuracy of recognition of revenues from sales, by included;

- Obtained an understanding of internal control system relating to recognition of revenues from sales of goods.
- Tested the significant internal control relating to the accuracy of recognition of revenues from sales of goods.
- Checked documents supporting revenues incurred during the year.
- Checked documents supporting subsequent revenues incurred after the end of period and also checked the revenues recognition in conformity with policy of the Group.

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

My opinion on the consolidated and separate 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 consolidated and separate 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 appropriately.

## **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 financial statements.

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

- ☐ Identify and assess the risks of material misstatement of the 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 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 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 period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

D I A International Audit Co., Ltd.

(Miss Somjintana Polhirunrat)

C.P.A. (Thailand)

Registration No. 5599

February 23, 2022

DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

		<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	Note	2021	2020	2021	2020
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	5	223,825,252.35	86,880,281.56	196,714,456.50	60,463,221.69
Trade and other current receivables	6	141,907,237.35	118,929,931.59	111,656,269.04	92,588,472.54
Short-term loans	7, 26	0.00	0.00	1,108,000,000.00	1,385,000,000.00
Inventories	8	1,058,241,174.25	1,532,889,389.30	74,533,053.04	64,188,619.41
<b>Total current assets</b>		<u>1,423,973,663.95</u>	<u>1,738,699,602.45</u>	<u>1,490,903,778.58</u>	<u>1,602,240,313.64</u>
<b>Non-current assets</b>					
Other non-current financial assets	9	16,600,000.00	0.00	16,600,000.00	0.00
Investments in associate	10	230,134,620.91	139,663,785.06	196,536,505.22	128,699,349.33
Investment in subsidiaries	11	0.00	0.00	532,663,420.71	532,663,420.71
Investment properties	12	398,808,296.72	333,390,622.27	0.00	0.00
Property, plant and equipment	13	478,846,710.77	510,277,049.84	319,469,464.63	343,937,648.33
Right-of-use assets	14	34,834,618.95	45,525,270.74	10,633,837.18	19,992,325.89
Other intangible assets	15	2,700,037.05	3,492,007.80	40,190.19	28,644.83
Deferred tax assets	16	7,918,185.95	9,292,535.10	7,059,633.26	8,423,563.14
Other non-current assets	17	150,991,018.79	9,657,386.02	1,754,606.02	2,665,678.96
<b>Total non-current assets</b>		<u>1,320,833,489.14</u>	<u>1,051,298,656.83</u>	<u>1,084,757,657.21</u>	<u>1,036,410,631.19</u>
<b>Total assets</b>		<u><u>2,744,807,153.09</u></u>	<u><u>2,789,998,259.28</u></u>	<u><u>2,575,661,435.79</u></u>	<u><u>2,638,650,944.83</u></u>

Notes to financial statements are parts of these financial statements.

DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (Continued)

AS AT DECEMBER 31, 2021

		Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	Note	2021	2020	2021	2020
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term borrowings					
from financial institutions	18	260,483.75	165,360,620.52	113,502.43	165,360,620.52
Trade and other current payables	19	151,497,104.79	96,597,236.09	99,709,635.80	77,479,039.93
Current portion of lease liabilities	20	2,427,462.34	7,192,413.34	1,522,614.99	6,328,170.14
Current income tax payable		13,098,695.71	12,143,286.61	12,015,783.66	10,936,635.78
Total current liabilities		167,283,746.59	281,293,556.56	113,361,536.88	260,104,466.37
Non-current liabilities					
Lease liabilities	20	24,179,190.94	26,610,069.58	0.00	1,522,615.39
Deferred tax liabilities	16	10,344,903.75	9,776,861.08	10,344,903.75	9,776,861.08
Non-current provisions for					
employee benefit	21	25,070,560.63	24,728,350.11	19,730,149.11	20,207,535.33
Other non-current liabilities		3,979,500.00	1,672,000.00	0.00	0.00
Total non-current liabilities		63,574,155.32	62,787,280.77	30,075,052.86	31,507,011.80
Total liabilities		230,857,901.91	344,080,837.33	143,436,589.74	291,611,478.17

Notes to financial statements are parts of these financial statements.



DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (Continued)

AS AT DECEMBER 31, 2021

		Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	Note	2021	2020	2021	2020
Liabilities and shareholders' equity (Cont'd)					
Shareholders' equity					
Share capital	22				
Authorized share capital					
5,528,786,396 common shares					
of Baht 0.10 each		552,878,639.60	552,878,639.60	552,878,639.60	552,878,639.60
Issued and paid-up share capital					
5,386,340,396 common shares					
of Baht 0.10 each		538,634,039.60	538,634,039.60	538,634,039.60	538,634,039.60
Share premium on common shares		1,325,756,836.14	1,325,756,836.14	1,325,756,836.14	1,325,756,836.14
Retained earnings					
Appropriated					
Legal reserve	23	55,700,034.29	55,700,034.29	55,700,034.29	55,700,034.29
Unappropriated	24	570,794,006.49	497,133,548.83	512,133,936.02	426,948,556.63
Other components of equity		(5,848,699.44)	(6,141,089.68)	0.00	0.00
Total owners of the Company		2,485,036,217.08	2,411,083,369.18	2,432,224,846.05	2,347,039,466.66
Non-controlling interests		28,913,034.10	34,834,052.77	0.00	0.00
Total shareholders' equity		2,513,949,251.18	2,445,917,421.95	2,432,224,846.05	2,347,039,466.66
Total liabilities and shareholders' equity		2,744,807,153.09	2,789,998,259.28	2,575,661,435.79	2,638,650,944.83

Notes to financial statements are parts of these financial statements.

DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

**STATEMENTS OF COMPREHENSIVE INCOME**

FOR THE YEAR ENDED DECEMBER 31, 2021

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2021	2020	2021	2020
Sales and services		965,430,475.02	928,012,841.93	786,027,068.89	658,377,512.14
Cost of sales and services		(667,701,568.95)	(608,950,579.80)	(532,084,302.43)	(436,592,742.01)
<b>Gross profit</b>		<b>297,728,906.07</b>	<b>319,062,262.13</b>	<b>253,942,766.46</b>	<b>221,784,770.13</b>
Other income					
Profit from the sale of investment properties		39,937,093.00	0.00	0.00	0.00
Dividend received		470,000.00	480,000.00	17,699,296.50	14,479,196.00
Others		21,136,144.31	13,339,005.87	17,718,339.19	10,341,201.63
Distribution costs		(150,242,481.04)	(144,241,231.05)	(121,725,858.67)	(104,131,982.61)
Administrative expenses		(91,011,279.72)	(79,835,414.76)	(42,610,675.62)	(45,328,660.92)
Profit from operation		118,018,382.62	108,804,622.19	125,023,867.86	97,144,524.23
Share of profit from investments in associate		27,321,289.72	11,113,120.78	0.00	0.00
Finance income		70,104.80	217,250.53	33,702,132.15	40,996,209.56
Finance costs		(3,941,090.83)	(4,936,531.47)	(2,536,813.63)	(3,692,665.03)
<b>Profit before income tax expense</b>		<b>141,468,686.31</b>	<b>115,198,462.03</b>	<b>156,189,186.38</b>	<b>134,448,068.76</b>
Tax expense	25	(30,638,054.72)	(25,823,675.36)	(27,913,317.89)	(23,368,921.42)
Profit for the year		110,830,631.59	89,374,786.67	128,275,868.49	111,079,147.34
Other comprehensive income					
Components of other comprehensive income that					
will not be reclassified to profit or loss					
- Profit from investments in equity instruments					
that are designated to measure at fair value		0.00	16,031,735.89	0.00	16,031,735.89
- Profit (losses) on remeasurements of defined					
benefit plans		0.00	892,029.28	0.00	596,504.61
- Share of other comprehensive income from					
investments in associate		292,390.24	(148,685.05)	0.00	0.00
- Tax expense		0.00	(3,384,753.04)	0.00	(3,325,648.10)
<b>Other comprehensive income for the year</b>		<b>292,390.24</b>	<b>13,390,327.08</b>	<b>0.00</b>	<b>13,302,592.40</b>
<b>Total comprehensive income for the year</b>		<b>111,123,021.83</b>	<b>102,765,113.75</b>	<b>128,275,868.49</b>	<b>124,381,739.74</b>

Notes to financial statements are parts of these financial statements

DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

**STATEMENTS OF COMPREHENSIVE INCOME (Cont'd)**

FOR THE YEAR ENDED DECEMBER 31, 2021

		<b>Consolidated financial statements (Baht)</b>		<b>Separate financial statements (Baht)</b>	
	<b>Note</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Profit (loss) attributable to :					
Owners of the Company		116,750,946.76	92,433,647.51	128,275,868.49	111,079,147.34
Non-controlling interests		(5,920,315.17)	(3,058,860.84)	0.00	0.00
Grand total		<u>110,830,631.59</u>	<u>89,374,786.67</u>	<u>128,275,868.49</u>	<u>111,079,147.34</u>
Total comprehensive income (expense) attributable to :					
Owners of the Company		117,043,337.00	105,823,974.59	128,275,868.49	124,381,739.74
Non-controlling interests		(5,920,315.17)	(3,058,860.84)	0.00	0.00
Grand total		<u>111,123,021.83</u>	<u>102,765,113.75</u>	<u>128,275,868.49</u>	<u>124,381,739.74</u>
Earnings per share					
Basic earnings per share		0.02	0.02	0.02	0.02
Weighted average number of common shares		5,386,340,396	5,386,340,396	5,386,340,396	5,386,340,396

Notes to financial statements are parts of these financial statements.

DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2021

Consolidated financial statements (Baht)

Note	Owners of the Company							Non-controlling interests	Total shareholders' equity	
	Issued and paid-up share capital	Share premium	Retained earnings		Other components of shareholders' equity					
			Appropriated	Unappropriated	Different of change in proportion of investment in subsidiary	Share of other comprehensive income from investments in associate	Total of the Company			
	538,634,039.60	1,325,756,836.14	55,700,034.29	497,133,548.83	(5,992,404.63)	(148,685.05)	(6,141,089.68)	2,411,083,369.18	34,834,052.77	2,445,917,421.95
Changes in shareholders' equity for the year:										
24	Dividend paid	0.00	0.00	(43,090,489.10)	0.00	0.00	0.00	(43,090,489.10)	(703.50)	(43,091,192.60)
	Profit for the year	0.00	0.00	116,750,946.76	0.00	0.00	0.00	116,750,946.76	(5,920,315.17)	110,830,631.59
	Other comprehensive income for the period	0.00	0.00	0.00	0.00	292,390.24	292,390.24	292,390.24	0.00	292,390.24
	Ending balance of the year 2021	538,634,039.60	1,325,756,836.14	55,700,034.29	570,794,006.49	(5,992,404.63)	143,705.19	2,485,036,217.08	28,913,034.10	2,513,949,251.18
	Beginning balance of the year 2020, restated	538,634,039.60	1,325,756,836.14	55,700,034.29	471,955,974.87	(5,992,404.63)	0.00	2,386,054,480.27	37,893,687.61	2,423,948,167.88
Changes in shareholders' equity for the year:										
	Acquisition of subsidiaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00	30.00	30.00
24	Dividend paid	0.00	0.00	0.00	(80,795,085.68)	0.00	0.00	(80,795,085.68)	(804.00)	(80,795,889.68)
	Profit for the year	0.00	0.00	0.00	92,433,647.51	0.00	0.00	92,433,647.51	(3,058,860.84)	89,374,786.67
	Other comprehensive income for the period	0.00	0.00	0.00	13,539,012.13	0.00	(148,685.05)	13,390,327.08	0.00	13,390,327.08
	Ending balance of the year 2020	538,634,039.60	1,325,756,836.14	55,700,034.29	497,133,548.83	(5,992,404.63)	(148,685.05)	2,411,083,369.18	34,834,052.77	2,445,917,421.95

Notes to financial statements are parts of these financial statements.

DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

FOR THE YEAR ENDED DECEMBER 31, 2021

	Note	Separate financial statements (Baht)			
		Issued and paid-up share capital	Share premium	Retained earnings	
				Appropriated	Unappropriated
					Total shareholders' equity
Beginning balance of the year 2021		538,634,039.60	1,325,756,836.14	55,700,034.29	426,948,556.63
Changes in shareholders' equity for the year:					
Dividend paid	24	0.00	0.00	0.00	(43,090,489.10)
Profit for the year		0.00	0.00	0.00	128,275,868.49
Ending balance of the year 2021		538,634,039.60	1,325,756,836.14	55,700,034.29	512,133,936.02
Beginning balance of the year 2020, restated		538,634,039.60	1,325,756,836.14	55,700,034.29	383,361,902.57
Changes in shareholders' equity for the year:					
Dividend paid	24	0.00	0.00	0.00	(80,795,085.68)
Profit for the year		0.00	0.00	0.00	111,079,147.34
Other comprehensive income for the year		0.00	0.00	0.00	13,302,592.40
Ending balance of the year 2020		538,634,039.60	1,325,756,836.14	55,700,034.29	426,948,556.63

Notes to financial statements are parts of these financial statements.

DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

**STATEMENTS OF CASH FLOWS**

FOR THE YEAR ENDED DECEMBER 31, 2021

	<b>Consolidated financial statements (Baht)</b>		<b>Separate financial statements (Baht)</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Cash flows from operating activities				
Profit for the year	110,830,631.59	89,374,786.67	128,275,868.49	111,079,147.34
Adjustment				
Tax expense	30,638,054.72	25,823,675.36	27,913,317.89	23,368,921.42
Expected credit losses (reverse)	(201,614.89)	(3,251,165.43)	(870,200.11)	(3,276,782.63)
Loss from goods value adjustment(reverse)	14,128,242.36	1,063,237.70	(403,019.58)	149,240.54
Loss on fair value adjustments	164,600.50	0.00	164,600.50	0.00
Share of profit from investments in associate	(27,321,289.72)	(11,113,120.78)	0.00	0.00
Depreciation	55,102,372.99	55,529,255.07	35,979,734.86	41,928,143.20
Profit from the sale of investment properties	(39,937,198.00)	0.00	0.00	0.00
(Gain) loss on disposal/disuse of equipment	(447,665.88)	12,558.82	(260,757.74)	(77.00)
Amortized other intangible assets	904,445.75	801,647.51	8,374.64	8,222.47
Amortized other assets	0.00	52,345.08	0.00	0.00
Provision for employee benefit	2,379,839.01	4,618,350.61	1,621,486.75	3,837,875.28
Dividend received	(470,000.00)	(480,000.00)	(17,699,296.50)	(14,479,196.00)
Interest expenses	4,119,431.20	4,713,294.54	2,536,813.63	3,692,665.03
	149,889,849.63	167,144,865.15	177,266,922.83	166,308,159.65
(Increase) Decrease in portion of operating assets				
Trade and other current receivables	(24,554,502.41)	6,662,085.44	(18,197,596.39)	13,299,216.24
Inventories	(2,444,990.86)	(116,475,526.31)	(9,941,414.05)	(957,600.44)
Other non-current assets	(721,694.72)	2,970,706.19	911,072.94	5,080,751.20
Increase (Decrease) in portion of operating liabilities				
Trade and other current payables	55,084,800.19	(31,748,812.27)	22,230,595.87	(10,565,809.90)
Other non-current liabilities	2,307,500.00	(145,000.00)	0.00	0.00
Cash generated (paid) from operation	179,560,961.83	28,408,318.20	172,269,581.20	173,164,716.75
Employee benefit paid	(2,413,898.00)	(1,117,930.00)	(2,413,898.00)	(1,117,930.00)
Interest paid	(3,928,093.18)	(4,239,056.95)	(2,221,788.60)	(3,218,427.44)
Income tax paid	(33,147,966.31)	(31,706,800.20)	(24,902,197.46)	(25,435,925.34)
Net cash provided by (used in) operating activities	140,071,004.34	(8,655,468.95)	142,731,697.14	143,392,433.97

Notes to financial statements are parts of these financial statements.



DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

**STATEMENTS OF CASH FLOWS (Continued)**

FOR THE YEAR ENDED DECEMBER 31, 2021

	<b>Consolidated financial statements (Baht)</b>		<b>Separate financial statements (Baht)</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Cash flows from investing activities				
Proceeds from short-term loans	0.00	0.00	327,500,000.00	66,000,000.00
Payments for short-term loans	0.00	0.00	(50,500,000.00)	(249,000,000.00)
Payments for acquire of equity securities				
of other parties	(16,764,600.50)	(80,068,264.11)	(16,764,600.50)	(80,068,264.11)
Dividend received from equity of other parties	470,000.00	480,000.00	470,000.00	480,000.00
Payments for investments in associate	(67,837,155.89)	(31,760,044.82)	(67,837,155.89)	(31,760,044.82)
Dividend received from investments in associate	4,980,000.00	0.00	4,980,000.00	0.00
Payments for acquisition of subsidiaries,				
net of cash received	0.00	(52,315.08)	0.00	0.00
Dividend received from subsidiary	0.00	0.00	12,249,296.50	13,999,196.00
Proceeds from investment properties	300,000,000.00	0.00	0.00	0.00
Proceeds from sales of equipment	1,183,751.51	235,762.39	353,728.97	198,379.21
Payments for building/equipment	(9,658,394.66)	(61,328,379.91)	(2,246,033.68)	(8,765,158.77)
Payments for other intangible assets	(112,475.00)	(626,991.30)	(19,920.00)	0.00
Net cash provided by (used in) investing activities	<u>212,261,125.46</u>	<u>(173,120,232.83)</u>	<u>208,185,315.40</u>	<u>(288,915,892.49)</u>
Cash flows from financing activities				
Increase (Decrease) in bank overdrafts and				
short-term borrowings from financial institutions	(165,100,136.77)	164,917,620.38	(165,247,118.09)	164,917,620.38
Payments for lease liabilities	(7,195,829.64)	(7,100,645.07)	(6,328,170.54)	(7,519,397.61)
Dividend paid	(43,091,192.60)	(80,795,889.68)	(43,090,489.10)	(80,795,085.68)
Net cash provided by (used in) financing activities	<u>(215,387,159.01)</u>	<u>77,021,085.63</u>	<u>(214,665,777.73)</u>	<u>76,603,137.09</u>
Net increase (decrease) in cash and cash equivalents	<u>136,944,970.79</u>	<u>(104,754,616.15)</u>	<u>136,251,234.81</u>	<u>(68,920,321.43)</u>
Cash and cash equivalents as at January 1	<u>86,880,281.56</u>	<u>191,634,897.71</u>	<u>60,463,221.69</u>	<u>129,383,543.12</u>
Cash and cash equivalents as at December 31	<u><u>223,825,252.35</u></u>	<u><u>86,880,281.56</u></u>	<u><u>196,714,456.50</u></u>	<u><u>60,463,221.69</u></u>

Notes to financial statements are parts of these financial statements.

DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

**1. GENERAL INFORMATION**

1.1 The Company was registered as a company limited on August 6, 1996 with registration No. (1) 1955/2539. On March 24, 2004, the Company has changed its status to public company limited with registration No. 0107547000303.

1.2 The Company's office is located at 3300/57 Chang Tower B Building, 8th floor, Phaholyothin Road, Ladyao Bangkok and the factories are located as follows

1st factory : 33 Moo 8, Phaholyothin Road, Tambon Chong Sarika, Amphur Pattananikom, Lopburi.

2nd factory : 280 Moo 1, Leing Mueng Road, Tambon Chong Sarika, Amphur Pattananikom, Lopburi.

3rd factory : 39/3 Moo 7, Tambon Natai, Amphur Ban Naduam, Suratthani.

4th factory : 236 Moo 11, Tambon Phang, Amphur Kosumpisai, Mahasarakham.

5th factory : 567 Moo 1, Tambon Makhamku, Amphur Nikhompattana, Rayong.

1.3 The Company engaged in business of manufacturing and selling of construction supplies (precast floor concrete post and others).

1.4 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 (COVID-19) pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. Nevertheless, the Group's management will continue to monitor the ongoing situation and regularly assess the financial impact in respect of valuation of assets, financial impact in respect of valuation of assets provisions and contingent liabilities. The degree of the impact severity is dependent upon the pandemic controlling measures imposed by government and the duration of the pandemic.

## **2. PREPARATION OF INTERIM FINANCIAL INFORMATION BASIS**

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

The financial statements have been prepared under the historical cost convention, except as transaction disclosed in related accounting policy.

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

### **2.2 New financial reporting standards**

#### **2.2.1 Financial reporting standards that became effective in the current year**

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

#### **2.2.2 Financial reporting standards that will become effective for fiscal years beginning on or after January 1, 2022**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 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. CONSOLIDATED FINANCIAL INFORMATION PREPARATION BASIS

The consolidated financial statements of Dcon Products Public Company Limited and its subsidiaries in which the Company has ability to control in making financial and operating decisions and recognise investments in associates using the equity method as follows:

	Registration	Percentage of shareholding		Type of business
	in	December31,	December31,	
		2021	2020	
<u>Subsidiaries</u>				
Orrada Co., Ltd.	Thailand	99.99	99.99	Sales and lease of real estate
Rompo Products Co., Ltd	Thailand	99.99	99.99	Manufacturing and selling of precast floor
DSC Product Co., Ltd.	Thailand	69.99	69.99	Manufacturing and distribute of construction material, precast wall and other precast partition
Wisarawan Co., Ltd. (held by Orrada Co., Ltd. 99.99%)	Thailand	99.99	99.99	Sales of real estate
<u>Associate</u>				
Prinsiri Plc.	Thailand	10.08	6.72	Property development for sale

The consolidated financial have been prepared in conformity with the same accounting policy for the same accounts and accounting events of the Company and subsidiaries. The date of the financial statements is the same as the Company.

The balance of accounts and transactions between the Group unrealized gain between of the Company and net assets of subsidiaries have been eliminated from the interim consolidated financial information.

#### **4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **4.1 Revenues and expenses recognition**

4.1.1 Revenue from sales of goods based on the consideration that the most of sales of goods contract of the Group satisfied a performance obligation. Revenues from sales are recognised when the control of goods has been transferred to the customers at the point in time. In the case of sales of goods and services, components of revenues will allocate to transition to the performance obligation in the contract by reference to their relative Stand-alone selling price of goods or services which are distinct in accordance with the contractual obligations.

4.1.2 Revenues from rent of real estate based on the consideration that the subsidiary satisfied a performance obligations. Rental is recognised on over time and recognised as income on a straight-line basis on over the period of lease as indicated in the contract.

4.1.3 Revenues from sales of real estate based on the consideration that the most of sale contract of land and houses, and units of condominium residence, the Group satisfied a performance obligation, therefore revenues from sales are recognised on a point in time when the ownership had been transferred. Revenues from sales of real estate are stated at the amounts receive deducted with discount and expenses which the Group's payments to customers, the payments condition are based on the installment as indicated in the contract with customers. Amounts received from customers before the transfer of ownership, are presented as amounts received in advance from customers in statements of financial position.

4.1.4 Dividend income is recognised when the shareholder's right to receive payment.

4.1.5 Interest income recognised as income on an accrual basis by reference to the effective interest rate.

##### **4.2 Cash and cash equivalents**

Cash and cash equivalents included cash on hand and at banks of which the maturity is less than three months from the deposit date and without restriction on withdrawal.

#### 4.3 Trade and other receivables

4.3.1 Trade and other current receivables are stated at the rights to receive amount / invoice amount less allowance for loss of financial assets.

4.3.2 The Group recognises an allowance for expected credit losses on its financial assets measured at amortized cost, without requiring a credit-impaired event to have occurred prior to the recognition, the Group applies a simplified approach to determine the lifetime expected credit losses.

#### 4.4 Inventory

Inventories are valued at the lower of cost on a first-in first-out (FIFO) basis or net realizable value.

Cost of land development is stated at cost which consist of cost of land acquisition, land development and expenses directly related to the project including interest.

#### 4.5 Other non-current financial assets

Investments in marketable equity securities are stated at fair value. Gain or loss on changes in fair value is recognised as profit or loss in other comprehensive income.

#### 4.6 Investment

4.6.1 Investments in subsidiaries and associates in the separate financial statements are carried at cost less allowance for impairment of investments (if any).

4.6.1 Investments in associate in the consolidated financial statements are stated under equity method.

#### 4.7 Investment properties

4.7.1 Investment properties are properties held to earn rental or for capital appreciation or both.

4.7.2 Subsidiaries are stated land at cost, building at cost less accumulated depreciation and devaluation of assets (if any). Cost is included initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the subsidiaries incur.

4.7.3 Subsidiaries calculated depreciation on a straight-line basis over the estimated useful lives of assets and the depreciation charge has to be determined separately for each significant parts of assets item with the cost that is significant in relation to the total cost of the assets item. In addition, the entity is required to review the useful lives, residual value and depreciation method at least at each financial year-end.

The estimated useful lives of building is 20 years and 30 years.

Land and assets under construction were not depreciated.

#### 4.8 Property, plant and equipment

4.8.1 Land is stated at cost. Building and equipment are stated at cost less accumulated depreciation and provision for impairment of assets (if any). Cost is included initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Company incurs.

4.8.2 Building and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets and the depreciation charge has to be determined separately for each significant parts of assets with the cost that is significant in relation to the total cost of assets item. In addition, the entity is required to review the useful lives, residual value and depreciation method at least at each financial year-end.

The estimated useful lives of the assets are follows :

	Number of years
Building and building improvement	5, 10 and 20
Machinery and equipment	5, 10 and 15
Underground well	5 and 10
Furniture, fixtures and office equipment	5
Vehicles	5 and 10

Land and assets under construction were not depreciated.



#### 4.9 Other intangible assets

Other intangible assets are valued at cost less accumulated amortization and provision for impairment of assets (if any).

Amortization is calculated on a straight-line basis as follows :

	Number of years
Computer software	10
Research and development costs	15

#### 4.10 Right-of-use assets / lease liabilities

##### Right-of-use assets

- 1) The Group recognised right-of-use assets at the commencement date. Right-of-use assets are stated at cost less any accumulated depreciation, provision for accumulated impairment, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and the lease payments made at or before the commencement date, less any lease incentives received.
- 2) If it is reasonably certain to be exercised that the ownership of reference assets will be transferred to the Group when the lease term is terminated. Depreciation of right-of-use is calculated by a straight-line basis from the commencement date until the termination date of the useful life of right-of-use assets or lease term termination date whichever is earlier.
- 3) The Group depreciated right-of-use assets by a straight-line basis over the useful life of the right-of-use assets or the lease period as follows:

	Number of years
Land & Building	20
Vehicles	5

#### Lease liabilities

At the commencement date of the lease, the Group recognised lease liabilities at the present value of lease payments payable over the lease term, discounted by the interest rate implicit in the lease present value or the Group's incremental borrowing rate. 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 low-value assets

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

#### 4.11 Impairment of non-financial assets

The Group has reviewed the impairment of assets whenever events or changes indicated that the carrying amount of an asset exceeds its recoverable amount (net selling price of the asset under the current operations or its utilization value whichever is higher). The Group will consider the impairment of each assets item or each asset unit generating cash flow, whenever is practical. The Group will recognised an impairment loss in statements of comprehensive income and reverse the impairment loss whenever there is an indication that there is no longer impairment or reduction in impairment.

#### 4.12 Financial instruments

##### Classification and measurement

- 1) The Group classifies financial assets, at the initial recognition, as to be subsequently measured at amortized cost, fair value through other comprehensive income, or fair value through profit or loss. The classification is derived by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.
- 2) The Group classifies financial liabilities, at the initial recognition, as to be measured at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortized cost using effective interest rate method. Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortization process. In determining amortized cost, the Group takes into account any fees or costs that are an integral part of the effective interest rate. The amortization of effective interest rate is included in finance costs in profit or loss.

#### Impairment of financial assets

The Group recognises an allowance for expected credit losses on its financial assets measured at amortized cost, without requiring a credit-impaired event to have occurred prior to the recognition. The Group accounts for changes in expected credit losses in stages, with differing methods of determining allowance for credit losses and the effective interest rate applied at each stage. An exception from this approach is that for trade receivables or contract assets that do not contain a significant financing component, the Group applies a simplified approach to determine the lifetime expected credit losses.

#### 4.13 Employee benefits

##### 4.13.1 Provident Fund

The Group have established provident fund under the defined contribution plan. The fund's assets are separated entities which are administered by the outsider fund manager. The Group and employees made contribution into such provident fund. The Company's contribution payments to the provident fund were recorded as expenses in statements of comprehensive income in the period in which they are incurred.

##### 4.13.2 Post-employee benefits

The Group provide for post-employment benefits, payable to employees under the Thai Labor Law. The present value of employee benefit liabilities recognised in the statements of financial position is estimated on an actuarial basis using Projected Unit Credit Method of which calculated by the Independent Actuary by using Actuarial Technique. The calculation was made from determining the present value of future cash flows expected to be required to settle and determines discount rate by reference to market yield of government bonds should have terms to maturity approximately equal to the terms of such obligations. In determine the future cash flows expected to be required to settle is used from employees' salaries, turnover, length of services and other factors. Changes in actuarial gains or losses are recognised in the period in which they are incurred in other comprehensive income. Expenses related to employee benefits shall be recorded in profit or loss for sharing such expenses throughout the period of services rendering.

#### 4.14 Related party transactions

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

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

#### 4.15 Income tax and deferred tax

1. Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised 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 recognised 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 recognised that it is probable that they will not utilize in the foreseeable future.
2. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they adjust, using tax rates enacted or substantively enacted at the reporting date.
3. In determining the amount of current and deferred tax, the Group take into account the impact of uncertain tax positions and whether additional taxes and interest may be settled. The Group believe 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 Group 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.

4. 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 the Group intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.
5. A deferred tax asset is recognised 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 against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date

#### 4.16 Provisions

The Group recognise a provision when an entity has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of economic benefits resources will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. If some or all the expenditure is required to settle a provision, is expected to be reimbursed when it is virtually certain that reimbursement will be received if the Group settles the obligation. The amount recognised should not exceed the amount of the provisions.

