

SOW NEW CHALLENGES  
**REAP NEW OPPORTUNITIES**

ASIASOFT ANNUAL REPORT 2021  
(FORM 56-1 ONE REPORT)





**ASIASOFT**

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# MESSAGE FROM OUR CHAIRMAN AND CHIEF EXECUTIVE OFFICER

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2021 has been another challenging but successful year of Asiasoft. The Company faced several business challenges such as intense competition within the gaming market, advancement of technologies that highly influences changes in the gaming industry, and definitely the COVID-19 pandemic situation. In the face of these challenges, we still adhered to a belief in the Company's business potential and take any opportunity to bring strategies into action. As a result, the Company successfully continued its growth in all dimensions including in revenue and profits. Besides, the international marketing development plan that has been initiated is now closer to being a reality as the Company registers in Vietnam has been already accomplished and currently is in the process of paid-up share capital. The Company is able to recognise revenue since quarter 1, 2022 onward.

Nevertheless, amid the COVID-19 pandemic crisis last year, Asiasoft recognized the importance of social responsibility and the Company's vital role in providing support to society. Asiasoft helped communities by donating over 8.9 million Baht through 16 organizations in 5 countries : Thailand, Singapore, the Philippines, Malaysia, and Vietnam. This donation helped provide support to several sectors including public health, education, and communities that suffered from the crisis. This is one of our activities that we arranged in an aim to create social contribution to society.

In 2022, Asiasoft still determines to seek new opportunities to drive the business forward. The Company also prepares to dive into the new S-Curve of the business to create a path for sustainable growth by looking forward to its business expansion in other fields. Besides being a leading gaming service provider, the Company has partnered with an alliance that specializes in blockchain technologies, to develop a Hybrid GameFi platform and strengthen its business to the next level as a global service provider in the future. This is considered major Paradigm Shift of Asiasoft.

Lastly, on behalf of Asiasoft, I would like to take this opportunity to sincerely thank the Company's shareholders, customers, and business alliances for their continuing support, recommendations, and trust. Most importantly, I would like to thank the management teams and staff members in all units for their commitment and contribution to the Company and their willingness to walk together to achieve our goal. We assure that the Company will continue to maintain business transparency, awareness of corporate social and environmental responsibility, and commitment to good governance to ensure the highest benefits for stakeholders in all sectors.



Mr. Pramoth Sudjitporn

Acting Chairman and Chief Executive Officer





# **PART 1**

## **BUSINESS OPERATIONS AND PERFORMANCE**

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ASIASOFT ANNUAL REPORT 2021

# 1 STRUCTURE AND OPERATION OF GROUP COMPANIES

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## 1.1 Company Vision Mission and Goals

### VISION

**“The Virtual World for Passionate Gaming.”**

### MISSION

**“To Inspire Endless Moments of FUN and Excitement  
through Virtual and Live Experiences.”**

### Objective and Long-term Goals

2021 was a fantastic year for Asiasoft in terms of the trajectory of our business. Our portfolio of classic products are performing well and with good support from developers. Our team managed to grow revenues for almost all classic products at the same time launch some very successful new titles.

In 2020 we set this Goal “Our 3 years plan are to achieve over 2 billion Baht revenue by 2023 and solidify Asiasoft as the dominant force in mid-to-hardcore gaming focusing on Genre that plays to our Strength and our expertise accumulated over the years, it is unique among publisher in Southeast Asia. Our roadmap to achieve this Goal has already been set in motion starting 2020, with a much more aggressive approach to acquire games that fit our requirement as well as games that further enhance our competitiveness”.

By the end of 2021 we have almost achieved the target 1 year ahead with 1.8 billion Baht. Furthermore, in the past, Domestic (Thailand) contributed a major portion of the Asiasoft revenue, however in 2020 and 2021 the growth from Singapore, Malaysia, and Philippines have made the contribution from overseas markets accounted for over 70%. These growth coupled with our investment in Vietnam and Indonesia create a solid base to further strengthen our position in the Southeast Asian market and will help us to achieve new heights in the next 3 years.

We will continue into 2022 and beyond with the same mindset and directions we set out in 2020 as follows “Operationally, to achieve our long term objectives, we will heavily invest in Mobile games as well as ramp up our operational capability to maximize the life cycle of all Mobile games under our portfolio.

Asiasoft is 1 of only 2 companies with reach across in all Southeast Asian countries with our local team as well as operational partners, this permits us greater flexibility in reaching out to as well as managing our community. Our operational philosophy is to “Think Regional, Act Local”. Regional thinking allows us to combine and share experiences and increases our chances of success with every acquisition. Act local allowed us to maximize each product in each market. All our strategies and directions must be acted upon and enforced through the ability to connect to our gamers using all channels available for us, from social networks, to chat and mail. But the most important channel is still Face-2-Face, we may serve our gamers in the virtual worlds through many of our games, but to keep them loyal we must connect with them on the most fundamental level that human respond to, meaning at the core, our operations, and community activities is to build that human bond that extends and enhance our connection in the virtual world.”

## 1.2 Important Changes and Development

Asiasoft Corporation Public Company Limited (the “Company or AS”) was formerly named B.M. Media (Thailand) Company Limited. The Company was incorporated on 20 September 2001, with a registered capital

of 5 million Baht as a distributor of PC games by co-founders of the Company, Mr. Pramoth Sudjitporn, Mr. Tan Tgow Lim and Mr. Lertchai Kanpai, all of whom have extensive experience in the entertainment software business.

- In 2003, the Company started to provide online gaming services in Thailand by launching “Ragnarok Online”, an online game licensed from Gravity Company Limited, South Korea. The game was localized into Thai language to serve Thai gamers and was met with the enormous success which in turn helped to establish the Company as one of the leading providers of online games in Thailand.
- In 2004 - 2005, a shareholding restructuring of the Company was carried out by purchasing shares in companies held mainly by common shareholders to provide clarity in the operating structure, savings, and effectiveness in management.
- In 2006, the Company expanded its services to include “Audition” casual game which met with astounding success. To date, it still holds the no.1 spot in the dance game category in Thailand. In the same year, the Company established Asiasoft Online Pte. Ltd. in Singapore as its first step to expand the market to cover Southeast Asia.
- In 2007, the Company listed on the Stock Exchange of Thailand on 17 May 2007 with a registered capital of 316 million Baht.
- In 2011, the Company expanded its services above and beyond online games by investing in Thaiware Communication Company Limited, the portal owner of [www.thaiware.com](http://www.thaiware.com) known as the hub of IT news and download distribution for both Thai and international software. Truehits ranked the web portal as no.1 in Computer. This portal also serves as a platform for e-commerce selling software, IT equipment and gadgets.
- In 2012, the Company expanded the market to Malaysia by investing in CIB Development Sdn. Bhd.
- In 2014, the Company has continuously grown and expanded the mobile gaming sector to correspond to the increase in consumer usage of smartphones. Combined with the growing popularity in online media and marketing on the digital platform, the Company expanded into online agency business by offering complete digital marketing planning services by investing in Think Plus Digital Company Limited to services its own group of companies and other customers. Within the same year, the Company invested in developing digital content by investing with Mirin Innovation Company Limited to create online PC games and mobile games including applications. In addition, the Company continued to push ahead in Southeast Asia by expanding the market to cover the Philippines by acquiring Level Up! Inc.
- In 2016, the registered capital was increased by 102,469,254 Baht, bringing the total registered capital to 409,877,016 Baht.
- In 2017, the registered capital was increased for Playpark Co., Ltd. by 110,000,000 Baht, bringing the total registered capital to 150,000,000 Baht, the Company invested in Skynet Systems Company Limited, a FinTech Startup to develop trading platform applications for trading stocks and securities.
- In 2018, the registered capital was increased for Skynet Systems Company Limited, an associate company in Thailand and for Asiasoft Online Pte. Ltd., a subsidiary company in Singapore and renamed it as Playpark Pte. Ltd. In addition, negotiations with business partners in Indonesia started in preparation for the launch of online gaming services.
- In 2019, The Company expanded its services to Indonesia in collaboration with PT. Wave Wahana Wisesa and signed a business agreement with Krafton Inc., a world-class game developer from South Korea to publish the Ascent: Infinite Realm (A:IR) in Thailand. We also made remarkable in-road into the Mobile gaming platform through the launch of TS Mobile from Taiwan Developer, Chinese Gamers International.