#### 4.17 Measurement of fair values

The Group have an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including level 3 fair values, and reports directly to CFO.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuation should be classified.

When measuring the fair value of an asset or a liability, the Group use market observable date as fair as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows :

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

If the inputs used to measure the fair value of an asset or liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirely in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognised transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

#### 4.18 Significant accounting judgements and estimates

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

##### Allowance for expected credit losses of trade receivables and contract assets

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

##### Allowance for diminution in value of inventory

The determination of allowance for diminution in the value of inventory, requires management to make judgements and estimates. The allowance for decline in net realizable value is estimated based on the selling price expected in the ordinary course of business; and provision for obsolete, slow-moving and deteriorated inventories, is estimated based on the approximate useful life of each type of inventory.

#### Depreciation of plant and equipment / right-of-use assets

In determining depreciation of plant and equipment / right-of-use assets, the management is required to make estimates of the useful lives and residual values of the plant and equipment / right-of-use assets and to review estimate useful lives and residual values when there are any changes.

#### Intangible assets

The initial recognition and measurement of intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

#### Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised.

#### Allowance of impairment of assets non-financial

In testing of impairment of assets, the management requires to make judgment in estimating future cash flows or cash generating unit of assets including discount rate selection which are appropriate in calculating the valuation of that current cash flows.

#### Post-employment benefits under defined benefit plans and other long-term employee benefits

The obligation under the defined benefit plans and other long-term employee benefit plans are determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

### 4.19 Earnings per share

Earnings (Loss) per share as presented in the statements of comprehensive income is the basic earnings per share which is determined by dividing the net profit for the year by the weighted average number of common shares issued and paid-up during the year.



5. **SUPPLEMENT DISCLOSURE OF CASH FLOWS INFORMATION**

5.1 Cash and cash equivalents comprise:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements (Baht)</b>		<b>financial statements (Baht)</b>	
	<b>December 31,</b>	<b>December 31,</b>	<b>December 31,</b>	<b>December 31,</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Cash	717,000.00	695,000.00	420,000.00	420,000.00
Cash at banks - current accounts	12,598,980.31	8,497,270.49	7,235,160.07	3,919,537.46
Cash at banks - savings deposit	210,508,220.56	77,686,962.04	189,059,296.43	56,123,684.23
Cash at banks - fixed deposit				
with 3 months	1,051.48	1,049.03	0.00	0.00
Total	<u>223,825,252.35</u>	<u>86,880,281.56</u>	<u>196,714,456.50</u>	<u>60,463,221.69</u>

6. **TRADE AND OTHER CURRENT RECEIVABLES**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements (Baht)</b>		<b>financial statements (Baht)</b>	
	<b>December 31,</b>	<b>December 31,</b>	<b>December 31,</b>	<b>December 31,</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Trade accounts receivable	144,557,240.66	120,066,539.93	117,593,601.59	98,317,596.31
Other current receivables				
Amount received in advance				
for goods	0.00	200,000.00	0.00	144,175.00
Prepaid expenses	0.00	438,817.51	0.00	438,817.51
Damage insurance	1,365,303.16	1,271,099.79	1,365,303.16	1,271,099.79
Revenue Department receivable	7,137,812.92	7,766,710.82	0.00	0.00
Others	<u>7,065,274.09</u>	<u>7,606,771.91</u>	<u>2,162,585.05</u>	<u>2,752,204.80</u>
Total	160,125,630.83	137,349,939.96	121,121,489.80	102,923,893.41
Less Allowance for expected credit losses				
Trade accounts receivable	(16,800,881.48)	(17,002,496.37)	(9,465,220.76)	(10,335,420.87)
Other current receivables	<u>(1,417,512.00)</u>	<u>(1,417,512.00)</u>	<u>0.00</u>	<u>0.00</u>
Net	<u>141,907,237.35</u>	<u>118,929,931.59</u>	<u>111,656,269.04</u>	<u>92,588,472.54</u>

Billed trade accounts receivable separated on aging as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements (Baht)</b>		<b>financial statements (Baht)</b>	
	<b>December 31,</b>	<b>December 31,</b>	<b>December 31,</b>	<b>December 31,</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Undue trade accounts receivable	90,268,868.65	75,086,999.08	76,675,583.25	62,648,294.87
Overdue trade accounts receivable				
Less than 3 months	37,925,119.96	28,417,861.17	32,074,194.92	26,471,113.08
Over 3 months to 6 months	2,178,648.87	732,416.33	2,043,550.78	395,902.16
Over 6 months to 12 months	426,079.00	1,859,300.37	390,935.98	1,499,398.72
More than 12 months	13,758,524.18	13,969,962.98	6,409,336.66	7,302,887.48
<b>Total</b>	<b>144,557,240.66</b>	<b>120,066,539.93</b>	<b>117,593,601.59</b>	<b>98,317,596.31</b>

## 7. SHORT-TERM LOANS

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements (Baht)</b>		<b>financial statements (Baht)</b>	
	<b>December 31,</b>	<b>December 31,</b>	<b>December 31,</b>	<b>December 31,</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Other persons	3,570,350.00	3,570,350.00	3,570,350.00	3,570,350.00
Subsidiary	0.00	0.00	1,108,000,000.00	1,385,000,000.00
<b>Total</b>	<b>3,570,350.00</b>	<b>3,570,350.00</b>	<b>1,111,570,350.00</b>	<b>1,388,570,350.00</b>
Less Allowance for expected				
credit losses	(3,570,350.00)	(3,570,350.00)	(3,570,350.00)	(3,570,350.00)
<b>Net</b>	<b>0.00</b>	<b>0.00</b>	<b>1,108,000,000.00</b>	<b>1,385,000,000.00</b>

As at December 31, 2021 and 2020, the Company has short-term loans to two subsidiaries by receiving promissory notes at the interest rate of 2.5-6% per annum.

## 8. INVENTORIES

	Consolidated		Separate	
	financial statements (Baht)		financial statements (Baht)	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Finished goods	37,273,749.86	34,220,156.30	33,076,636.24	32,071,696.25
Raw materials and supplies	48,303,633.33	36,842,289.08	41,999,374.23	33,062,900.17
Cost of land for development				
Land	767,171,475.44	913,507,901.12	0.00	0.00
Land for development	60,401,078.55	59,761,311.58	0.00	0.00
Work in progress	1,324,158,412.51	1,300,119,407.59	0.00	0.00
Total	2,237,308,349.69	2,344,451,065.67	75,076,010.47	65,134,596.42
Less Cost of land for development				
transfer to cost of sales	(848,536,180.85)	(810,576,321.48)	0.00	0.00
Less Transfer to investment				
properties	(329,539,549.55)	0.00	0.00	0.00
Total	1,059,232,619.29	1,533,874,744.19	75,076,010.47	65,134,596.42
Less Allowance for loss on				
revaluation of inventories	(991,445.04)	(985,354.89)	(542,957.43)	(945,977.01)
Total	1,058,241,174.25	1,532,889,389.30	74,533,053.04	64,188,619.41

During the year 2021, the subsidiary has transferred condominium in the amount of 329.54 million to be presented as investment properties since they are used for rent (note 12).

On December 14, 2021, the Company entered into a compromise agreement (note 34.5), the Company, therefore, transferred the land under the contract at a cost of Baht 147.40 million to presented as "Obligated land" in other non-current asset accounts.

On May 3, 2019, a subsidiary entered into agreement to purchase one plot of land with the seller in the price of Baht 20.37million which agreed to make payment for this land amounting to Baht 18.37 million on the ownership transferring date and the remaining amount of Baht 2 million is made payment when the seller revoked the complaint in respect to the construction project with various government agencies, including successfully dismantled the accessories and property from the land and promised to pay another amount of Baht 11.63 million. When the subsidiary get benefits from the use this plot of land to be revised construction drawing, to make the smaller room and expand the sales area and requested the new approval from the EIA, by making payment to the seller within 30 days after receiving approval from the EIA. In 2019, the subsidiary has made payment for land cost amount of Baht 20.37 million includes the receiving the land ownership transfer. Later, on February 24, 2020, the seller who is jointly owned such land, has prosecuted the subsidiary by requesting the payment for another amount of Baht 5.95 million with interest at the rate of 7.5% per annum (note 34.4).

As at December 31, 2021, land with land development and work under-construction of a subsidiary at the cost amounted to Baht 228.59 million, were mortgaged as collaterals against any liabilities to a bank for the amount of Baht 397 million (bank overdrafts amount of Baht 5 million, the letter of guarantee is Baht 60 million and long-term borrowings amount of Baht 332 million).

#### 9. OTHER NON-CURRENT FINANCIAL ASSETS

As at December 31, 2021, the Company has investments in listed equity securities of two institutions, measured fair value through profit or loss, the details are as follows:

	<b>Consolidated and Separate financial statements</b>
Carrying value as at January 1, 2021	0.00
Addition	16,764,600.50
Unrealised loss on changes in fair value	(164,600.50)
Carrying value as at December 31, 2021	<u>16,600,000.00</u>

## 10. INVESTMENTS IN ASSOCIATE

Company's name	Type of business	Relationship	Paid-up share capital (Baht)		Percentage of shareholding		Consolidated financial statements		Separate financial statements		(Unit: Baht)
			Dec. 31, 2021	Dec. 31, 2020	Dec. 31, 2021	Dec. 31, 2020	Carrying amounts under equity method		Cost method		
Prinsiri Public Company Limited)	Real estate development for sale	Shareholders and directorship	1,220,011,755.00	1,220,011,755.00	10.08	6.72	230,134,620.91	139,663,785.06	196,536,505.22	128,699,349.33	

10.1 As at December 31, 2021 and 2020, the Company and directors hold ordinary shares of Pinsiri Public Company Limited at the proportion of 30.34% and 21.79% respectively, of the issued and paid-up share capital. The Company joined with the directors of the Company, to hold ordinary shares in such company and has a director hold a position as the Board of directors. As a result, the Company has significant influence in such company, therefore, the Company classifies to measure the value at the cost in the separate financial statements and the book value by using the equity method in the consolidated financial statements.

10.2 In the second quarter of 2021, the Company received dividend from investments in associate in the amount of Baht 4.98 million.

10.3 The financial statements for the year ended December 31, 2021 of above associate that were taken into the consolidated financial statements, prepared by the management of associate which have not been reviewed by the auditor.

	Total assets (Baht)		Total liabilities (Baht)		Total income (Baht)		Total comprehensive income for the year (Baht)	
	Dec. 31, 2021	Dec. 31, 2020	Dec. 31, 2021	Dec. 31, 2020	Dec. 31, 2021	Dec. 31, 2020	Dec. 31, 2021	Dec. 31, 2020
Prinsiri Public Company Limited	11,303,892,343	9,243,074,609	6,448,954,583	4,609,168,396	2,322,088,589	2,439,666,204	294,232,072	283,633,237

## 11. INVESTMENTS IN SUBSIDIARIES

Company's name	Type of business	Relationship	Paid-up share capital (Baht)		Percentage of shareholding		Separate financial statements (Baht)			
			Dec. 31, 2021	Dec. 31, 2020	Dec. 30, 2021	Dec. 31 2020	Cost method		Dividend income	
							Dec. 31, 2021	Dec. 31, 2020	Dec. 31, 2021	Dec. 31, 2020
Orrada Co., Ltd.	Sales and lease real estate	Shareholders and directorship	400,000,000.00	400,000,000.00	99.99	99.99	400,000,000.00	400,000,000.00	0.00	0.00
Rompo Products Co., Ltd.	Manufacturing and selling of precast floor	Shareholders and directorship	35,000,000.00	35,000,000.00	99.99	99.99	41,663,520.71	41,663,520.71	12,249,296.50	13,999,196.00
DSC Product Co., Ltd.	Manufacturing and selling of light precast partition wall	Shareholders and directorship	130,000,000.00	130,000,000.00	69.99	69.99	90,999,900.00	90,999,900.00	0.00	0.00
Total			532,663,420.71	532,663,420.71			532,663,420.71	532,663,420.71	12,249,296.50	13,999,196.00

The financial statements for the year ended December 31, 2021 and 2020 of above subsidiaries have been taken for preparing the consolidated financial statements which were audited by the auditor.

## 12. INVESTMENT PROPERTIES

Consolidated financial statements (Baht)				
	Land	Building/ condominium	Works under construction	Total
Assets cost :				
As at January 1, 2020	310,161,625.38	47,323,620.04	0.00	357,485,245.42
Acquisition	0.00	0.00	202,864.50	202,864.50
As at December 31, 2020	310,161,625.38	47,323,620.04	202,864.50	357,688,109.92
Acquisition	0.00	0.00	83,511.80	83,511.80
Disposal	(259,800,126.00)	0.00	(262,676.00)	(260,062,802.00)
Transferred from inventories	0.00	329,539,549.55	0.00	329,539,549.55
As at December 31, 2021	50,361,499.38	376,863,169.59	23,700.30	427,248,369.27
Accumulated depreciation :				
As at January 1, 2020	0.00	22,076,098.80	0.00	22,076,098.80
Depreciation for the year	0.00	2,221,388.85	0.00	2,221,388.85
As at December 31, 2020	0.00	24,297,487.65	0.00	24,297,487.65
Depreciation for the year	0.00	4,142,584.90	0.00	4,142,584.90
As at December 31, 2021	0.00	28,440,072.55	0.00	28,440,072.55
Net assets value :				
As at December 31, 2020	310,161,625.38	23,026,132.39	202,864.50	333,390,622.27
As at December 31, 2021	50,361,499.38	348,423,097.04	23,700.30	398,808,296.72

As at December 31, 2021 and 2020, the Group's investment properties are in the form of vacant land and land including factory buildings/ condominium for lease. which had fair value amount of Baht 710.86 million and 566.85 million respectively

### 13. PROPERTY, PLANT AND EQUIPMENT

#### Consolidated financial statements (Baht)

	Land and land improvement	Building and building improvement	Machinery, tools and equipment	Underground well	Furniture, fixtures and office equipment	Vehicles	Assets under construction	Total
Assets - cost :								
As at January 1, 2020	150,279,940.42	287,950,569.55	478,417,532.41	6,503,626.11	42,955,742.27	339,657,530.12	76,964,597.47	1,382,729,538.35
Acquisition	0.00	37,050,922.37	20,741,517.33	0.00	1,516,691.16	1,360,485.36	1,193,566.12	61,863,182.34
Disposal	0.00	0.00	(7,157,100.56)	0.00	(12,064.02)	(369,686.92)	(44,415.00)	(7,583,266.50)
Inter-transaction transfer	0.00	20,650,662.36	55,930,312.73	0.00	0.00	0.00	(76,580,975.09)	0.00
As at December 31, 2020	150,279,940.42	345,652,154.28	547,932,261.91	6,503,626.11	44,460,369.41	340,648,328.56	1,532,773.50	1,437,009,454.19
Acquisition	1,314,636.00	426,399.17	2,987,563.17	0.00	3,153,385.41	1,095,960.00	1,839,664.37	10,817,608.12
Disposal	(1,092,126.00)	0.00	(33,159.53)	0.00	(308,952.82)	(3,441,319.15)	(150,599.26)	(5,026,156.76)
Inter-transaction transfer	0.00	23,672.71	2,950,014.17	0.00	0.00	0.00	(2,973,686.88)	0.00
Transferred from right of use assets	0.00	0.00	0.00	0.00	0.00	10,504,672.92	0.00	10,504,672.92
As at December 31, 2021	150,502,450.42	346,102,226.16	553,836,679.72	6,503,626.11	47,304,802.00	348,807,642.33	248,151.73	1,453,305,578.47



**Consolidated financial statements (Baht)**

	Land and land improvement	Building and building improvement	Machinery, tools and equipment	Underground well	Furniture, fixtures and office equipment	Vehicles	Assets under construction	Total
Accumulated depreciation :								
As at January 1, 2020	0.00	185,189,186.98	362,360,476.75	5,221,130.10	38,750,492.64	255,106,300.46	0.00	846,627,586.93
Depreciation for the year	0.00	13,774,072.31	18,397,709.72	238,165.16	1,627,093.89	17,517,411.34	0.00	51,554,452.42
Depreciation - write off	0.00	0.00	(6,958,783.35)	0.00	(12,061.02)	(319,685.92)	0.00	(7,290,530.29)
As at December 31, 2020	0.00	198,963,259.29	373,799,403.12	5,459,295.26	40,365,525.51	272,304,025.88	0.00	890,891,509.06
Depreciation for the year	0.00	14,376,344.11	17,678,728.44	152,863.74	1,746,834.35	14,693,896.82	0.00	48,648,667.46
Depreciation - write off	0.00	0.00	(26,254.72)	0.00	(308,936.82)	(2,896,985.92)	0.00	(3,232,177.46)
Transferred from right of use assets	0.00	0.00	0.00	0.00	0.00	2,309,973.35	0.00	2,309,973.35
As at December 31, 2021	0.00	213,339,603.40	391,451,876.84	5,612,159.00	41,803,423.04	286,410,910.13	0.00	938,617,972.41
Allowance for impairment of assets								
As at January 1, 2020	0.00	3,339,102.98	32,501,792.31	0.00	0.00	0.00	0.00	35,840,895.29
As at December 31, 2020	0.00	3,339,102.98	32,501,792.31	0.00	0.00	0.00	0.00	35,840,895.29
As at December 31, 2021	0.00	3,339,102.98	32,501,792.31	0.00	0.00	0.00	0.00	35,840,895.29
Net assets value								
As at December 31, 2020	150,279,940.42	143,349,792.01	141,631,066.48	1,044,330.85	4,094,843.90	68,344,302.68	1,532,773.50	510,277,049.84
As at December 31, 2021	150,502,450.42	129,423,519.78	129,883,010.57	891,467.11	5,501,378.96	62,396,732.20	248,151.73	478,846,710.77

### 13. PROPERTY, PLANT AND EQUIPMENT (Continued)

	Separate financial statements (Baht)						Total	
	Land and land improvement	Building and building improvement	Machinery, tools and equipment	Underground well	Furniture, fixtures and office equipment	Vehicles		Assets under construction
assets - cost :								
As at January 1, 2020	124,152,207.55	271,774,636.37	442,388,557.12	6,388,133.34	34,102,179.23	323,021,674.24	1,765,056.45	1,203,592,444.30
Acquisition	0.00	3,610,205.69	3,417,504.69	0.00	698,084.92	29,500.00	1,054,278.47	8,809,573.77
Disposal	0.00	0.00	(550,000.00)	0.00	0.00	(85,686.92)	(44,415.00)	(680,101.92)
Inter-transaction transfer	0.00	0.00	1,381,434.07	0.00	0.00	0.00	(1,381,434.07)	0.00
As at December 31, 2020	124,152,207.55	275,384,842.06	446,637,495.88	6,388,133.34	34,800,264.15	322,965,487.32	1,393,485.85	1,211,721,916.15
Acquisition	1,314,636.00	30,616.62	1,470,974.43	0.00	622,475.37	50,000.00	56.52	3,488,758.94
Disposal	(1,092,126.00)	0.00	0.00	0.00	0.00	(1,301,869.15)	(150,599.26)	(2,544,594.41)
Inter-transaction transfer	0.00	23,672.71	1,152,203.57	0.00	0.00	0.00	(1,175,876.28)	0.00
Transferred from right of use assets	0.00	0.00	0.00	0.00	0.00	10,504,672.92	0.00	10,504,672.92
As at December 31, 2021	124,374,717.55	275,439,131.39	449,260,673.88	6,388,133.34	35,422,739.52	332,218,291.09	67,066.83	1,223,170,753.60

### 13. PROPERTY, PLANT AND EQUIPMENT (Continued)

	Separate financial statements (Baht)							
	Land and land improvement	Building and Building improvement	Machinery, tools and equipment	Underground well	Furniture, fixtures and office equipment	Vehicles	Assets under construction	Total
Accumulated depreciation :								
As at January 1, 2020	0.00	175,420,064.90	337,367,659.59	5,105,640.33	32,287,340.63	242,025,322.39	0.00	792,206,027.84
Depreciation for the year	0.00	10,943,513.12	11,029,144.89	238,165.16	875,221.10	17,088,685.13	0.00	40,174,729.40
Depreciation - write off	0.00	0.00	(351,698.79)	0.00	0.00	(85,685.92)	0.00	(437,384.71)
As at December 31, 2020	0.00	186,363,578.02	348,045,105.69	5,343,805.49	33,162,561.73	259,028,321.60	0.00	831,943,372.53
Depreciation for the year	0.00	10,880,339.79	8,797,658.87	152,863.74	673,905.76	14,311,177.56	0.00	34,815,945.72
Depreciation - write off	0.00	0.00	0.00	0.00	0.00	(1,208,897.92)	0.00	(1,208,897.92)
Transferred from right of use assets	0.00	0.00	0.00	0.00	0.00	2,309,973.35	0.00	2,309,973.35
As at December 31, 2021	0.00	197,243,917.81	356,842,764.56	5,496,669.23	33,836,467.49	274,440,574.59	0.00	867,860,393.68
Allowance for impairment of assets								
As at January 1, 2020	0.00	3,339,102.98	32,501,792.31	0.00	0.00	0.00	0.00	35,840,895.29
As at December 31, 2020	0.00	3,339,102.98	32,501,792.31	0.00	0.00	0.00	0.00	35,840,895.29
As at December 31, 2021	0.00	3,339,102.98	32,501,792.31	0.00	0.00	0.00	0.00	35,840,895.29
Net assets value								
As at December 31, 2020	124,152,207.55	85,682,161.06	66,090,597.88	1,044,327.85	1,637,702.42	63,937,165.72	1,393,485.85	343,937,648.33
As at December 31, 2021	124,374,717.55	74,856,110.60	59,916,117.01	891,464.11	1,586,272.03	57,777,716.50	67,066.83	319,469,464.63

As at December 31, 2021 and 2020, the Company has non-operating land, building and equipment at cost of Baht 170.60 million (net book value 23.99 million and 26.93 million respectively) in the consolidated and separate financial statements because a part of factory was temporarily stopped for using in its manufacture.

As at December 31, 2021 and 2020, land, building and equipment at cost of Baht 187.83 million and Baht 187.44 million respectively, in the consolidated financial statements, and Baht 167.37 million in the separate financial statements are mortgaged as collateral against overdrafts line and short-term borrowings from financial institutions (note 18) and contingent liabilities (note 34.2).

#### 14 RIGHT-OF-USE ASSETS

	Consolidated financial statements (Baht)		
	Land & Building	Vehicle	Total
Assets cost :			
As at January 1, 2020	0.00	23,588,785.07	23,588,785.07
Increase for the year	26,643,260.75	0.00	26,643,260.75
As at December 31, 2020	26,643,260.75	23,588,785.07	50,232,045.82
Transfer to land, buildings and equipment	0.00	(10,504,672.92)	(10,504,672.92)
As at December 31, 2021	26,643,260.75	13,084,112.15	39,727,372.90
Accumulated depreciation :			
As at January 1, 2020	0.00	1,843,045.38	1,843,045.38
Depreciation for the year	1,110,315.90	1,753,413.80	2,863,729.70
As at December 31, 2020	1,110,315.90	3,596,459.18	4,706,775.08
Depreciation for the year	1,332,163.08	1,163,789.14	2,495,952.22
Transfer to land, buildings and equipment	0.00	(2,309,973.35)	(2,309,973.35)
As at December 31, 2021	2,442,478.98	2,450,274.97	4,892,753.95
Net assets value :			
As at December 31, 2020	25,532,944.85	19,992,325.89	45,525,270.74
As at December 31, 2021	24,200,781.77	10,633,837.18	34,834,618.95

**14 RIGHT-OF-USE ASSETS (Continued)**

	Separate financial statements (Baht)		
	Land & Building	Vehicle	Total
Assets cost :			
As at January 1, 2020	0.00	23,588,785.07	23,588,785.07
As at December 31, 2020	0.00	23,588,785.07	23,588,785.07
Transfer to land, buildings and equipment	0.00	(10,504,672.92)	(10,504,672.92)
As at December 31, 2021	0.00	13,084,112.15	13,084,112.15
Accumulated depreciation :			
As at January 1, 2020	0.00	1,843,045.38	1,843,045.38
Depreciation for the year	0.00	1,753,413.80	1,753,413.80
As at December 31, 2020	0.00	3,596,459.18	3,596,459.18
Depreciation for the year	0.00	1,163,789.14	1,163,789.14
Transfer to land, buildings and equipment	0.00	(2,309,973.35)	(2,309,973.35)
As at December 31, 2021	0.00	2,450,274.97	2,450,274.97
Net assets value :			
As at December 31, 2020	0.00	19,992,325.89	19,992,325.89
As at December 31, 2021	0.00	10,633,837.18	10,633,837.18

As at December 31, 2021 and 2020, right-of-use assets (land, building and vehicles) at cost of Baht 39.73 million and Baht 50.23 million in the consolidated financial statements and Baht 13.08 million and Baht 23.59 million in the separate financial statements respectively which are being made the payment as indicated in the lease (note 20).

## 15. OTHER INTANGIBLE ASSETS

Consolidated financial statements (Baht)						
	Computer software		Products research and development		Total	
	December 31,	December 31,	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020	2021	2020
Intangible assets - cost :						
Beginning balance	11,180,699.13	10,553,707.83	12,715,569.38	12,715,569.38	23,896,268.51	23,269,277.21
Acquisition	112,475.00	626,991.30	0.00	0.00	112,475.00	626,991.30
Ending balance	11,293,174.13	11,180,699.13	12,715,569.38	12,715,569.38	24,008,743.51	23,896,268.51
Accumulated amortization :						
Beginning balance	7,688,691.33	6,887,043.82	2,168,347.36	2,168,347.36	9,857,038.69	9,055,391.18
Amortization for the year	904,445.75	801,647.51	0.00	0.00	904,445.75	801,647.51
Ending balance	8,593,137.08	7,688,691.33	2,168,347.36	2,168,347.36	10,761,484.44	9,857,038.69
Provision for impairment of assets :						
Beginning balance	0.00	0.00	10,547,222.02	10,547,222.02	10,547,222.02	10,547,222.02
Ending balance	0.00	0.00	10,547,222.02	10,547,222.02	10,547,222.02	10,547,222.02
Net intangible assets value						
Beginning balance	3,492,007.80	3,666,664.01	0.00	0.00	3,492,007.80	3,666,664.01
Ending balance	2,700,037.05	3,492,007.80	0.00	0.00	2,700,037.05	3,492,007.80

## 15. OTHER INTANGIBLE ASSETS (Continued)

	Separate financial statements (Baht)					
	Computer software		Products research and development		Total	
	December 31,	December 31,	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020	2021	2020
Intangible assets - cost :						
Beginning balance	6,690,420.09	6,690,420.09	12,715,569.38	12,715,569.38	19,405,989.47	19,405,989.47
Acquisition	19,920.00	0.00	0.00	0.00	19,920.00	0.00
Ending balance	6,710,340.09	6,690,420.09	12,715,569.38	12,715,569.38	19,425,909.47	19,405,989.47
Accumulated amortization :						
Beginning balance	6,661,775.26	6,653,552.79	2,168,347.36	2,168,347.36	8,830,122.62	8,821,900.15
Amortization for the year	8,374.64	8,222.47	0.00	0.00	8,374.64	8,222.47
Ending balance	6,670,149.90	6,661,775.26	2,168,347.36	2,168,347.36	8,838,497.26	8,830,122.62
Provision for impairment of assets :						
Beginning balance	0.00	0.00	10,547,222.02	10,547,222.02	10,547,222.02	10,547,222.02
Ending balance	0.00	0.00	10,547,222.02	10,547,222.02	10,547,222.02	10,547,222.02
Net intangible assets value						
Beginning balance	28,644.83	36,867.30	0.00	0.00	28,644.83	36,867.30
Ending balance	40,190.19	28,644.83	0.00	0.00	40,190.19	28,644.83

## 16. DEFERRED TAX ASSETS / LIABILITIES

The increase and decrease of deferred tax assets / liabilities are as follows :

Consolidated financial statements (Baht)						
	Recognised as (expenses) income			Recognised as (expenses) income		
	As at January 1, 2020	Profit or loss (Note 25.2)	Other comprehensive income (Note 25.4)	As at December 31, 2020	Profit or loss (Note 25.2)	As at December 31, 2021
<u>Deferred tax assets</u>						
Trade accounts receivable						
(allowance for expected credit losses)	3,509,347.94	(728,193.77)	0.00	2,781,154.17	(174,040.02)	2,607,114.15
Inventories (allowance for devaluation of inventories)	159,347.29	29,848.11	0.00	189,195.40	(80,603.92)	108,591.48
Property, plant and equipment						
(provision for impairment)	1,794,235.64	(802,018.22)	0.00	992,217.42	(802,864.27)	189,353.15
Intangible assets (provision for impairment)	630,433.51	(210,944.43)	0.00	419,489.08	(210,944.42)	208,544.66
Employee benefit obligations	4,264,350.59	824,534.30	(178,405.86)	4,910,479.03	(105,896.52)	4,804,582.51
Total	10,357,714.97	(886,774.01)	(178,405.86)	9,292,535.10	(1,374,349.15)	7,918,185.95
<u>Deferred tax liabilities</u>						
Investment in associates (gains on fair value measurement)	0.00	0.00	(3,206,347.18)	(3,206,347.18)	0.00	(3,206,347.18)
Right-of-use assets (depreciation)	(6,000,914.95)	(569,598.95)	0.00	(6,570,513.90)	(568,042.67)	(7,138,556.57)
Total	(6,000,914.95)	(569,598.95)	(3,206,347.18)	(9,776,861.08)	(568,042.67)	(10,344,903.75)
Net	4,356,800.02	(1,456,372.96)	(3,384,753.04)	(484,325.98)	(1,942,391.82)	(2,426,717.80)
Separate financial statements (Baht)						
	Recognised as (expenses) income			Recognised as (expenses) income		
	As at January 1, 2020	Profit or loss (Note 25.2)	Other comprehensive income (Note 25.4)	As at December 31, 2020	Profit or loss (Note 25.2)	As at December 31, 2021
<u>Deferred tax assets</u>						
Trade accounts receivable						
(allowance for expected credit losses)	3,436,510.70	(655,356.53)	0.00	2,781,154.17	(174,040.02)	2,607,114.15
Inventories (allowance for devaluation of inventories)	159,347.29	29,848.11	0.00	189,195.40	(80,603.92)	108,591.48
Property, plant and equipment						
(provision for impairment)	1,794,235.64	(802,018.22)	0.00	992,217.42	(802,864.27)	189,353.15
Intangible assets (provision for impairment)	630,433.51	(210,944.43)	0.00	419,489.08	(210,944.42)	208,544.66
Employee benefit obligations	3,521,971.42	638,836.57	(119,300.92)	4,041,507.07	(95,477.25)	3,946,029.82
Total	9,542,498.56	(999,634.50)	(119,300.92)	8,423,563.14	(1,363,929.88)	7,059,633.26
<u>Deferred tax liabilities</u>						
Investment in associates (gains on fair value measurement)	0.00	0.00	(3,206,347.18)	(3,206,347.18)	0.00	(3,206,347.18)
Right-of-use assets (depreciation)	(6,000,914.95)	(569,598.95)	0.00	(6,570,513.90)	(568,042.67)	(7,138,556.57)
Total	(6,000,914.95)	(569,598.95)	(3,206,347.18)	(9,776,861.08)	(568,042.67)	(10,344,903.75)
Net	3,541,583.61	(1,569,233.45)	(3,325,648.10)	(1,353,297.94)	(1,931,972.55)	(3,285,270.49)