- In 2020, Asiasoft Corporation Public Company Limited was decreased the registered capital and paid up capital by reduction of par value of the share from 1.00 Baht each to 0.50 Baht each, which makes the company remaining registered capital 256,173,135 Baht and paid up capital 204,938,596.50 Baht. And on 18 August 2020, the Company has successfully had the Caution (C) sign lifted on its securities.
- In 2021, The Board of directors had passed a resolution to invest in CONG TY TNHH CHAU A MEM Company Limited which is located in Vietnam for an amount of VND 10,780,000,000 or approximately 15,305,000 Baht. After investing, Asiasoft will hold 49% of share capital (issues new capitals), resulting in CONG TY TNHH CHAU A MEM Company Limited becoming a subsidiary under Asiasoft. Besides, CIB Net Station Sdn. Bhd., a subsidiary company in Malaysia has been renamed Playpark Malaysia Sdn. Bhd. With good corporate governance, and procedures in place, CAC announced that Asiasoft Corporation Public Company Limited is certified as a member of CAC since 30 September 2021.

### 1.3 Company Structure

As of 31 December 2021, the Asiasoft Group comprises 10 companies, as follows :



#### (Paid-up capital THB 212.38 m)

99.99%	A Capital Co., Ltd. ("A Cap") (Paid-up THB 20 m)
40.00%	Thaiware Communication Co., Ltd. ("Thaiware") (Paid-up THB 1.5m)
57.04%	Skynet Systems Co., Ltd. ("Skynet") (Paid-up THB 6.1364m)
99.99%	Playpark Co., Ltd. ("Playpark") (Paid-up THB 150 m)
61.68%	CIB Development Sdn. Bhd. ("CIB Dev") (Paid-up MYR 1 m)
100%	Playpark Malaysia Sdn. Bhd. ("PPMY") (Former CIB Net) (Paid-up MYR 1 m)
40%	Playpark Inc. ("PPPH") (Paid-up PHP 4 m)
100%	Playpark Pte.Ltd. ("PPSG") (Former ASO) (Paid-up SGD 3 m)
99.9%	PT. Asiasoft (ASID) (Paid-up IDR 31,745 m)



The Company's main business is in online entertainment, as detailed below.

Company	Country	Main Business
1. Asiasoft Corporation Plc. ("AS")	Thailand	Providing online entertainment services as an online game and mobile game operator in Thailand.
2. A Capital Co., Ltd. ("A Cap")	Thailand	Investment Arm (Holding Company).
3. Thaiware Communication Co., Ltd. ("Thaiware")	Thailand	Providing information and distributing software and IT service, including software download on the website www.thaiware.com
4. Skynet Systems Co., Ltd. ("Skynet")	Thailand	Developing stock and security market trading platform application.
5. Playpark Co., Ltd. ("Playpark")	Thailand	Online game business services.
6. CIB Development Sdn. Bhd. ("CIB Dev")	Malaysia	Online PC and mobile game business services in Malaysia.
7. Playpark Malaysia Sdn. Bhd. ("PPMY") (Former name CIB Net Station Sdn. Bhd.)	Malaysia	Online PC and mobile game business services in Malaysia.
8. Playpark Inc. ("PPPH")	Philippines	Online PC and mobile game business services in the Philippines.
9. Playpark Pte. Ltd. ("PPSG") (ไอเอ็มซี Asiasoft Online Pte. Ltd.)	Singapore	Online PC and mobile game business services in Singapore.
10. PT. Asiasoft ("ASID")	Indonesia	Online game business services in Indonesia.

#### 1.4 Relationship with the Business Group of Major Shareholders

The main business of the Company does not have any significant relationship with or relating to other business operations of major shareholders.

#### 1.5. Nature of Business

##### 1.5.1 Structure of the Company's Income

The Company's income can be divided into three type of business as follows :

Type of Revenue	2021		2020		2019	
	THB M	%	THB M	%	THB M	%
1. Revenue from online game service	1,850.4	99.4	1,310.5	98.1	741.8	97.3
2. Revenue from distribution business	10.1	0.5	23.3	1.7	14.2	1.9
3. Other income	1.7	0.1	2.4	0.2	6.4	0.8
Total	1,862.1	100	1,336.2	100	762.4	100

The Company's income can be divided into two geographical areas as follows :

Type of Revenue	2021		2020		2019	
	THB M	%	THB M	%	THB M	%
<b>1. Revenue from operation in Thailand</b>	<b>556.4</b>	<b>29.9</b>	<b>528.5</b>	<b>39.6</b>	<b>410.9</b>	<b>53.9</b>
<b>2. Revenue from overseas operation</b>	<b>1,305.7</b>	<b>70.1</b>	<b>807.7</b>	<b>60.4</b>	<b>351.5</b>	<b>46.1</b>
<b>Total</b>	<b>1,862.1</b>	<b>100</b>	<b>1,336.2</b>	<b>100</b>	<b>762.4</b>	<b>100</b>

### 1.5.2 Products and Services

#### (1) Nature of the Company's Businesses

The Company is recognized locally and internationally as a leading provider of online entertainment services, especially online gaming, in Southeast Asia.

The Company initially stepped into the online gaming business in Thailand in 2003, with a successful launch of "Ragnarok Online." Later in 2008, "MapleStory" was launched in Singapore and achieved great recognition from Singaporean gamers. Afterwards, the Company expanded its business in the Philippines and Malaysia and has become a leading online entertainment service provider in Southeast Asia. In 2021, 32 online games have been launched on both PC and mobile platforms.

In the past 3 years, approximately 98% of the overall revenues of the affiliated companies came from online gaming products and services.

The online gaming services offered in each country are operated through companies set up locally in those countries. Each local company owns a dedicated gaming server system to support gamers in that country. Additionally, the Company runs a multi-country server in Singapore to provide support for gamers in the region to ensure that there is adequate gaming server support to efficiently serve a high traffic of multiplayer gaming.

Apart from that, cloud computing technology has been developed and become a lower cost. The companies; hence, started to use a cloud based platform from service providers instead of investing in and managing new server operations. This resulted in more effective IT cost management and better service quality.

Asiasoft gained major revenue from online gaming services through both PC and Mobile platforms which offer many payment methods and channels for example @Cash Prepaid E-Pin, E-Payment, E-Wallet System.

For the convenience of gamers in Southeast Asia in topping up to the online games of the Company, the Company offers the money top-up system called PlayMall, which is the main centralized e-wallet for payments of all items and services for games under PlayPark brand. The system can accommodate refills that convert into Cash Points for seven currencies namely US dollar (USA), Baht (Thailand), Ringgit (Malaysia), Singapore dollar (Singapore), Dong (Vietnam), Peso (the Philippines) and Rupia (Indonesia).

Moreover, to provide support in servicing gamers, the Company established an online gaming information center to answer technical and how-to-play questions via Live Chat, Email, or social media, namely Facebook fan page.