## 17. OTHER NON-CURRENT ASSETS

	Consolidated		Separate	
	financial statements (Baht)		financial statements (Baht)	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Obligated land (note 8)	147,398,866.21	0.00	0.00	0.00
Others	17,565,604.79	9,657,386.02	1,754,606.02	2,665,678.96
Total	164,964,471.00	9,657,386.02	1,754,606.02	2,665,678.96
Less Allowance for loss on revaluation of inventories	(13,973,452.21)	0.00	0.00	0.00
Net	150,991,018.79	9,657,386.02	1,754,606.02	2,665,678.96

## 18. BANK OVERDRAFTS AND SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

	Consolidated		Separate	
	financial statements (Baht)		financial statements (Baht)	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Bank overdrafts	260,483.75	360,620.52	113,502.43	360,620.52
Short-term borrowings from financial institutions	0.00	165,000,000.00	0.00	165,000,000.00
Total	260,483.75	165,360,620.52	113,502.43	165,360,620.52

As at December 31, 2021 and 2020, the Group has overdrafts line amount of Baht 82 million (4 banks) and Baht 72 million (4 banks) in the consolidated financial statements and Baht 60 million (4 banks) in the separate financial statements respectively at the interest rate of MOR to MOR+0.25% per annum and short-term borrowings amount of Baht 165 million (3 banks) in the consolidated and separate financial statements respectively at the interest rate of MLR - 2.75% to MLR - 0.50% per annum.

The above liabilities guaranteed by mortgaging land with its building, and machinery and equipment (note 8 and 13).

## 19. TRADE AND OTHER CURRENT PAYABLES

	Consolidated		Separate	
	financial statements (Baht)		financial statements (Baht)	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Trade accounts payable	86,966,265.55	66,042,817.17	74,181,769.68	55,503,606.98
Other current payables				
Retention	0.00	408,886.95	0.00	0.00
Amount received in advance for goods	16,405,448.25	7,690,339.29	9,133,900.18	5,610,593.88
Deposit received for sales of goods sold - land	24,250,000.00	0.00	0.00	0.00
Accrued expenses	15,102,980.08	15,304,250.98	11,690,297.58	11,371,122.89
Others	8,772,410.91	7,150,941.70	4,703,668.36	4,993,716.18
Total	<u>151,497,104.79</u>	<u>96,597,236.09</u>	<u>99,709,635.80</u>	<u>77,479,039.93</u>

Deposit received for sales of goods sold

On August 18, 2021, the subsidiaries entered into sale agreement of land (Land under development) with a buyer at the selling price amount of Baht 242.50 million that the buyer has to make payments to the Company as follows: 1) make payment amount of Baht 24.25 million on the agreement date, and 2) the remaining amount of Baht 218.25 million will be made payment on the transfer of land ownership registration date within December 23, 2021. The subsidiary has not received the remaining payment and the ownership of the land has not been transferred to the buyer.

## 20. LEASE LIABILITIES

20.1 Lease liabilities exclude future interest are as follows :

	Consolidated		Separate	
	financial statements (Baht)		financial statements (Baht)	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Lease payable	38,594,480.00	47,128,387.40	1,534,480.00	8,028,387.40
Less Deferred interest payments	<u>(11,987,826.72)</u>	<u>(13,325,904.48)</u>	<u>(11,865.01)</u>	<u>(177,601.87)</u>
Total	26,606,653.28	33,802,482.92	1,522,614.99	7,850,785.53
Less Current portion of liabilities	<u>(2,427,462.34)</u>	<u>(7,192,413.34)</u>	<u>(1,522,614.99)</u>	<u>(6,328,170.14)</u>
Net	<u>24,179,190.94</u>	<u>26,610,069.58</u>	<u>0.00</u>	<u>1,522,615.39</u>

- 20.2 As at December 31, 2021 and 2020, the Group has right-of-use assets are being made the payment as indicated in agreement as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>(Baht)</b>		<b>(Baht)</b>	
	<b>December 31,</b>	<b>December 31,</b>	<b>December 31,</b>	<b>December 31,</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Land and building	26,643,260.75	26,643,260.75	0.00	0.00
Vehicles	13,084,112.15	23,588,785.03	13,084,112.15	23,588,785.03
Total	<u>39,727,372.90</u>	<u>50,232,045.78</u>	<u>13,084,112.15</u>	<u>23,588,785.03</u>

## 21. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFIT

- 21.1 The Group had an employee benefit obligation based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service and long-term service awards.
- 21.2 The defined benefit plans expose the Company and subsidiaries to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.
- 21.3 Employee benefit provisions in the statement of financial position was determined as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements (Baht)</b>		<b>financial statements (Baht)</b>	
	<b>December 31,</b>	<b>December 31,</b>	<b>December 31,</b>	<b>December 31,</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Beginning balance	24,728,350.11	21,645,721.19	20,207,535.33	17,609,857.07
Recognised in other comprehensive (income)				
Losses on remeasurement				
of defined benefit plan	0.00	(892,029.28)	0.00	(596,504.61)
Recognised in profit or loss				
Current service costs and interest	2,756,108.52	5,092,588.20	1,936,511.78	4,312,112.87
Decrease in benefits paid	<u>(2,413,898.00)</u>	<u>(1,117,930.00)</u>	<u>(2,413,898.00)</u>	<u>(1,117,930.00)</u>
Ending balance	<u>25,070,560.63</u>	<u>24,728,350.11</u>	<u>19,730,149.11</u>	<u>20,207,535.33</u>

21.4 The Group recognised the expenses in the following line items in the statement of income.

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements (Baht)</b>		<b>financial statements (Baht)</b>	
	<b>December 31,</b>	<b>December 31,</b>	<b>December 31,</b>	<b>December 31,</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Cost of services	812,923.82	613,038.60	704,297.03	613,038.60
Distribution costs	482,293.15	379,529.10	415,422.90	379,529.10
Administrative expenses	1,080,289.08	3,503,254.48	501,766.82	2,845,307.58
Finance costs	380,602.47	596,766.02	315,025.03	474,237.59
<b>Total</b>	<b>2,756,108.52</b>	<b>5,092,588.20</b>	<b>1,936,511.78</b>	<b>4,312,112.87</b>

21.5 Principal actuarial assumptions at the reporting date (expressed as weighted averages)

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements (%)</b>		<b>financial statements (%)</b>	
	<b>December 31,</b>	<b>December 31,</b>	<b>December 31,</b>	<b>December 31,</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Discount rate	1.86	1.78	1.81	1.81
Salary increase rate	5.40	5.50	6.00	6.00

21.6 Assumptions regarding future mortality are based on published statistics and Thailand Mortality Ordinary Life table 2017 (“TMO17”)

21.7 Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below :

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>(%)</b>		<b>(%)</b>	
	<b>Increase</b>	<b>Decrease</b>	<b>Increase</b>	<b>Decrease</b>
Defined benefit obligation				
as at December 31, 2021				
Discount rate (0.5% movement)	(1,528,316.43)	1,681,453.02	(1,213,747.43)	1,335,405.16
Salary increase rate				
(1% movement)	3,557,606.87	(2,996,567.19)	2,811,106.61	(2,367,654.51)
Employee turnover rate				
(20% movement)	(2,788,154.28)	3,045,353.68	(2,220,001.39)	2,345,035.26

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

## 22. SHARE CAPITAL

### 22.1 Authorized share capital

According to the extraordinary general shareholders' meeting No. 1/2017 held on September 28, 2017, the shareholders passed the resolution Issue the ESOP#2 warrants for 142.45 million units at the exercised ratio of 1 unit of warrant per 1 ordinary share at the price of Baht 0.59 each. The exercise period is 5 years from the date of issuance and offering. The first exercise right commenced on October 29, 2021(exercise not exceed 50%) and the last exercise right is on April 29, 2022.

On November 10, 2017, the Company issued warrants to purchase such ordinary shares to directors and employees of the Company and its subsidiaries. and upon the expiration of the first exercise date on October 29, 2021 there were no shareholders exercising their rights to purchase the Company's ordinary shares.

### 22.2 The increase and decrease of share capital are as follow :

	Authorized share capital		Issued and paid-up share capital	
	Number of shares	Amount (Baht)	Number of shares	Amount (Baht)
Balance as at December 31, 2019	5,570,003,429	557,000,342.90	5,386,340,396	538,634,039.60
Decrease in capital	(41,217,033)	(4,121,703.30)	0	0.00
Balance as at December 31, 2020	5,528,786,396	552,878,639.60	5,386,340,396	538,634,039.60
Balance as at December 31, 2021	5,528,786,396	552,878,639.60	5,386,340,396	538,634,039.60

Decrease in the Company's registered capital from Baht 557 million to Baht 552.88 million by cancelling unissued ordinary shares and allocated to the holders of the warrants to purchase the Company's ordinary shares (DCON-W1) amount of Baht 4.12 million (41.22 million shares at par value of Baht 0.10). The Company has registered the decrease in share capital with the Ministry of Commerce. On May 13, 2020.

## 23. LEGAL RESERVE

By virtue of the Public Company Limited Act, the Company is required to set aside the reserve as a legal reserve at least 5% of its annual net income after deduction of the deficit brought forward (if any) until the reserve reach an amount 10% of authorized share capital. The reserve is not available for dividend distribution.

## 24. RETAINED EARNINGS APPROPRIATION

### The Company

According to the minutes of shareholders' General Meeting for the year 2021 held on April 28, 2021, passed the resolution to pay dividend from the results of operation for the year 2020 to the shareholders at Baht 0.008 per share for 5,386.34 million shares totally Baht 43.09 million. Such dividend will be paid on May 14, 2021.

According to the minutes of Annual General Meeting of the shareholders for the year 2020 held on April 30, 2020, passed the resolution to pay dividend from the results of operation for the year 2019 to the shareholders at Baht 0.015 per share for 5,386.34 million shares totally Baht 80.80 million. Such dividend will be paid on May 14, 2020.

### Subsidiaries

According to the minutes of shareholders' general meeting for the year 2021 held on April 27, 2021, passed the resolution to pay dividend to the shareholders at Baht 3.50 per share, for 3.50 million shares amounting to Baht 12.25 million. Subsidiary has already paid such dividend on May 11, 2021.

According to the minutes of Annual General Meeting of the shareholders for the year 2020 held on April 27, 2020, passed the resolution to pay dividend from the results of operation for the year 2019 to the shareholders at Baht 4 per share, for 3.50 million shares amounting to Baht 14 million. Subsidiary has already paid in April 2020.

## 25. INCOME TAX

### 25.1 The calculation of current income taxes

For the year 2021 and 2020, the Group calculated corporate income tax at the rate of 20% of profit (loss) before deducting with tax expenses and added back other expenses which shall not be allowed as expenses in tax calculation (if any except the exempted profit derived from promoted activities (note 30).

### 25.2 Income tax recognised in profit or loss

	Consolidated		Separate	
	financial statements (Baht)		financial statements (Baht)	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
<b>Current income tax</b>				
for the current year	28,695,662.90	24,367,302.40	25,981,345.34	21,799,687.97
<b>Deferred tax</b>				
Changes in temporary				
differences of deferred tax	1,942,391.82	1,456,372.96	1,931,972.55	1,569,233.45
Total income tax	<u>30,638,054.72</u>	<u>25,823,675.36</u>	<u>27,913,317.89</u>	<u>23,368,921.42</u>

25.3 Reconciliation for effective income tax rate

	Consolidated		Separate	
	financial statements (Baht)		financial statements (Baht)	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Profit before income tax	141,468,686.31	115,198,462.03	156,189,186.38	134,448,068.76
Income tax rate (%)	20	20	20	20
Income tax	28,293,737.26	23,039,692.41	31,237,837.28	26,889,613.75
Prohibited taxable expenses	10,686,942.49	7,987,313.71	2,581,750.41	2,728,763.62
Additional taxable expenses	(2,564,391.15)	(3,520,245.95)	(2,366,410.50)	(3,449,616.75)
Exempted income	0.00	0.00	(3,539,859.30)	(2,799,839.20)
Share of profit from investments				
in associate	(5,464,257.94)	(2,222,624.16)	0.00	0.00
Effects from elimination with				
subsidiary	(313,975.94)	539,539.35	0.00	0.00
Total income tax	30,638,054.72	25,823,675.36	27,913,317.89	23,368,921.42
Income tax rate (%)	22	22	18	17

25.4 Income tax recognised in other comprehensive income

	Consolidated		Separate	
	financial statements (Baht)		financial statements (Baht)	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Gains on measurement of				
investment in equity instruments	0.00	16,031,735.89	0.00	16,031,735.89
Profit on remeasurements of				
defined benefit plans	0.00	892,029.28	0.00	596,504.61
Share of other comprehensive income				
from investments in associate	292,390.24	(148,685.05)	0.00	0.00
Total	292,390.24	16,775,080.12	0.00	16,628,240.50
Tax expense	0.00	(3,384,753.04)	0.00	(3,325,648.10)
Net of income tax	292,390.24	13,390,327.08	0.00	13,302,592.40

## 26. TRANSACTIONS WITH RELATED PERSONS AND PARTIES

Part of the Group's assets, liabilities, revenues and expenses arose from transaction with persons and related parties. These related transactions are determined on the conditions in the normal course of business and based on the Company concerned as follows:

### 26.1 General information

<u>Name</u>	<u>Relationship</u>	<u>Description</u>	<u>Pricing policy</u>
<u>Related persons</u>			
Mr. Wittawat Pornkul	Shareholders and directorship	Ordinary shares of an associate	At Baht 1.65 per share
Mr. Chana Tohwan	Shareholders and directorship	Ordinary shares of an associate	At Baht 1.65 per share
Miss Wisara Pornkul	Member in family of shareholders and director	Purchase of building	Market price
<u>Subsidiaries</u>			
Orrada Co., Ltd.	Shareholders and directorship	Purchase of building	Market price less discounted
		Revenues from sales of goods	At cost
		Interest income	Interest rate at 2.5-3% per annum
DSC Product Co., Ltd.	Shareholders and directorship	Advance payment	At actual costs
		Revenues from sales of goods	At cost
		Other income (rental)	At agreed price
		Interest income	Interest rate at 6% per annum
Wisarawan Co., Ltd.	Shareholders and directorship	Revenues from sales of goods	At cost
<u>Other companies</u>			
Chusin Concrete Co., Ltd.	Director is a director of a subsidiary	Revenues from sales of goods	At cost
		Purchase of goods	At agreed price
Sinudom Concrete Co., Ltd.	Shareholders and Directorship of a subsidiary	Revenues from sales of goods	Market price
		Purchase of raw materials	Market price
		Other expenses	At agreed price
		Interest expenses-right-of-use (lease)	Rental Baht 0.17 million per month



26.2 Assets and liabilities transaction with related persons and parties consist of

	Consolidated financial statements		Separate financial statements	
	(Baht)		(Baht)	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Orrada Co., Ltd.				
Trade and other current				
receivables	0.00	0.00	18,000.00	61,036.26
Short-term loans	0.00	0.00	1,088,000,000.00	1,385,000,000.00

The increase and decrease of short-term loans are as follows:

	Separate financial statements (Baht)	
	December 31, 2021	December 31, 2020
Beginning balance	1,385,000,000.00	1,202,000,000.00
Increase during the year	25,000,000.00	249,000,000.00
Decrease during the year	(322,000,000.00)	(66,000,000.00)
Ending balance	1,088,000,000.00	1,385,000,000.00

	Consolidated financial statements		Separate financial statements	
	(Baht)		(Baht)	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
DSC Product Co., Ltd.				
Trade and other current				
receivables	0.00	0.00	39,778.50	778,202.49
Short-term loans	0.00	0.00	20,000,000.00	0.00

The increase and decrease of short-term loans are as follows:

	Separate financial statements	
	(Baht)	
	December 31, 2021	December 31, 2020
	2021	2020
Beginning balance	0.00	0.00
Increase during the year	25,500,000.00	0.00
Decrease during the year	(5,500,000.00)	0.00
Ending balance	20,000,000.00	0.00

	Consolidated financial statements		Separate financial statements	
	(Baht)		(Baht)	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Wisarawan Co., Ltd.				
Trade and other current receivables	0.00	0.00	2,919,503.60	0.00
Chusin Concrete Co., Ltd.				
Trade and other current receivables	0.00	160,669.74	208,026.73	160,669.74
Trade and other current payables	0.00	859,766.40	0.00	0.00
Sinudom Concrete Co., Ltd.				
Trade and other current payables	1,876,105.64	2,304,285.87	0.00	498,047.55
Lease liabilities	24,105,645.51	25,087,454.19	0.00	0.00
26.3 Revenues and expenses transaction with related persons and parties for the year ended December 31, 2021 and 2020 are as follows:				
	Consolidated financial statements		Separate financial statements	
	(Baht)		(Baht)	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Orrada Co., Ltd				
Sales of goods	0.00	0.00	0.00	38,345.00
Other income (interest income)	0.00	0.00	33,283,287.64	40,778,959.03
DSC Product Co., Ltd.				
Sales of goods	0.00	0.00	1,370,206.06	1,103,806.59
Other income (rental)	0.00	0.00	630,000.00	450,000.00
Other income (interest income)	0.00	0.00	348,739.71	0.00
Wisarawan Co., Ltd.				
Sales of goods	0.00	0.00	5,904,946.05	0.00
Chusin Concrete Co., Ltd.				
Sales of goods	903,687.08	1,846,938.08	595,571.68	960,206.08
Cost of sales	220,865.22	1,640,520.00	0.00	0.00
Sinudom Concrete Co., Ltd.				
Sales of goods	0.00	918,134.00	0.00	860,124.00
Cost of sales (raw materials)	7,920,330.79	7,888,040.02	0.00	1,574,665.00
Other expense	0.00	2,524.50	0.00	0.00
Interest expenses-right of use	1,172,340.90	1,008,436.64	0.00	0.00

26.4 Other transaction with related persons and parties for the year ended December 31, 2021 and 2020 are as follows:

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Mr. Wittawat Pornkul				
Investments in associate	33,000,000.00	0.00	33,000,000.00	0.00
Mr. Chana Tohwan				
Investments in associate	33,000,000.00	0.00	33,000,000.00	0.00
Miss Wisara Pornkul				
Fixed assets - building	0.00	30,166,334.00	0.00	0.00
Orrada Co., Ltd.				
Fixed assets - building	0.00	0.00	0.00	1,939,326.73

## 27. DIRECTORS' REMUNERATION

Directors' remuneration represents the benefits paid to the Company's directors in accordance with Section 90 of the Public Limited Companies Act, excluding salaries and related benefits payable to executive directors.

## 28. MANAGEMENT BENEFIT EXPENSES

Management benefit expenses focuses expenses relating to salaries, remunerations and other benefits to the directors and management, in accordance with the definitions of the Office of the Securities and Exchange Commission. Management under definition includes a chief executive officer, the next four executive levels immediately below that chief executive officer and all persons in positions comparable to these fourth executive levels.

## 29. EXPENSES ANALYZED BY NATURE

Expenses analyzed by nature are as follows :

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Changes in inventories of finished goods and work in progress	8,989,669.51	85,747,122.01	(1,004,939.99)	(1,068,686.55)
Raw materials and consumable used	400,602,183.84	309,035,619.34	353,052,772.75	271,380,558.27
Contractors' wages	106,940,279.73	76,654,912.25	77,296,431.08	66,735,955.31
Directors' remuneration	1,904,336.00	1,680,013.00	1,904,336.00	1,680,013.00
Management benefit expenses	7,785,574.00	8,972,028.00	4,139,598.00	5,048,242.00
Employees benefit expenses	124,271,135.02	117,584,653.48	94,418,961.16	92,563,180.02
Depreciation	55,102,372.99	55,529,255.07	35,979,734.86	41,928,143.20
Installation transportation expenses	92,368,309.04	65,272,585.76	62,820,091.12	47,258,494.19

## 30. RIGHTS AND PRIVILEGES FROM PROMOTION CERTIFICATE

30.1 The Company are granted certain right and privileges as a promoted industry under the Promotion of Investment Act B.E. 2520 for the precast floor products by the approval of the Board of Investment in accordance with the certificate dated April 30, 2007. The significant privileges are as follows:

- 1) To exempt the customs duties for imported machinery as approved by the Board of Investment.
- 2) To exempt the corporate income tax from net profit for the period of 8 years from the date of income earnings and reduce the corporate income tax from net profit from investment at the rate of 50% of the normal rate for the next 5 years from the overdue of such duration.
- 3) The Company's shareholders will be exempt the corporate income tax for dividend received from the Company all duration of income tax exemption of the Company.

The Company must comply with the certain conditions and terms as stipulated in promotion certificate.

### 30. RIGHTS AND PRIVILEGES FROM PROMOTION CERTIFICATE (Continued)

30.2 The results of operation of the Group separated by privileges in accordance with promotion certificate for the year ended December 31, 2021 and 2020 are as follows:

	Promoted business		Non-promoted business		Total	
	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
Sales and services	21,728,300.89	12,277,555.40	943,702,174.13	915,735,286.53	965,430,475.02	928,012,841.93
Cost of sales and services	(17,506,986.81)	(12,013,553.87)	(650,194,582.14)	(596,937,025.93)	(667,701,568.95)	(608,950,579.80)
Gross profit (loss)	4,221,314.08	264,001.53	293,507,591.99	318,798,260.60	297,728,906.07	319,062,262.13
Other income	195,189.03	229,220.73	61,348,048.28	13,589,785.14	61,543,237.31	13,819,005.87
Distribution costs	(4,049,193.00)	(3,036,536.90)	(146,193,288.04)	(141,204,694.15)	(150,242,481.04)	(144,241,231.05)
Administrative expenses	(4,949,428.26)	(4,529,110.47)	(86,061,851.46)	(75,306,304.29)	(91,011,279.72)	(79,835,414.76)
Profit from operation	(4,582,118.15)	(7,072,425.11)	122,600,500.77	115,877,047.30	118,018,382.62	108,804,622.19
Share of profit from investments in associate	0.00	0.00	27,321,289.72	11,113,120.78	27,321,289.72	11,113,120.78
Finance income	0.00	0.00	70,104.80	217,250.53	70,104.80	217,250.53
Finance costs	(431.01)	0.00	(3,940,659.82)	(4,936,531.47)	(3,941,090.83)	(4,936,531.47)
Profit (Loss) before income tax	(4,582,549.16)	(7,072,425.11)	146,051,235.47	122,270,887.14	141,468,686.31	115,198,462.03
Tax expense	0.00	0.00	(30,638,054.72)	(25,823,675.36)	(30,638,054.72)	(25,823,675.36)
Profit (Loss) for the year	(4,582,549.16)	(7,072,425.11)	115,413,180.75	96,447,211.78	110,830,631.59	89,374,786.67
Unidentifiable distribution cost, administrative expenses and finance costs were allocated to each related income segment.						

### 31. OPERATING SEGMENTS

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

31.2 The Group operations involve virtually in business of manufacturing and selling construction supplies (precast floor, concrete post and others), sales of land and lease of real estate in one geographical segment only in Thailand. Therefore, revenues and assets in financial statements are reported in geographical segment.

31.3 For the purpose of presentation the financial information in the consolidated financial statements, the core manufacturing and selling construction supplies (precast floor, concrete post and others), sales and lease of real estate that the financial information by segment are as follows:

	Sales of construction supplies		Sales of real estate		Real estate for lease		Total		(Unit: Baht)
	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020	
<u>Statement of comprehensive income</u>									
Revenues	897,194,180.40	763,190,643.58	50,225,760.19	149,629,758.35	18,010,534.43	15,192,440.00	965,430,475.02	928,012,841.93	
Costs	(626,846,709.41)	(514,220,391.89)	(36,712,274.64)	(92,508,799.06)	(4,142,584.90)	(2,221,388.85)	(667,701,568.95)	(608,950,579.80)	
Segment gross profit	270,347,470.99	248,970,251.69	13,513,485.55	57,120,959.29	13,867,949.53	12,971,051.15	297,728,906.07	319,062,262.13	
Distribution costs	(129,813,576.70)	(111,679,630.72)	(20,428,904.34)	(32,561,600.33)	0.00	0.00	(150,242,481.04)	(144,241,231.05)	
Administrative expenses	(55,820,503.50)	(58,732,482.66)	(29,516,726.43)	(11,221,077.94)	0.00	0.00	(85,337,229.93)	(69,953,560.60)	
Profit (Loss) from operations	84,713,390.79	78,558,138.31	(36,432,145.22)	13,338,281.02	13,867,949.53	12,971,051.15	62,149,195.10	104,867,470.48	
Profit from the sale of investment properties							39,937,093.00	0.00	
Other income							21,606,144.31	13,819,005.87	
Unallocated expenses							(5,674,049.79)	(9,881,854.16)	
Share of profit from investments in associate							27,321,289.72	11,113,120.78	
Finance income							70,104.80	217,250.53	
Finance costs							(3,941,090.83)	(4,936,531.47)	
Tax expense							(30,638,054.72)	(25,823,675.36)	
Profit for the year							110,830,631.59	89,374,786.67	

### 31. OPERATING SEGMENTS (Continued)

	(Unit: Baht)					
	Sales of construction supplies		Sales of real estate		Real estate for lease	
	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
<u>Statement of financial position</u>						
Segment assets	903,292,805.32	794,691,975.96	1,118,224,062.48	1,468,779,869.00	390,906,231.82	324,676,646.23
Unallocated assets					332,384,053.47	201,849,768.09
Total assets					2,744,807,153.09	2,789,998,259.28
Segment liabilities	193,863,929.15	333,391,562.74	28,470,349.25	1,851,176.94	227,538,778.40	337,449,739.68
Unallocated liabilities					3,319,123.51	6,631,097.65
Total liabilities					230,857,901.91	344,080,837.33

31.4 The Group did not present the operating segments for the separate financial statements since the Company's operation involve virtually a single construction materials business in one geographical segment in Thailand.

31.5 For the year ended December 31, 2021 and 2020, the Group have income from sales of construction supplies in the amount of Baht 184.79 million and Baht 126.51 million respectively received from 5 major customers.

## 32. DISCLOSURE AND PRESENTATION OF FINANCIAL INSTRUMENTS

### 32.1 Accounting policy

The significant accounting policies and method adopted including the basis of recognition and measurement relating to each class of financial assets and liabilities have been disclosed in notes to financial statements No. 4.12.

### 32.2 Credit risk

Credit risk derives from failure by counterparties to discharge their obligations resulting in financial loss to the Company. The Group has policy to hedge this credit risk by reviewing the financial status of customers and collecting based on the percentage of completion. Financial assets shown in statements of financial position at the book value deducted by allowance for expected credit loss is maximum value of credit risk.

### 32.3 Interest rate risk

Interest rate risk from changes in market interest rate will affect the results of the Group operations and cash flows. The Group exposed the interest rate risk due to its deposits at bank and financial lease liabilities. The Group do not use derivative financial instruments to hedge such risk.