During 2021, the Company was granted the rights to service 32 online games in 5 countries as follows :

Online Game	Type of Game*	Type of Revenue Model
1. MapleStorySEA	MMORPG	Item Sale
2. Yulgang	MMORPG	Item Sale
3. Perfect World	MMORPG	Item Sale
4. Granado Espada	MMORPG	Item Sale
5. Cabal Online	MMORPG	Item Sale

Online Game	Type of Game*	Type of Revenue Model
6. TLBB	MMORPG	Item Sale
7. Dragon Nest (terminated on 2021)	MMORPG	Item Sale
8. Elsword	MMORPG	Item Sale
9. Flyff	MMORPG	Item Sale
10. Mosiang Online	MMORPG	Item Sale
11. Ran Online (terminated on 2021)	MMORPG	Item Sale
12. Rising Force Online	MMORPG	Item Sale
13. Wulin Online	MMORPG	Item Sale
14. Swordsman Online	MMORPG	Item Sale
15. Last Chaos	MMORPG	Item Sale
16. New Mohun Online	MMORPG	Item Sale
17. MU Online	MMORPG	Item Sale
18. Gujian (Swords of Legends)	MMORPG	Item Sale
19. Tanki Online (terminated on 2021)	Webgame	Item Sale
20. Audition	Casual	Item Sale
21. Super Dancer Online Xtreme	Casual	Item Sale
22. Tales Runner	Casual	Item Sale
23. Mission Against Terror 2	FPS	Item Sale
24. Special Force 2	FPS	Item Sale
25. Genki Heroes	Mobile	Item Sale
26. Rappelz M (terminated on 2021)	Mobile	Item Sale
27. TS Online Mobile	Mobile	Item Sale
28. Wonderland Online Mobile	Mobile	Item Sale
29. Dream Dance Online (terminated on 2021)	Mobile	Item Sale
30. Club Audition Mobile	Mobile	Item Sale
31. Cabal Mobile	Mobile	Item Sale
32. Real Yulgang Mobile	Mobile	Item Sale
<b>Total 32 Games</b>		

\*1. Massively Multiplayer Online Role-Playing Game (MMORPG) is an online game genre that can accommodate a high number of players with real-time interaction in a virtual world where gamers have the opportunity to compete or interact. Contents of the games are about action adventures which includes battle, monster hunt which aims to develop their own character or warlike environment having the following characteristics :

- Gamers have a choice of playing one or more characters at the same time by using the Multi Character Control System : (MCC). Each character continuously develops and varies in strengths and weaknesses.
- Gamers can earn experience points from their adventure and use those points to increase character's

levels; they can also collect, exchange or sell various items acquired during their adventure, for example weapons or points to increase the strengths and differentiation of the characters.

- The character progression is based on real life situations, for example marriage, acceptance of apprentices or masters, grouping to fight opposition.
- There is no end game and there is no definite win or lose as the game continues to progress indefinitely.
- Most gamers are loyal to the game and community due to the nature of the game which promotes competition among gamers as it requires a considerable amount of time to collect the experience and increase their character level.

2. *Casual Game* is an online game genre with colorful and endearing cartoon characters. It is easy to play – not much skill is required. Each game can be completed in a short period of time, and is suitable for relaxation.

3. *First Person Shooting (FPS)* is an online game genre that is action-oriented, using gun type weapons to fight opponents. Players are split into teams and they help each other in various combat modes with time limitation for each session.

4. *Mobile Game* is another online game platform that can play on portable devices such as smartphones and tablets. Various PC games are now available on mobile platform.

The online gaming business is the major source of the Company's revenue, accounting for 99% of the Company's total revenue. The Company provides its comprehensive online gaming services to gamers in Southeast Asia, starting from acquiring game licenses that match its market preference, running efficient game operation, making PR and marketing planning, establishing game information centers for customer, providing convenient payment channels, and Most importantly, choosing appropriate technologies and systems for the best services to customers, including the server system, computer equipment and software, client program, security system. The Company also creates websites and social networking channels to interact with gamers to provide the best gaming experience.

During 2021, the Company provides online game service in total of 32 games in 5 countries as follows :

Service Country	Number of Game	Online Game for which Service are Provided During 2021
Thailand	19	Yulgang, Perfect World, Granado Espada, Dragon Nest, Elsword, Flyff, Ran Online, Swordsman Online, Last Chaos, MU Online, Tanki Online, Audition, Tales Runner, Genki Heroes, Rappelz M, TS Online Mobile, Wonderland Online Mobile, Dream Dance Online, Real Yulgang Mobile
Singapore	19	MapleStorySEA, Yulgang, Perfect World, TLBB, Flyff, Mosiang Online, Wulin Online, Rising Force Online, New Mohun Online, MU Online, Tanki Online, Audition Next Level, Super Dancer Online Xtreme, Mission Against Terror 2, Special Force 2, Genki Heroes, Rappelz M, Dream Dance Online, Club Audition Mobile
Malaysia	21	MapleStorySEA, Yulgang, Perfect World, TLBB, Flyff, Ran Online, Mosiang Online, Wulin Online, Rising Force Online, New Mohun Online, MU Online, Tanki Online, Audition Next Level, Super Dancer Online Xtreme, Mission Against Terror 2, Special Force 2, Genki Heroes, Rappelz M, Dream Dance Online, Club Audition Mobile, Gujian
Philippines	14	Perfect World, Cabal Online, Flyff, Rising Force Online, MU Online, Tanki Online, Audition Next Level, Mission Against Terror 2, Special Force 2, Genki Heroes, Rappelz M, Dream Dance Online, Club Audition Mobile, Cabal Mobile



Service Country	Number of Game	Online Game for which Service are Provided During 2021
Indonesia	8	Flyff, New Ran Online, MU Online, Tanki Online, Special Force 2, Genki Heroes, Rappelz M, Dream Dance Online

Note : Some games were served in more than one country.

Additionally, in strengthening online game services, the Company has put up the website “www.playpark.com” to be a gaming portal for all PC and mobile games as well as services such as the member and new ID registration system, problem report system, wallet system, and Item Code system. The website also offers a download service channel for all games provided by the Company and also the news channel for game updates.

The Company has invested in Thaiware, an IT business, that has a website “www.thaiware.com” which provides all kinds of IT services including IT news and updates, IT products and services and free/buy downloads of software of both local and foreign suppliers. Through the website, there is also an online shopping channel that sells gadgets, IT equipment. Thaiware is also an authorized distributor of several applications and software and has become a leading online software distributor in Thailand.

Service fees for online games are charged by Item Sale, allowing gamers to play for free and charging for items used in the games such as weapons, decoration items, pets and accessories. Gamers can decide whether or not to make a purchase. Items sold are considered as service fees for the Company. Item sale depends on the type and popularity of the game in each country, marketing policies at the time, and quantity of items offered for sale - primarily, prices of items are cheaper when purchased in set packages.

At present, the revenue model of online game services around the world has generally changed from the game package sale and airtime sale model to item sale system. Operators believe that by first offering games to play for free, gamers are more persuaded to try out the games; and if satisfied, the opportunity of earning revenue for the Company through item sale exceeds selling in other ways. In addition, the Company gains other income from advertising through Casual Game which offers a free game with in-game advertisements to gamers.

## **(2) Marketing Activities and Distribution**

### Marketing Activities

The Company has been operating under the trade name “Asiasoft” from the start of its operation in 2001. The name has become widely recognized among gamers throughout the region as the leading operator in the online gaming market, signifying a good level of quality in the games the Company published, effective marketing activities, and ability to retain its customer base as well as the trust in the Company’s server system for the game services. To further create clarity in marketing representation and to support business expansion into other areas, the Company created a new brand under the name “PlayPark” to market online games and decided to use Asiasoft as the corporate brand.

A marketing activity is an important strategy for effective communication with current and potential customers regarding the services and online games offered by the Company. The objective of these efforts is to create recognition and acknowledgement of online games among potential customers, bringing the promoted game across as an inexpensive and convenient means of daily entertainment. In addition to the launch of new games, marketing activities also aim to strengthen the customer relations, corporate image and social responsibility. The Company also regularly conducts market surveys in order to understand needs and behaviors of gamers, which are the basis for effective marketing strategies and customer satisfaction. Additionally, the Company conducts marketing activities in collaboration with business partners such as activities through payment channels, consumer products to promote and build product recognition, customer retention and brand loyalty.