As at December 31, 2021 and 2020, the significant financial assets and liabilities can be classified by interest rate as follows :

Unit : Million Baht

		Consolidated financial statements									
		Floating interest rate		Fixed interest rate		Non-interest rate		Total		Interest rate	
Note		2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
<b>Financial assets</b>											
Cash and cash equivalents	5	210.51	77.69	0.00	0.00	13.32	9.19	223.83	86.88	0.05%-0.15%	0.05%-0.15%
Trade and other current receivables	6	0.00	0.00	0.00	0.00	141.91	118.93	141.91	118.93	-	-
<b>Financial liabilities</b>											
Bank overdrafts and short-term borrowings											
from financial institutions	18	0.26	165.36	0.00	0.00	0.00	0.00	0.26	165.36	5.84-5.95	4.47-5.25
Trade and other current payables	19	0.00	0.00	0.00	0.00	151.50	96.59	151.50	96.59	-	-
Lease liabilities	20	0.00	0.00	26.61	33.80	0.00	0.00	26.61	33.80	3.65%-4.60%	3.65%-4.60%



Unit : Million Baht

		Consolidated financial statements									
		Floating interest rate		Fixed interest rate		Non-interest rate		Total		Interest rate	
Note		2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Financial assets											
Cash and cash equivalents	5	189.06	56.12	0.00	0.00	7.66	4.34	196.71	60.46	0.05%-0.15%	0.05%-0.15%
Trade and other current receivables	6	0.00	0.00	0.00	0.00	111.66	92.59	111.66	92.59	-	-
Short-term loans	7, 26	0.00	0.00	1,108.00	1,385.00	0.00	0.00	1,108.00	1,385.00	0.25%-0.60%	0.30%
Financial liabilities											
Bank overdrafts and short-term borrowings											
from financial institutions	18	0.11	165.36	0.00	0.00	0.00	0.00	0.11	165.36	5.84-5.95	4.47-5.25
Trade and other current payables	19	0.00	0.00	0.00	0.00	99.71	77.48	99.71	77.48	-	-
Lease liabilities	20	0.00	0.00	1.52	7.85	0.00	0.00	1.52	7.85	3.65%-3.75%	3.65%-3.75%

## 32.4 Liquidity risk

The Group has liquidity risk management by maintaining adequate reserves cash and cash equivalents and high liquid

As at December 31, 2021 and 2020, the Group has the maturity details of non-derivatives financial liabilities which considered from undiscounted cash flows to be present value as follows:

Consolidated financial statements (Million baht)					
	Note	Less than 1 year	1 - 3 years	3 - 5 years	Total
<b>As at December 31, 2021</b>					
Bank overdrafts and short-term					
borrowings from financial institutions	18	260,483.75	0.00	0.00	260,483.75
Trade and other current payables	19	151,497,104.79	0.00	0.00	151,497,104.79
Lease liabilities	20	2,427,462.34	4,064,954.54	20,114,236.40	26,606,653.28
Total		154,185,050.88	4,064,954.54	20,114,236.40	178,364,241.82
<b>As at December 31, 2020</b>					
Bank overdrafts and short-term					
borrowings from financial institutions	18	165,360,620.52	0.00	0.00	165,360,620.52
Trade and other current payables	19	96,597,236.09	0.00	0.00	96,597,236.09
Lease liabilities	20	7,191,352.99	5,405,158.56	21,205,971.37	33,802,482.92
Total		269,149,209.60	5,405,158.56	21,205,971.37	295,760,339.53

		Separate financial statements (Million baht)			
	Note	Less than 1 year	1 - 3 years	3 - 5 years	Total
<b>As at December 31, 2021</b>					
Bank overdrafts and short-term					
borrowings from financial institutions	18	113,502.43	0.00	0.00	113,502.43
Trade and other current payables	19	99,709,635.80	0.00	0.00	99,709,635.80
Lease liabilities	20	1,522,614.99	0.00	0.00	1,522,614.99
Total		<u>101,345,753.22</u>	<u>0.00</u>	<u>0.00</u>	<u>101,345,753.22</u>
<b>As at December 31, 2020</b>					
Bank overdrafts and short-term					
borrowings from financial institutions	18	165,360,620.52	0.00	0.00	165,360,620.52
Trade and other current payables	19	77,479,039.93	0.00	0.00	77,479,039.93
Lease liabilities	20	6,328,170.54	1,522,614.99	0.00	7,850,785.53
Total		<u>249,167,830.99</u>	<u>1,522,614.99</u>	<u>0.00</u>	<u>250,690,445.98</u>

### 32.5 Fair value of financial instrument

The most of financial instruments of the Group are classified in short-term or has the interest rate closed to market rate. The Group, therefore, estimates fair value of financial instruments close to the carrying value as presented in statements of financial position.

The carrying value and fair value of financial assets and financial liabilities as at December 31, 2021 and 2020 are presented below.

<b>Consolidated financial statements (Baht)</b>					
		Carrying value			Fair value
		Fair value through profit of loss	Amortized cost	Total	
Note					
<b>As at December 31, 2021</b>					
<b>Financial assets</b>					
		0.00	223,825,252.35	223,825,252.35	223,825,252.35
		0.00	141,907,237.35	141,907,237.35	141,907,237.35
	33	16,600,000.00	0.00	16,600,000.00	16,600,000.00
		16,600,000.00	365,732,489.70	382,332,489.70	382,332,489.70
<b>Financial liabilities</b>					
		0.00	260,483.75	260,483.75	260,483.75
		0.00	151,497,104.79	151,497,104.79	151,497,104.79
		0.00	26,606,653.28	26,606,653.28	26,606,653.28
		0.00	178,364,241.82	178,364,241.82	178,364,241.82
<b>As at December 31, 2020</b>					
<b>Financial assets</b>					
		0.00	86,880,281.56	86,880,281.56	86,880,281.56
		0.00	118,929,931.59	118,929,931.59	118,929,931.59
		205,810,213.15	205,810,213.15	205,810,213.15	205,810,213.15
<b>Financial liabilities</b>					
		0.00	165,360,620.52	165,360,620.52	165,360,620.52
		0.00	96,597,236.09	96,597,236.09	96,597,236.09
		0.00	33,802,482.92	33,802,482.92	33,802,482.92
		0.00	295,760,339.53	295,760,339.53	295,760,339.53

		Separate financial statements (Baht)			
		Carrying value			Fair value
		Fair value through profit of loss	Amortized cost	Total	
Note					
<b>As at December 31, 2021</b>					
<b>Financial assets</b>					
	Cash and cash equivalents	0.00	196,714,456.50	196,714,456.50	196,714,456.50
	Trade and other current receivables <sup>6</sup>	0.00	111,656,269.04	111,656,269.04	111,656,269.04
	Others non-current financial assets				
	Investments in equity securities of the company registered	33	16,600,000.00	0.00	16,600,000.00
	Total		16,600,000.00	308,370,725.54	324,970,725.54
<b>Financial liabilities</b>					
	Bank overdrafts and short-term borrowings from financial institutions	0.00	113,502.43	113,502.43	113,502.43
	Trade and other current payables	0.00	99,709,635.80	99,709,635.80	99,709,635.80
	Lease liabilities	0.00	1,522,614.99	1,522,614.99	1,522,614.99
	Total		0.00	101,345,753.22	101,345,753.22
<b>As at December 31, 2020</b>					
<b>Financial assets</b>					
	Cash and cash equivalents	0.00	60,463,221.69	60,463,221.69	60,463,221.69
	Trade and other current receivables	0.00	92,588,472.54	92,588,472.54	92,588,472.54
	Total		0.00	153,051,694.23	153,051,694.23
<b>Financial liabilities</b>					
	Bank overdrafts and short-term borrowings from financial institutions	0.00	165,360,620.52	165,360,620.52	165,360,620.52
	Trade and other current payables	0.00	77,479,039.93	77,479,039.93	77,479,039.93
	Lease liabilities	0.00	7,850,785.53	7,850,785.53	7,850,785.53
	Total		0.00	250,690,445.98	250,690,445.98

### 33. HIERARCHY OF FAIR VALUE

As at December 31, 2021 and 2020, the Group presented carrying value of assets which measured at fair value separating by hierarchy of fair value as follows :

Consolidated financial statements (Million Baht)				
Note	Level 1	Level 2	Level 3	Total
<b>As at December 31, 2021</b>				
<b>Assets measured at fair value</b>				
Others non-current financial assets				
Investments in equity securities of the				
company registered	16.60	0.00	0.00	16.60
<b>Assets for which fair value are disclosed</b>				
Investments in associate	305.04	0.00	0.00	305.04
Investment properties	0.00	0.00	710.86	710.86
<b>As at December 31, 2020</b>				
<b>Assets for which fair value are disclosed</b>				
Investments in associate	148.42	0.00	0.00	148.42
Investment properties	0.00	0.00	566.85	566.85

Separate financial statements (Million Baht)				
Note	Level 1	Level 2	Level 3	Total
<b>As at December 31, 2021</b>				
<b>Assets measured at fair value</b>				
Others non-current financial assets				
Investments in equity securities of the				
company registered	16.60	0.00	0.00	16.60
<b>Assets for which fair value are disclosed</b>				
Investments in associate	305.04	0.00	0.00	305.04
<b>As at December 31, 2020</b>				
<b>Assets for which fair value are disclosed</b>				
Investments in associate	148.42	0.00	0.00	148.42

#### **34. COMMITMENT AND CONTINGENT LIABILITIES**

- 34.1 The Group has commitment under hire contractors' agreement, purchase inventories agreement, lease land agreement and others as at December 31, 2021 and 2020, totally Baht 63.49 million and Baht 44.58 million in the consolidated financial statements and Baht 7.79 million and Baht 18.27 million in the separate financial statements respectively.
- 34.2 The Group has contingent liabilities from a bank issuance of letter of guarantees for purchasing raw materials from several sellers for guarantee the work performance to the employer and guarantee central utilities usage to government agencies as at December 31, 2021 and 2020 amount of Baht 115.69 million and Baht 138.32 million in the consolidated financial statements, and amount of Baht 78.13 million and Baht 116.01 million in the separate financial statements respectively. Contingent liabilities are guaranteed by land, building, machinery and equipment (note 13).
- 34.3 As at December 31, 2020, the Group has contingent liabilities from entering into credit line guarantee agreement with a bank in the maximum guarantee for principal amount of Baht 41.30 million in the consolidated financial statements.
- 34.4 On February 24, 2020, the Company was prosecuted for breach of contract to purchase a plot of land and paid indemnity to the plaintiff(seller jointly held ownership of land) in the amount of Baht 5.95 million including interest at the rate of 7.5% per annum for which the Court dismissed the case. Subsequent on March 26, 2021, the plaintiff appealed to the Court which is currently under the Court's trial. The Company's management expected not to suffer damages from the outcome of the case.
- 34.5 On October 21, 2019, the Company was prosecuted as a joint defendant with a land seller, and the plaintiff asked the Court to revoke the legality of trading and registration of 6 plots of land at the cost of Baht 145 million of the seller and the Company. Subsequent on October 14, 2020, the Court already dismissed the case during the third quarter. The plaintiff has appealed to the Court, and on December 14, 2021, the Company entered into a compromise agreement with the seller and the plaintiff that agreed to make the payment amount of Baht 133.42 million with interest at the rate of 5.50% per annum to the Company within January 31, 2025, and the Company agrees to transfer ownership of the land back to the trustee within 30 days from the date of receipt of such payment in full.

### 35. PROVIDENT FUND

The Group has joined to be a member of provident fund named "SCBAM Master Fund" which registered in accordance with the Provident Fund Act B.E. 2530 and the amendment by appointing the fund management to be fund manager. The fund is contributed to the employees rate of 3-15% of employees wage and the Group at the rate of 3%. The accumulation and benefits will be paid to the members upon their retirement, death or resignation.

As at December 31, 2021 and 2020, the Group has contributed provident fund amount of Baht 2.11 million and Baht 2.12 million in the consolidated financial statements, and amount of Baht 1.46 million and Baht 1.50 million in separate financial statements respectively.

### 36. CAPITAL MANAGEMENT

The Group's objective in financial management is to maintain the ability to continue its operation and maintain the appropriate capital structure. As at December 31, 2021 and 2020, the Group has debt-to-equity ratios at 0.09 : 1 and 0.14 : 1 in the consolidated financial statements and debt-to-equity ratios at 0.06 : 1 and 0.12 : 1 in the separate financial statements, respectively.

### 37. RECLASSIFICATION

The certain accounts in the 2020 financial statements have been reclassified for corresponding with the presentation in the 2021 financial statements as follows:

	Consolidated financial statements (Baht)		
	<u>Before reclassifying</u>	<u>Reclassified</u>	<u>After reclassifying</u>
<b>STATEMENTS OF COMPREHENSIVE INCOME</b>			
<b>AS AT DECEMBER 31, 2020</b>			
Cost of sales and services	(613,241,447.08)	4,290,867.28	(608,950,579.80)
Distribution costs	(139,950,363.77)	(4,290,867.28)	(144,241,231.05)

### 38. EVENTS AFTER THE REPORTING PERIOD

According to the minutes of Board of directors' meeting No. 1/2022 held on February 23, 2022, passed the resolution to submit the approval to the general meeting of the shareholders for the year 2022 regarding the dividend payment from the results of operation for the year 2021 to the shareholders at Baht 0.011 per share for 5,386.34 million shares totally Baht 59.25 million.

### 39. FINANCIAL INFORMATION APPROVAL

These financial statements were approved and authorized for issue by the Company's Board of directors on February 23, 2022.

## **DCON PRODUCTS PLC.**

### **Attachment 1** Details in relation to the executives and the Company's controlling interest.

<b>Name-Surname</b>	<b>Education Qualification</b>	<b>Shareholding Ratio in the Company (%)</b>	<b>Working Track Record</b>
Associate Prof. Dr. Torkrakul Yomnak	<ul style="list-style-type: none"> <li>- B.S.Eng., Chulalongkorn University</li> <li>- M.S.C.E Master of Science in Civil Engineering (University of Washington, U.S.A.)</li> <li>- D.B.A. (Doctor of Business Administration), Nova Southeastern University.</li> <li>- Defense College, Class 4111.</li> <li>- Director Accreditation Program (DAP Class 16)</li> </ul>	<b>0.00</b>	-Chairman of the Board, Dcon Products Plc -Chairman of the Board, TACE LTD. (Torkrakul & Associate Consulting Engineers Ltd.). -Ex-chairman of the Board of Corporate Governance, Airports of Thailand Plc. Ex-member of the National Economic and Social Development Board (NESDB) (Board No 1) (Chairman of the Foreign Working Group). Ex-president of the Engineering Institute of Thailand Under H.M. the King's Patronage. <ul style="list-style-type: none"> <li>- An advisor to the Governor of Bangkok Metropolis.</li> <li>- An advisor to the Federation of Design and Construction Services of Thailand (FEDCON)</li> <li>- Alecturer of Doctoral Degree on "Development of Governance" Ratchapat Chankasem University.</li> <li>- Co-founder of the Public Network for Anti-corruption.</li> </ul>
Mrs. Pisamai Boonyakiat Chairman, Audit Committee	<ul style="list-style-type: none"> <li>-Bachelor of Accountancy, Chulalongkorn University</li> <li>- Master of Commerce, Thammasat University.</li> </ul>	<b>0.00</b>	-Chairman of the Audit Committee, Dcon Products Plc - Associate Judge, Nonthaburi Juvenile and Family Court - President, the New Wave Institute



Name-Surname	Education Qualification	Shareholding Ratio in the Company (%)	Working Track Record
Mr. Wittawat Pornkul Chairman of the Executive Board	-Bachelor of Science in Industrial Enterprise Engineering, Chulalongkorn University. - Director Accreditation Program (DAP Class 16) - Director Accreditation Program (DAP Class 46)	<b>28.42</b>	- Chairman of Executive Board, Dcon Products Plc - Director at Rompo product PLC - Director at DSC product PLC
General Pisarn Wattanawongkeeree Audit Committee	-Royal Chulachomklao Royal Military Academy -Chief of Staff Course	<b>0.00</b>	- Audit Committee And Independent Director - Region 4 Commanders - Chief of the Army Special Forces Regiment Royal Guard (Tiger Army Chief) - President of the League of Executive Advisors Municipality of Thailand - Chairman of the Advisory Committee on the Executive Committee of the Association of Organizations District Administration of Thailand
Mr. Chana Towan Deputy Chairman of the Executive Board	Bachelor Degree – Civil Engineering, Chulalongkorn University. Master Degree - Civil Engineering Asian Institute of Technology Director Accreditation Program (DAP, Class 16)	<b>11.32</b>	-Deputy chairman of the executive committee, Dcon Products Plc - Director at Rompo product PLC
Mr. Wanchai Tantikul Audit Committee	Bachelor of Laws (LLB) – Thammasat University Director Accreditation Program (DAP Class 8)	<b>0.047</b>	-Audit Committee, DCon Products Plc -Audit Committee, Ariya Property Plc. Managing Director, KanitAnchan Plc.
Dr. Tanai Charinsarn Director	Ph.D – Information Technology/University of New South Wales, Australia -Director Accreditation Program (DAP Class 16)	<b>0.00</b>	Director, Dcon Products Plc