### Top-up Channels

The Company has also partnered up with other service providers to offer other top-up channels. This

wallet system has been considered a safe, convenient channel for all customers. Customers can top up to all of the Company's games using any methods of payment available as follows

Channel	Thailand	Malaysia	Singapore	Philippines	Indonesia
@Cash Prepaid E-Pin	<ul style="list-style-type: none"> <li>• www.zest.co.th</li> <li>• mPay Wallet</li> <li>• mPay Station</li> </ul>	<ul style="list-style-type: none"> <li>• ACS</li> <li>• MOL</li> <li>• Offgamers</li> <li>• Epay</li> <li>• Wefirst</li> <li>• PayPal</li> <li>• @Cash on Mobile</li> <li>• Yougopay</li> <li>• Onlinegamers</li> <li>• Playcoin</li> <li>• i7391</li> </ul>	<ul style="list-style-type: none"> <li>• Razer Gold</li> <li>• YouGoPay</li> <li>• Offgamers</li> <li>• PayPal</li> </ul>	<ul style="list-style-type: none"> <li>• Offgamers</li> <li>• Bayad Center</li> <li>• SM Department Store</li> <li>• Robinsons Department Store</li> <li>• PayPal</li> </ul>	-
Cash Card	<ul style="list-style-type: none"> <li>• One-2-Call! Cash Card</li> <li>• TrueMoney Cash Card</li> </ul>	-	-	-	-
Credit and Debit card	<ul style="list-style-type: none"> <li>• Credit, Debit Card</li> </ul>	<ul style="list-style-type: none"> <li>• Credit, Debit Card</li> <li>• Paypal</li> </ul>	-	-	-
E-Payment	<ul style="list-style-type: none"> <li>• Online Banking               <ul style="list-style-type: none"> <li>- Bangkok Bank</li> <li>- Krungsri Bank</li> <li>- Krungthai Bank</li> <li>- Siam Commercial Bank</li> </ul> </li> <li>• Mobile Banking               <ul style="list-style-type: none"> <li>- K Plus</li> <li>- SCB Easy</li> </ul> </li> <li>• QR Payment               <ul style="list-style-type: none"> <li>- Bangkok Bank</li> <li>- Krungsri Bank</li> <li>- Krungthai Bank</li> <li>- Siam Commercial Bank</li> <li>- TMBThanachart Bank</li> <li>- Government Saving Bank</li> <li>- Kasikorn Bank</li> <li>- UOB Bank</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Online Banking               <ul style="list-style-type: none"> <li>- Affin Bank</li> <li>- AGRONet</li> <li>- Alliance Bank</li> <li>- AM Bank</li> <li>- Bank Islam</li> <li>- Bank Muamalat</li> <li>- Bank Rakyat</li> <li>- BSN</li> <li>- CIMB Clicks</li> <li>- Hong Leong Bank</li> <li>- HSBC</li> <li>- KHF</li> <li>- Maybank2E</li> <li>- Maybank2U</li> <li>- OCBC Bank</li> <li>- Public Bank</li> <li>- RHB Bank</li> <li>- Standard Chartered</li> <li>- UOB Bank</li> </ul> </li> </ul>	-	<ul style="list-style-type: none"> <li>• Online Banking               <ul style="list-style-type: none"> <li>- BPI</li> <li>- BDO</li> <li>- Union Bank</li> <li>- RCBC</li> <li>- UCPB</li> <li>- Metrobank</li> </ul> </li> </ul>	-
Website	-	<ul style="list-style-type: none"> <li>• Gamesberry</li> <li>• Mycard</li> <li>• Unipin</li> <li>• GOC Pay</li> </ul>	-	-	<ul style="list-style-type: none"> <li>• Razer Gold Pin</li> <li>• Wave Voucher</li> <li>• Wave Point</li> </ul>

Channel	Thailand	Malaysia	Singapore	Philippines	Indonesia
e-Wallet System	<ul style="list-style-type: none"> <li>• Rabbit LINE Pay Wallet</li> <li>• TrueMoney Wallet</li> <li>• Shopee Pay Wallet</li> </ul>	<ul style="list-style-type: none"> <li>• WeChat</li> <li>• Boost</li> <li>• Alipay</li> <li>• Maybank QRPay</li> <li>• Presto Pay</li> <li>• Touch and Go</li> <li>• Shopee Pay</li> <li>• Gudang Voucher</li> </ul>	<ul style="list-style-type: none"> <li>• Gudang Voucher</li> </ul>	<ul style="list-style-type: none"> <li>• Gcash</li> <li>• Razer Gold Wallet</li> </ul>	<ul style="list-style-type: none"> <li>• Razer Gold Wallet</li> <li>• Gudang Voucher</li> </ul>
Other	<ul style="list-style-type: none"> <li>• Boonterm Top-up Machine</li> <li>• Pay with Point (exchange the credit point to top up)</li> </ul>	-	-	-	-

For online gaming services on mobile platforms, customers can also make payment via App Store for iOS and Google Play for Android. In topping up their online games, gamers can make transactions through the payment channels listed above.

### (3) Competitive Strategy

In 2018 and 2019, we went through a major overhaul of our operational efficiency, costs management and rationalization of our product portfolio. This has created a lean, good and strong operation which was rewarded with explosive performance in 2020 (75% YoY) and 2021 (39% YoY). Through both growth on top line as well as bottom line. Our well known classic PC game (MapleStory, Moxiang, Cabal, Yulgang, Audition) enjoyed a revival due to the return of its many users during the last 2 years as well as the launches of well known IP mobile games across our various operations.

#### Mobile Games Portfolio

Major growth area was and continues to be in the Mobile game segment, to which we achieve revenue contribution of 11% in 2020 and 21% in 2021. Combined that with the revenue growth achieved means we are on the right track to manage a good balance of growth and profitability. It's a strategy we continue to employ for the next few years, namely, acquire more mobile games with good IP and strong game play at the same time ensure we service our PC community better and bring in where possible classic well loved titles that become available for the Southeast Asian market.

Acquiring good quality Mobile games with IP are very competitive due to its desirability and better chance of acquiring users and hence revenue. Almost all publishers are competing for this small pool of titles. This will definitely increase the costs of acquisition and risk. To effectively compete we have built a good relationship and networks of partners that allow us very early access to these games as well as the resources needed to acquire these products.

The last two years saw the explosion in block-chain based games, given the success of some NFT game many developers both big and small reassigned their resources to this segment creating a situation where resources to develop more traditional mobile games was substantially reduced across country like South Korea, Taiwan and China where we traditionally acquire our games.

China, increasingly becoming a source of many mobile titles, is experiencing some difficulties due to stronger control by the government to manage the impact of this form of entertainment on its young population, by tightly controlling the issuance of publishing licenses, causing many games made by developers not able to

launch. In the short term this is beneficial for publishers outside China to acquire products, however, the longer term challenge is this will constrict the quantities of games being developed.

#### Investment Diversification to Countries with Online Gaming Business Potential

We will continue to invest to grow our resources in Indonesia and Vietnam to take advantage of our experience and capture market share through our mobile and PC games. Unlike PC games which are published very much by country, for mobile games our licensing is more expansive and we license and launch in multiple markets.

#### Increasing the Number of Games and Continuously Updating Versions of Existing Games

Our strong operational capability across Southeast Asia increasingly proves to be a major advantage. Developers now believe in single client multi-language and single server for all Southeast Asia. So that they only need 1 team to support us rather than working with many other publishers with different versions, hence substantially reducing their costs and making the launching of new or classic titles much more viable. This is a major advantage which we will exploit much more deeper and wider in 2021 and forward, applicable to both PC and Mobile platforms.

On top of our physical presence in all 5 markets, we will be re-aligning our operations to support multiple simultaneous launches by any of our operations to all Southeast Asian countries. This will be one of our key competitive areas that allow us to quickly ramp up our launches and across all Southeast Asia.

#### Continuously Strengthen the Market Position by Embracing a Customer-centric Approach

The Company continuously strengthens the market position by focusing on four strategies to differentiate from competitors and maintain the position as the leading game operator in the region.

- **Offering top online games that are well-known and popular in overseas markets** : The Company believes that games that are well-known and popular in overseas markets have outstanding features both in terms of design and content, which will increase the chance of the Company's success in marketing to targeted countries.
- **Offering online games that were once popular** : The Company recognizes that these games still have a large fan base that awaits their return. Updated overall contents and features must be relevant to the current lifestyle and behavior of customers so that marketing strategies can support the chances of increasing revenue and expanding the customer base. In the past year, the Company introduced these games and were met with much success in several countries.
- **Marketing activities directly to target customers** : The Company has a strong database of gamers and it uses marketing efforts to attract its current user base to its new games, as well as continually expanding the Company's customer base. Such marketing activities include promotion during the launch of new games, retaining current users via in-game competition and special seasonal activities as well as offline marketing activities such as meetings and parties among gamers, sending e-newsletters to introduce new games and supporting CSR activities.
- **Expanding the distribution of refill payment channels to increasing coverage** : The Company plans to increase regional coverage of payment channels by focusing on expanding new payment channels, hence updating or increasing new options to correspond with the changing lifestyle and behavior of consumers. By having more payment channels, the operational cost for the Company is reduced, gamers gain more convenience, and the Company gains a more competitive edge. Moreover, distribution channels for refilling is a good channel for marketing activities, i.e. promotions or co-promotions, using media support from payment partners to introduce new games to the target gamers.

#### Marketing Activities to Promote the Sale of In-game Items

As most of the online games service operated by the Company takes a business model of free-to-play



games. The Company's revenue is generated through in-game item sales and focuses on efforts to encourage gamers to purchase in-game items regularly. For example, through monthly in-game promotions, Item Shops and Item Mall on websites, refill promotions with payment channel distributors and promoting via media that the Company owns.

#### Effective Online Game Information Center

An online game information center is an important tool to help gamers play games smoothly and continuously resulting in gaining their trust in using services provided by the Company. Brand loyalty is reflected in the increase in playtime, and item sale. The Company offers information via the following channels.

Country	Service Channel
Thailand	- E-Support* (24 hours) - Live Chat (11.00 - 20.00) - Facebook Fan Page
Malaysia	- iBox* (24 hours) - Live Chat (08.30 - 18.00) - Facebook Fan Page
Singapore	- iBox* (24 hours) - Live Chat (11.00 - 20.00) - Facebook Fan Page
The Philippines	- E-Support* (24 hours) - Facebook Fan Page
Indonesia	- E-Support* (24 hours) - Facebook Fan Page

\*Enquiry System

The Company is committed to continually develop and enhance the effectiveness of all services, human resource management and service systems to ensure that they meet the current needs and lifestyles of gamers. The Company strives to fulfill satisfaction to gamers, the Company's key customer group. The Company has created a customer satisfaction survey that are given to customers after services. In 2021, the overall satisfaction result was at 95.98 (Year 2021 : 95.36%).

#### IT Infrastructure in Online Gaming Services Development

In online gaming, a connection between a gamer's device and server is crucial. A safe and effective IT infrastructure solution helps optimize a smooth, uninterrupted connection with high-speed performance, which is a key feature of online gaming. Hereby, the Company decided to invest in development of IT infrastructure and security. Moreover, the Company has set up a team to analyze and develop all related systems every year in order to update game features and services to become more user-friendly. And the Company has developed a more effective system and equipment that provides increased service stability. The DR Site system has also been upgraded for better performance while the latest version of software in the IT infrastructure system has also been updated to increase its capacity in working with other new features. In addition, in 2021, the data storage has been upgraded to the latest version with high-speed performance to ensure that the transaction processing system can effectively perform when there is a high volume of online gaming in the future.

The Company has always recognized the importance of the management of IT security management system, which covers the whole operational process and other service systems. The Company is the first online gaming service operator in Thailand to obtain ISO/IEC 27001:2013 (Information Security Management System : ISMS). ISO/IEC 27001:2013 is the standard defined by the renowned and reliable international ISO (The International Organization for Standardization) and IEC (The International Electrotechnical Commission). These

two organizations set up standards for information security management system that all companies apply in both internal and external operations. These standards can be implemented in all businesses and industries. And the Company has also set up the DDOS Protection Solution, an intrusion prevention system that helps increase capacity of other systems up to 99.99%.

#### Reasonable and Competitive Online Gaming Service Fee Rates

It is the Company's policy to set up reasonable rates of online game service fee for customers in each country. The Company allows customers to play games for free and charges for its services through the sale of in-game items. This is to increase the competitiveness of the Company against other operators in the same industry and in other entertainment industries. At the same time, such rates must generate a good return for the Company. The Company does not have a policy to set service fee rates lower than competitors, or to engage in price war.

### **1.5.3 Industry Trends and Competition**

#### **(1) Overview of Southeast Asian Online Gaming Market**

The Company's main target for our online entertainment service is in the Southeast Asian region, which consists of 5 countries : Thailand, Singapore, Malaysia, Indonesia, and the Philippines. Having said that, we do keep opportunities open for future tactical expansion of some of our products to market outside of Southeast Asia, should opportunities arise, either through our own PlayPark platform or through global platforms like Steam.

The growth rate of internet users spiked tremendously in recent years, resulting in an increase in the pool of online gamers. Meanwhile, with the advancement in technology and infrastructure, the cost of high-speed internet is also becoming more affordable even for the new emerging markets in Southeast Asia. The rate of growth of smartphone users in the region has also increased steadily in recent years. These are all the supporting factors of the growth of the gaming industry in the region.

The mobile games market is forecasted to have a compound annual growth rate (CAGR) of about 12%, from years 2021 to 2026. With the increased smartphone penetration and advances in technology, there is also a huge growth of adoption in trending technologies for developing games, and we foresee these factors which play a major part in the development of the mobile games industry :

- The smartphone games market is playing a hugely significant role in the growth of the gaming industry worldwide. In the past few years, there has been increased scalability in the development of mobile games, and we even see social platforms like Facebook starting to develop games.
- Hardware capabilities of smartphones have also advanced in recent years, with better chipsets providing even better performance with lower battery power consumption, which in turn powers higher screen resolutions. Together with more accessible high speed internet with low latency, the market sees more high quality production AAA games on mobile.
- In-app purchases remain a significant revenue-generating channel for mobile games. Apple and Google are also expected to allow some form of third party payment options for their stores sometime in the near future, and consumers will soon have more flexibility for in-game payment methods. This will further facilitate the growth of mobile game revenues. As well as strengthen the profitability, hence resources to further grow the user base.
- Due to the COVID-19 Pandemic, there has also been significant growth in the consumption of digital entertainment. Mobile games have seen a huge growth in downloads and revenue for the past 2 years worldwide. The free to play pricing model with in-app purchases is expected to continue driving the growth of mobile gaming in the next few years.
- With the number of gamers globally approaching 3 billion by 2022, Asia Pacific contributes half of it. APAC countries' game markets have continued to set global standards for features in games, publishers have an even greater opportunity to shape the experience in the virtual gaming world. APAC

will continue to see growth in the mobile gamer segment, and mobile gaming continues to be the main gaming device for users in the region. Despite the ever-growing competition, focusing on keeping gamers engaged through player retention strategies, as well as diversifying strategies for monetization, there are still opportunities for publishers to succeed in Asia.

- Many gaming companies and organizations are also looking to diversify their revenue streams, and more of them are doing this via blockchain technology. While there has been backlash from gamers, many consumers will begin to accept blockchain gaming as the market begins to address the pain points. The barriers to entry for many NFT and play to earn games are too high for players who are currently undecided about the technology and these barriers will begin to lower from 2022 as developers continue to improve the experience of these games. While the trajectory is still unclear, NFTs may play a huge part in the future of gaming as more blockchain experiments start to blur the line between traditional and blockchain gaming, acting as the entry point for many people.