Mr. Nirut Intarathachang Director	Bachelor of Accountancy Thammasat University	<b>0.00</b>	<ul style="list-style-type: none"> <li>- Director at Dcon products PLC</li> <li>- CFO at Dcon products PLC</li> <li>- Director at DSC product PLC</li> <li>- Director at Orrada PLC</li> <li>- Director at Rompo product PLC</li> <li>- Director at Wisarawan PLC</li> <li>- Director at Prinsiri PLC</li> </ul>
Dr. Kawin Worakanjana Deputy Managing Director (Line of Operation)	Bachelor of Science in Civil Engineering BSc. Eng. -MSc. Structural Eng. – Master of Science in Civil Engineering Asia Institute of Technology. -Ph.D. Civil Engineering, Tokyo University	<b>0.039</b>	A Project Researcher - Tokyo University Asia Institute of Technology <ul style="list-style-type: none"> <li>- Structural Engineer-Norsieve Engineering Co., Ltd.</li> <li>- Deputy Managing Director, Line of Operation- Dcon Products Plc</li> </ul>
Miss Pentipa Yimpayak Consultant	Senior High School	<b>0.00</b>	Dcon Products Plc
Miss Pradittha Worachat General Manager, for Pile	Bachelor of Business Administration, Advertising and Public Relations, Ramkhamhaeng University	<b>0.00</b>	Dcon Products Plc
Miss Chulaphorn Rungkharat Manager, Finance Department	Bachelor of Business Administration, (Finance) Thai Chamber of Commerce University	<b>0.00</b>	Dcon Products Plc
Mrs. Siriporn Leethavikulsomboon, Manager, Parquetry Department	Bachelor of Education Science Chulalongkorn University	<b>0.00</b>	Dcon Products Plc

**Details in relation to the Company's secretary controlling interest.**

Name-Surname	Education Qualification	Shareholding Ratio in the Company (%)	Working Track Record
Mr. Nirut Intarathachang	Bachelor of Accountancy, Thammasat University	0.00	<ul style="list-style-type: none"> <li>- Director at Dcon products PLC</li> <li>- CFO at Dcon products PLC</li> <li>- Director at DSC product PLC</li> <li>- Director at Orrada PLC</li> <li>- Director at Rompo product PLC</li> <li>- Director at Wisarawan PLC</li> <li>- Director at Prinsiri PLC</li> </ul>

**Attachment 2** – Details in relation to directors of subsidiary companies

**Orrada Co., Ltd.**

<b>Name-Surname</b>	<b>Education Qualification</b>	<b>Working Track Record</b>
Mr. Nirut Intarathachang Director	-Bachelor of Accountancy, Thammasat University	- Director at Dcon products PLC - CFO at Dcon products PLC - Director at DSC product PLC - Director at Orrada PLC - Director at Rompo product PLC - Director at Wisarawan PLC - Director at Prinsiri PLC
Dr. Aisoon Assawamaninthon Director	-Bachelor of Architecture, Rangsit University -Master of International Business, Leeds Beckett	-Deputy Managing Director -Dcon Products Plc - Director at Wisarawan PLC - Director at Orrada PLC
Miss Wisara Pornkul Director	-Bachelor of Accountancy Kasetsart University -Master of Advertising and marketing University of Leeds	- Assistant to Managing Director-Dcon Products Plc - Director at Wisarawan PLC - Director at Orrada PLC
Miss Rattha Kertsiri Director	-Bachelor of Arts, Silpakorn University	- Secretary to the Managing Director - Dcon Products Plc - Director at Wisarawan PLC - Director at Orrada PLC

**Wisarawan Co., Ltd.**

<b>Name-Surname</b>	<b>Education Qualification</b>	<b>Working Track Record</b>
Mr. Nirut Intarathachang Director	-Bachelor of Accountancy, Thammasat University	- Director at Dcon products PLC - CFO at Dcon products PLC - Director at DSC product PLC - Director at Orrada PLC - Director at Rompo product PLC - Director at Wisarawan PLC - Director at Prinsiri PLC
Dr. Aisoon Assawamaninthon Director	-Bachelor of Architecture, Rangsit University -Master of International Business, Leeds Beckett	-Deputy Managing Director -Dcon Products Plc - Director at Wisarawan PLC - Director at Orrada PLC
Miss Wisara Pornkul Director	-Bachelor of Accountancy Kasetsart University -Master of Advertising and marketing University of Leeds	- Assistant to Managing Director-Dcon Products Plc - Director at Wisarawan PLC - Director at Orrada PLC
Miss Rattha Kertsiri Director	-Bachelor of Arts, Silpakorn University	- Secretary to the Managing Director - Dcon Products Plc - Director at Wisarawan PLC - Director at Orrada PLC

## ROMPO PRODUCTS CO., LTD.

Name-Surname	Education Qualification	Working Track Record
Mr. Wittawat Pornkul Chairman of the Executive Board	-Bachelor of Science in Industrial Enterprise Engineering, Chulalongkorn University. - Director Accreditation Program (DAP Class 16) - Director Accreditation Program (DAP Class 46)	- Chairman of Executive Board, Dcon Products Plc. - Director at Rompo product PLC - Director at DSC product PLC
Mr. Chana Towan Deputy Chairman of the Executive Board	-Bachelor Degree – Civil Engineering, Chulalongkorn University. -Master Degree - Civil Engineering Asian Institute of Technology -Director Accreditation Program (DAP, Class 16)	-Deputy chairman of the executive committee, Dcon Products Plc. - Director at Rompo product PLC
Mr. Nirut Intarathachang Director	-Bachelor of Accountancy Thammasat University	- Director at Dcon products PLC - CFO at Dcon products PLC - Director at DSC product PLC - Director at Orrada PLC - Director at Rompo product PLC - Director at Wisarawan PLC - Director at Prinsiri PLC
Miss Namonras Sridachotham Director	-Bachelor Degree – Finance, Phayap University -Master Degree – Management Accounting, Phayap University	- Managing Director - Rompo Products Co., Ltd. - Director at Rompo product PLC
Mr. Natthawut Thepkaew Director	-Bachelor of Science, Songkhla Nakarin University -Master's Degree - MBA, Ramkhamhaeng University	- Factory Manager - Rompo Products Co., Ltd. - Director at Rompo product PLC

## DSC PRODUCT CO., LTD.

Name-Surname	Education Qualification	Working Track Record
Mr. Wittawat Pornkul Chairman of the Executive Board	-Bachelor of Science in Industrial Enterprise Engineering, Chulalongkorn University. - Director Accreditation Program (DAP Class 16) - Director Accreditation Program (DAP Class 46)	- Chairman of Executive Board, Dcon Products Plc. - Director at Rompo product PLC - Director at DSC product PLC
Mr. Nirut Intarathachang Director	-Bachelor of Accountancy Thammasat University	- Director at Dcon products PLC - CFO at Dcon products PLC - Director at DSC product PLC - Director at Orrada PLC - Director at Rompo product PLC - Director at Wisarawan PLC - Director at Prinsiri PLC
Dr. Kawin Worakanchana Director	-Bachelor of Civil Engineering, Chulalongkorn University -Master of Structural Engineering Asia Institute of Technology -Ph.D. –Civil Engineering Tokyo University	- Director at Dcon products PLC - Director at DSC product PLC
Mr.Decha Apiromdej Director	-Bachelor of Marketing ABAC University	- MD at Sinudom Concrete Co.,Ltd. - Director at DSC product PLC
Mr.Chanchai Apiromdej Director	-Bachelor's Degree - Civil Engineering, Kasem Bundit University - MBA Pfeiffer University	- Vice MD at Sinudom Concrete Co.,Ltd. - Director at DSC product PLC

Mr.Monsak Upaiboon Director	-Marketing University of the Thai Chamber of Commerce	- MD at Chusin Concrete Co.,Ltd. - Director at DSC product PLC
Miss Wasinee Upaiboon Director	-Bachelor of Civil Engineering, Chulalongkorn University - Master of MBA Sasin Graduate Institute of Business Administration	- Assistant to Managing Director at Chusin Concrete Co.,Ltd. - Director at DSC product PLC



**Attachment 2** – Details of Board of Directors and executives who hold an executive position in a subsidiary, an associated company or allied companies.

Directorship and executive	1	2	3	4	5-10	11	12-17	18	19	20	21	22	23
Assoc.Prof Tortrakul Tortrakulommanak	X , /			X	/								
Mr. Dhanit Charinsarn	/												
Mr. Wittawat Pornkul	/ , // , ///		X , /						X , /				
Mr. Chana Towan	/ , //		/										
Dr. Tanai Charinsarn	/												
Mrs. Pisamai Boonyakiat	/							/					
Mr. Wanchai Tantikul	/					///	/						
Mr. Nirut Intarathachang	/ , // , ///	/	/						/			/	/
Dr. Kawin Worakanchana	/ , // , ///	// , ///							/ , // , ///				
Miss Pradittha Vorachart	// , ///												
Miss Chamnong Panyasombt	// , ///												
Miss Somneuk Raksanit	// , ///												
Miss Siriporn Leethaveekulsomboon	// , ///												
Mr. Samak Sakitsombat	// , ///												

**REMARKS: X = Chairman of the Board / = Director // = Executive Director /// = Executive**

Directorship and executive	1	2	3	4	5-10	11	12-17	18	19	20	21	22	23
Mr. Noppamas Alipariyakul	// , ///												
Mr.Decha Apiromdej									/		//, ///		
Mr.Chanchai Apiromdej									/		//, ///		
Mr.Monsak Upaiboon									/	//, ///			
Miss Wasinee Upaiboon									/				
Mr. Natthawut Thepkaew			/, //, ///										
Miss Namonras Sridachotham			/, //, ///										
Miss Wisara Pornkul		/, //, ///											/, //, ///
Miss Rattha Kerd Siri		/											/
Mr. Aisoon Assawamaninthon		/, //, ///											/, //, ///

**REMARKS: X = Chairman of the Board / = Director // = Executive Director /// = Executive**

1. Dcon Products Plc
2. Orada Co., Ltd
3. Rom Bho Products Co., Ltd.
4. Tortrakul & Company Engineering Consultant Co., Ltd.
5. TACE Co., Ltd.
6. TACE Marketing
7. Test North Co., Ltd.
8. Prinda Plc
9. Special Lease Engineering Consultant Co., Ltd.
10. Sysmtem Little House Co., Ltd.
11. Khanit Anchan Co., Ltd.
12. Ariya Property Co., Ltd.

13. Di So (Thailand) Co., Ltd.
14. Delica Foods Ltd.
15. Suan RuamNimitr Co., Ltd.
16. Thurakij Anant Real Estate Co., Ltd.
17. Thurakij Annt Ltd. Part.
18. Eason Pant Plc.
19. DSC Products Co., Ltd.
20. Chusin concrete Co., Ltd.
21. Sinudom concrete Co. Ltd.
22. Prinsisi Plc
23. Wisarawan Co. Ltd.

### **Attachment 3 Details on chief internal auditor and chief company operation supervisor**

#### **Name of the office designated as internal auditor of the Company**

Office of the Internal Auditor

#### **Person designated to perform as chief internal auditor**

Miss Chayanee Minanon

#### **Duties and responsibilities of the chief internal auditor**

1. Prepare manning allocation plan and audit plan on quarterly basis.
2. Examine records and control quality in goods production.
3. Make observations from the examination.
4. Attend internal meeting with the team to follow up on progress of audit.
5. Meet with those audited regarding issues found from the examination and request improvement plan to reduce risks observed or remedy to distribute risks.
6. Report to the Audit Committee of the Company on the result of audit on adequacy of the internal audit system.

#### **Attachment 4 Details on property appraisals**

- Nil -

## **Attachment 5 Report of the Audit Committee**

The Audit Committee of DCON Products Public Company Limited is composed of 3 independent directors with qualifications in accounting-financial, legal and organization management fields. The 3 audit directors, named below, are not executives of the Company and have no interest with the Company.

Mrs. Pisamai	Boonyakiat	Independent Director, Chairman of Audit Committee
General Pisarn	Wattanawongkeeree	Independent Director, Audit Director
Mr. Wanchai	Tantikul	Independent Director, Audit Director

In 2021 the Audit Committee performed duties independently and completely as assigned by the Board of Directors to carry out supervision as per regulations governing audit committee. Significant audits were review of financial statement, review of good corporate governance, review of internal control and internal audit systems, by meeting with high-level executives, managing partner of audit office and internal auditor. There were 4 meetings the essences thereof could be summarized as follows.

1. Reviewed the quarterly and annual financial statements for the year 2021 by giving suggestions and comments to ensure that such financial statements were prepared fairly in material aspects, with appropriate and adequate information disclosure and in accordance with generally accepted accounting principles. Disclosure of related party transactions, intercompany transactions between the Company and subsidiaries and related transactions were also reviewed to ensure that the Company complied with normal business conditions and in accordance with rules prescribed by the Stock Exchange of Thailand.

2. Reviewed to ensure that the Company complied with law governing securities and stock exchange, requirements of the Stock Exchange and relevant laws, and review the good corporate governance. The Audit Committee found that directors and personnel strictly complied therewith, especially related transactions and transactions which could have conflicts of interest. In addition, the Committee emphasized on compliance with changes in laws and regulations applicable to the business operation and good corporate governance.

3. Reviewed the internal control system and supervised internal audit work of the Company jointly with the internal auditor every quarter and found that the internal control system was adequate and appropriate to the Company's business operation, which was consistent with the auditor's opinion which reported that no material defect impacting the financial statement was found from the review. In addition, recommendations were made and internal audit performance of the Company were monitored and improved to be more efficient and effective.

4. Considered and commented on selection of auditor and determined remunerations for auditing for submission to the Board of Directors to seek approval from shareholder meeting, by proposing that D I A International Co., Ltd. be elected as auditor for 2022.

5. Reviewed and monitored investments in high-value projects to recommend the Board of Directors to be aware of investment management which required efficient and effective execution as well as close and transparent supervision.

The Audit Committee wished to submit that in 2021 the Committee performed the assigned duties cautiously, to its fullest ability, with wisdom and independency, and provided recommendations to all parties concerned candidly for benefits of the Company, all shareholders and other stakeholders appropriately.

On behalf of the Audit Committee



(Mrs. Pisamai Boonyakiat)  
Chairman, Audit Committee

Form 56-1 ONE REPORT



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