## **(2) Overview of the Online Game Industry in Thailand, Singapore, Malaysia, Indonesia, and the Philippines**

The Company provides online game services in five countries : Thailand, Singapore, Malaysia, Indonesia (PT Asiasoft) and the Philippines

The number of mobile online gamers in Southeast Asia have risen to 250 million in 2021, with these five countries the most significant countries for mobile gaming in Southeast Asia, generating 97% of the revenue for the region. While there has been an increase of mobile internet usage in the region, Malaysia and Vietnam have yet to roll out 5G services. However they should be launched by the end of 2022 and boost further growth in mobile gaming in these markets. A google survey revealed that at least 1 in 3 smartphone owners played mobile games once a week, and over 80% of the region's urban online population are gamers, with mobile leading by a considerable margin over PC and console games.

In 2021, governments became more supportive of the gaming industry in Southeast Asia. For example, Vietnam will formally establish in 2022 the Vietnam Online Game Developers and Publishers Alliance. Indonesia's government also showed support towards local game developers by providing funding and infrastructure support. Malaysia has also catered a specific national budget for gaming and esports, and more of such support is anticipated in the region this year.

While esports is still considered a relatively new concept in Southeast Asia, as compared to traditional games, it is growing at an unprecedented rate due to the recent growth in the gaming market in the region. The number of esports enthusiasts flew faster in Southeast Asia than any other region in the world from 2017 onwards. As esports start to be more organized via online platforms due to the COVID-19 pandemic, esports streaming has also seen a huge growth in the region. The recently concluded ONE esports Mobile Legends: Bang Bang Women's League (MWI 2022) has broken the record as the most watched women's esports event of all time, with a peak viewership of almost 400,000 during the grand finals showdown.

While there has been growth in all segments of the gaming industry in the region, the same challenges remain – the success of games in the region requires a large user base as the ratio of paying users remains low with small paying amounts per user. With increasingly high costs of acquisition and high license fee for products with good IP from renown developers, the risks remain high for developers and publishers alike.

While competition in the Southeast Asian gaming market remains competitive, the market appears to be moderately concentrated with major players in the market. On the other hand, segments that Asiasoft traditionally has been strong in are MMORPG and SLG/RTS which throughout the Southeast Asian market are either 2nd or 3rd in terms of revenue generated by each market.

## Market Statistics

Statistics (by Million)	Indonesia	Malaysia	Philippines	Singapore	Thailand	Vietnam
Population	274.9	32.57	110.3	5.8	69.8	97.7
Internet Users	202.6	27.6	73.9	5.3	48.6	68.7
Smartphone Gamers	62.6	20.2	46.7	3.6	30.4	39.3
PC Gamers	55.1	19.1	43.4	3.4	27.8	36.5

\*Reference : WeAreSocial

## Revenue Forecasts Per Segment

Revenue Forecasts (USD M)		PC Games (Browser, Downloaded, Boxed)	Mobile Games (Smartphone, Tablet)	Total
Indonesia	2020	229	1,378	1,607
	2021	244	1,778	2,022
	2022	258	2,364	2,622
Malaysia	2020	194	476	670
	2021	197	550	747
	2022	199	645	844
Philippines	2020	150	519	669
	2021	166	657	823
	2022	182	892	1,074
Singapore	2020	78	207	285
	2021	82	232	314
	2022	86	282	368
Thailand	2020	197	637	834
	2021	211	784	995
	2022	222	988	1,210
Vietnam	2020	160	422	582
	2021	169	527	696
	2022	176	677	853

\*Reference : Newzoo

## Industry Trends and Competition in the Online Gaming Market in Thailand

Overall, the online gaming industry in Thailand has reached a market value growth of 19.30%, increasing from USD 834 million in 2020 to USD 995 million in 2021 (reference : Newzoo), mostly with a significant growth in mobile gaming. The number of gaming service providers active in 2021 was 20 companies, similar to the prior year. Two companies had shut down while 2 new companies, Valofe and Elite Games had opened. The number of game products available in Thailand had decreased from 52 games in 2020 to 40 games in 2021.

In 2021, mobile gaming was still the most popular gaming platform among Thai gamers, with the following ratio.

- 95% of gamers played a mobile game.
- 84% of gamers played a computer game.
- 69% of gamers played a gaming console.

Based on the information stated prior, 97% of female gamers played a game on a mobile platform, higher than male gamers. On the other hand, male gamers were more likely than female gamers to play a



game on other platforms. A shooting game was the most favorite among gamers on other platforms (reference : Newzoo).

- 38% of mobile gamers liked a shooting game.
- 35% of console gamers liked a shooting game.
- 34% of PC gamers liked a shooting game.

The information stated prior is in line with data provided from shooting gamers. More than a third of gamers in Thailand played GTA or Call of Duty.

Esports in Thailand has increasingly gained attention from the public sector and has become more recognized. On 20 September 2021, esports was declared a professionally recognized sport. This event proved that esports has been elevated to the next level, showing its potential to fully evolve into a world esports industry. Thai gamers have shown that their skills and potential are on the same level as gamers from other countries. This can be proved from the 13th Esports World Championship 2021 held in Eilat, Israel, in which a Thai gamer was crowned Audition champion.

Inevitably, another popular gaming in 2021 was a Play-to-Earn or NFT “Non-fungible tokens” gaming platform. In this type of game, a gamer can trade items, or in other words, gamers can earn through the game. NFT is a popular trend at the moment as it allows a gamer to earn through gaming in a short time. Compared to other types of investment, this platform offers enjoyment while gaming.

\*NFT : A Non-Fungible Token is a cryptocurrency that a gamer truly owns. It is unique and cannot be replaced with something else. At present, it is used in the art industry such as paintings, graphic art, videos, and music. This means that NFTs have become a common method for creators to own and control their masterpieces with and can gain benefits from them.

#### PC Online Games :

Overall, as the Covid-19 situation in 2021 was better than in 2020, people had gotten back to their feet and started to live a normal life as before. Although gamers played less often than during the Covid-19 lockdown measure, the PC online gaming community still kept growing. This was due to a strong community built within gaming, especially in a game that has been around for a long time. The platform still has a big player base comparable to Yulgang’s and Audition’s, with revenue growth of 9.79% and 54.18% respectively in 2021.

#### Mobile Games :

Overall, the mobile gaming market in Thailand in 2021 had become more competitive and has grown as well. Besides gaming service providers in Thailand, more game developers from other countries, such as China and South Korea, have started to expand to markets in Thailand. They launched their gaming services through Thailand’s Official Store.

- In 2021, Thailand ranked 14th in the world for mobile gaming global revenue, which generated USD 492 million or a 20% increase from 2020. The 5 highest-grossing mobile gaming were Free Fire, RoV, Coin Master, PES 2021 and PUBG. (reference : App Annie)
- The competition within the smartphone market has led to launches of different smartphone models and options, offering a wide variety of features and more affordable prices. Accordingly, the number of smartphone consumer usage has increased. With the advancements in technology, a smartphone has become more accessible for different games. In line with this, there was an increase of 8% in the number of game downloads in Thailand, or from 1.05 billion downloads in 2020 to 1.14 billion downloads in 2021.(reference : App Annie)

#### Industry Trends and Competition in the Online Gaming Market in Singapore

Singapore serves as the gateway to Southeast Asia and is the regional HQ for a growing number of game developers and publishers. Leveraging on the strong IT Infrastructure and ready access to a global talent

pool, Singapore continues to promote the development of digital technologies and innovation.

Despite the challenges faced during the COVID-19 pandemic, Singapore played host to major game conferences such as Gamescon Asia 2021, and Gaming Matters 2021, which were held at Suntec Convention Centre during the same week in October. Throughout the year, Singapore also successfully hosted several major esports events in 2021, including the Mobile Legends Bang Bang M3 World Championship, League of Legends: Wild Rift international tournament and ONE E-sports DOTA 2 Singapore Major. As a country with world-class events and digital infrastructure, Singapore has become one of the top choices for such events to be held. The Singapore Government also provides huge support to the e-gaming industry, by allowing such gaming-related events to happen even during challenging times.

Even though COVID-19 restriction measures have been adjusted to various extents throughout the year, social gathering has always been limited, with most people still primarily working from home. With more time spent at home, it supplemented the growth of the Singapore Online Gaming market, as video games have emerged as a largely popular source of entertainment and relief from coronavirus-related stress.

Based on statistics released in April 2021 by Statista, Singapore's gaming market is valued at USD 327 million (reference : Statista) and achieved a 15% growth in 2020 compared to the past year. (reference : Bloomberg)

#### PC Online Games :

- While the PC Online games category trended lower globally, MapleStorySEA retains its leading position with YoY growth (reference : Newzoo Global Games Market Report 2021)
- MapleStorySEA kicked off 2021 with a collaboration with mega K-Pop band BTS
- Despite the COVID pandemic, MapleStorySEA marked 16 years of service with online celebrations, as one of the world's longest-running game service

#### Mobile Games :

- Singapore ranks 23rd globally in mobile game revenue, with USD 259 million generated in 2021, with 67.8 million game downloads. (reference : App Annie)
- Singapore led the growth in the APAC region, which saw 80% growth in non-hyper casual games and 112% growth for hyper-casual games respectively. (reference : Adjust - Mobile App Trends 2021: A Focus on APAC)

#### Industry Trends and Competition in the Online Gaming Market in Malaysia

2021 has been a tough year and caused many businesses to close down. However, the outbreak of the global COVID-19 pandemic has led to a positive outcome in the Malaysia online gaming market. As the nation go for lockdown in order to stop the spread of the virus, interest in online gaming has also arisen. The increase in the time spent at home has led to an increase in the interest of the population towards leisure time activities such as online games.

Malaysia online gaming market is projected to witness impressive growth in the next six years as the rising growth of digitalization and being the top reason to replace traditional games.

- Revenue in the Video Games segment is projected to reach USD 482 million in 2022. (reference : Statista)
- Revenue is expected to show an annual growth rate (CAGR 2022 - 2026) of 8.82%, resulting in a projected market volume of USD 676 million by 2026. (reference : Statista)
- In the Video Games segment, the number of users is expected to amount to 16.7 million users by 2026. (reference : Statista)
- User penetration will be 43.4% in 2022 and is expected to hit 48.2% by 2026. (reference : Statista)
- The largest segment is Mobile Games with a market volume of USD 286 million in 2022. (reference : Statista)

- The average revenue per user (ARPU) in the Video Games segment is projected to amount to USD 33.50 in 2022. (reference : Statista)

#### PC Online Games :

- No brand new PC titles were launched in Malaysia except the relaunch of Diablo 2 Resurrected on 23rd September 2021.
- Although many had changed to play mobile games, 66% of the gamers still play games on PC.
- Players play local games like Mohun, Renewal Moxiang and MAT as no new PC games were released.
- Overall, general performance like retention rate, revenue, and CCU increased especially during the lockdown period as people are forced to stay at home.

#### Mobile Games :

- Action, Strategy, Role-Playing genres such as Mobile Legends, PUBG, Free Fire, Rise of Kingdoms, Clash of Clans, Dragon Raja and Ragnarok X still dominate the mobile games market.
- More Casual games are released, including 2 types :
  - Idle SRPG with Casual elements such as Valor Legends, Tales of Grimm, Idle Angels.
  - Hyper Casual such as Stumble guys, Bridge Race and Zon Cacing.io, which is mainly based on advertising revenue, and the top-up is secondary.
- Genshin Impact originally classified as Action MMORG, but in Appnnie it is categories as Adventure genre. This game is still sustaining and still having a big impact on other games. The probability is high that there will be more games similar to Genshin Impact will be released in 2022.
- In 2021, overall revenue is affected by the pandemic status, for example during lockdown, the revenue increased as most of the people stayed at home hence the spending time on mobile games are higher.

#### Industry Trends and Competition in the Online Gaming Market in the Philippines

##### PC Online Games :

- PC games best played in cafes such as FPS and MOBA games experienced a decline in the early stages of the COVID-19 lockdown but gradually recovered as gamers continued to play from home.
- The top 5 PC games in the local market are Dota2, LoL, Fortnite, CS:GO, and PUBG (reference : Newzoo, Statista)
- Internet users in the Philippines is 73.91 million users (67.0% of Population), with +6.1% growth vs Jan 2020. 54.4% of which play games with laptops or desktops. (reference : Hootsuite)

##### Mobile Games :

- Internet users in the Philippines is 73.91 million users (67.0% of Population), with +6.1% growth vs January 2020. 90.1% of which play games with smartphones. (Reference : Hootsuite)
- Android OS continues its majority market share with 88.47% vs. iOS 10.79%. Oppo takes the lead on the brands with 19.41% by the end of 2021. Followed by Vivo and Samsung, with 16.15% and 15.09% respectively. (reference : Statcounter)
- MOBA and Action Games still dominate the market for 2021, with Mobile Legends, Roblox, and Call of Duty: Mobile, as the top 3 games. (reference : AppAnnie)

#### Industry Trends and Competition in the Online Gaming Market in Indonesia

With a population of 278 million, Indonesia has always been considered an important market in Southeast Asia among game developers and publishers. At the end of 2021, Indonesia's gaming market recorded USD 1.92 billion in sales, which is the largest in Southeast Asia. (reference : Newzoo)

Gaming industry in Indonesia has been experiencing a steady yet fast-paced growth even since 2017. Cited from Limelight Networks' report, Indonesians spent roughly 8.54 hours/week playing video games, slightly above the global average of 8.45 hours/week. (reference : Cekindo)

The growth of Indonesia gaming market was further boosted by the COVID-19 pandemic. It started to hit Indonesia in the second half of 2020 and peaked in July 2021, which is also the period where the government's Restriction on Public Activities (PPKM) was at Level 4, the highest level of restriction in place. Outdoor activities were reduced to the greatest extent and most people end up being cropped up at home with limited social interaction. As people have nothing to do at home, they turn to video games as a source of entertainment and an alternative way to carry out social interactions and engagement with their friends and family.

Being a mobile-first country due to its affordability and flexibility, most Indonesian gamers don't own a PC or console with the majority owning an Android phone. (reference : AGI) Hence, Mobile games have been very popular in the Indonesian market, and the local government has been supporting the growth of mobile games e-sports as well. (reference : Adi Sanjaya, HOW DOES COVID-19 PANDEMIC SHAPE GAMING INDUSTRY IN INDONESIA? 2020)

With that, mobile games are able to record double the revenue compared to PC games, as mobile gamers are more inclined to pay, averaging at USD 23 per user. Moreover, mobile users in Indonesia will continue to grow over the next five years, adding up to 16 million new users by 2025. (reference : gtelocalize)

According to Statista, revenue for Video Games segment in Indonesia is projected to reach USD 2.054 billion in 2022, with an annual growth rate (CAGR 2022 - 2026) of 6.85%, with a projected market value of USD 2,677 million by 2026. This is led by the growth of Mobile Games segment, which is projected to be worth USD 1,578 million in 2022. (reference : Statista)

PC Online Games :

Mobile games have been preferred over PC games - Mobile phone has become their first computer for the younger generation – a so-called 'mobile-first generation' – due to its affordability and accessibility.

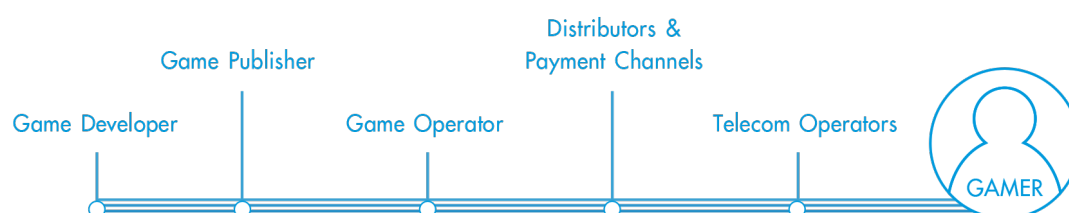
Mobile Games :

- In 2021, the Indonesia mobile gaming market has an estimated revenue of USD 227 million, a 2% growth compared to 2020 from USD 223 million. (reference : App Annie)
- Mobile Games in the Indonesia market accounted for 3.13 billion downloads in 2021, which was a 19% increase compared to 2020 at 2.64 billion. (reference : App Annie)
- The top 5 mobile games based on revenue in 2021 are Free Fire by Garena Online, Mobile Legends: Bang Bang by Moonton, Higgs Domino Island by Boke, Genshin Impact by miHoYo and ROBLOX by Roblox. (reference : App Annie)

#### 1.5.4 Product and Service Procurement

##### (1) Procurement Management for Distribution

The online game business comprises approximately five parties as shown in the chart - Starting with the Game Developer who designs and develops the game, then sells the game license or appoints a Game Publisher who finds the markets and sells the rights of game services to the Game Operator in each area or country. At present, the Company operates as the Game Developer, Game Operator, and Distributor.

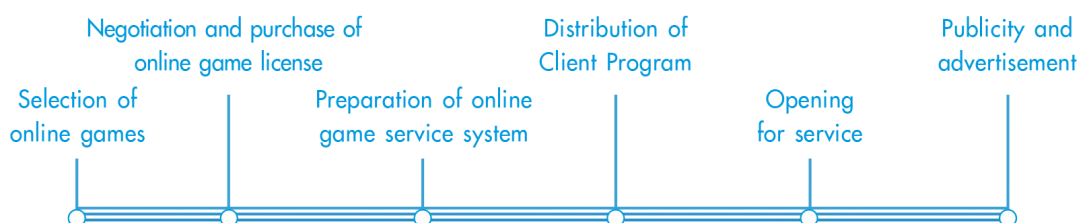


The overview of parties in the online game business

The Game Operator prepares server system for serving the areas under license. In collecting fees, the Game Operator sells prepaid cards to gamers via appointed distributors or agents or via a third-party payment method. The Internet Service Providers (ISPs) rent out internet bandwidths to enable communication and storage of game data among the servers of the Game Operator, internet cafes and gamers.

## (2) Operating Procedures for Online Game Services

Regarding procedures of online gaming procurement, the Game Management Team of the Company is responsible for procurement and preparation of essential gaming services. The team is divided to take care of an individual game. There are 6 steps in providing online gaming services as follows :



The Operating Procedures for the Provision of Online Game Services

### Selecting Online Games

To start, the team selects potential games from different sources, i.e. games that are popular overseas with the underlying policy on suitability of contents for the groups of customers and culture of the countries. The preliminary selection criteria include :

- Formats and contents that are creative, appropriate for the target customers and contain no extreme violence or sexually explicit contents.
- Interesting online games with contents that are different from contents already available in the market.
- The cost of license for the game is appropriate allowing the Company to profit from providing services.
- Compatibility of the online game system to the target groups' systems.

### Negotiating and Licensing an Agreement of an Online Game

At this step, prices as well as terms and conditions are negotiated and discussed. An agreement is drawn with either a game developer or game licensor.

### Preparing an Online Gaming Service System

- **Server Infrastructure and Computer Programs :** The Company prepares its server system and computer equipment that meet specifications required by the game developer. In this regard, the number of servers required to support the online game services are estimated by the Company. The Game Developer then installs the online game programs prior to launch.
- **Data Security and Connectivity System :** The Company prepares and sets up basic setting of data security system of each game. Secured connectivity authorization is managed and set up for gaming only. A test of data security system is proceeded before the services are launched.
- **Merging of Basic Systems :** The Company prepared basic systems in which merging of the customer's database and game's database is required; for example, customer ID system of the Company to be used in the top-up system of a top-up card, supporting activities developed by the Company, promotion systems to entice purchasing of the Company's games.
- **Client Program :** The game management team modifies and updates the Client Program for installation in the gamers' computers before playing for the first time. The localization is also done at this stage. Contents are checked for errors and appropriateness and adjusted to suit the social context and gamegroups in each country. The gaming programs must be delivered to customers with full readiness and security.

- Building Websites : The game management team creates websites for online games as a source of information for gamers providing game play instructions, making payments, and servicing customers. The websites also serve as an advertising channel for the Company.
- Social Networking : The Company has created social media and social networking sites to connect gamers together as well as deliver news, updates and promotions. Gamers are reached through digital marketing.
- Service Management : The game management team sets up a Game Master team system to monitor the gaming experience, facilitate and solve problems for gamers.

#### Client Program Distribution

The Company distributes programs to gamers by offering free downloads via game websites as well as the PlayPark EZ program which is developed in an aim to provide a more convenient channel to play the Company's games on a mobile game platform. For mobile gaming platform, gamers may download via App Store for iOS, and via Google Play for Android.

#### Launching Online Gaming Services

After the preparation has been completed, three phases are conducted at a launching stage.

- Internal Test : The game management team and the Company's staff test the online game from the server. Bugs and other problems are fixed before launch.
- Closed Beta : The game is released to a restricted number of gamers who register to play via the game websites. This free-of-charge game in test phase is used to find bugs and other issues to solve.
- Open Beta and/or Commercial : After the testing phases, the games are launched for gamers with cash item shops.

Three phases for a mobile games are as follows :

- Internal Test : The test is carried out through a test server by the team for further improvement before launching.
- Closed Beta : The game is released and available for interested gamers who register to join in. At the testing stage, the game is free of charge as it is carried out to check the stability of its server system and to gain feedback on the game for further improvement to meet customer needs and expectations.
- Commercial Launch : after a game trial phase, games will have their quality check before their official launches in different online stores, e.g., Google Play for Android and App Store for IOS. The Company gains service charges from game items in which customers can purchase in the In-App Purchase via Google Play and App Store.

#### Advertising and Public Relations

Advertising and public relations are planned and launched to promote and build customer acknowledgment of online game launches with three stages :

- Pre-marketing : This involves an introduction of the games on game portals, online games. They are promoted through social networking sites and social media, with a new fan page or group to communicate and engage potential users before the games are available to public service.
- Launching : This involves advertising on game portals, online game websites, e-newsletters, social media through influencers, casters, net idols, Search Engines Optimization (SEO) , and brand presenters, as well as digital media through various platforms like Google, Facebook and Vungle to introduce the games and acquires its targets to download and install the game.
- Promoting and Maturing : As the Covid-19 pandemic still spread in 2021, activities were mainly run in-game. For example, small competitions held in a game, or a promotion for a gamer to get free

items for logging in every day. Activities outside a game were also held. For instance, game competitions held in high schools, game promotions through different channels such as online gaming websites, social media platforms through influencers, casters, net idols, and online advertising platforms or ad network on various platforms.

### **(3) Licensing Fees for Online Games**

In providing online gaming services, the Company acquires game licenses from several game developers or game licensors to provide services as an exclusive distributor for the games in specific territories at the rates agreed by all parties. In general, a licensing agreement has 2 - 4 year terms counting from the commercial launch date, with an agreement for a renewal at the same rate and under the same conditions. In this regard, the game developers/game publishers shall terminate an agreement in case of a breach of the agreement by the Company and/or the Company faces financial difficulty, insolvency, inability to launch online game services on time. The licensing fee of online games are divided into 4 main types as follows :

- Initial Fee : This refers to a fixed fee paid upon the signing of the agreement or within a specified period.
- Monthly Fee : This refers to a fee charged based on the number of cash used of the games within the month.
- Minimum Guarantee : Some agreements may stipulate a minimum fee for the volume of the services provided in each month.
- Success Fee : The fee is charged based on the revenue reaching the agreed target.

It is noted that the types and amounts of licensing fee payable as well as the payment periods depend upon a negotiation between the Company and the game developer or game licensor.



## 2 RISK MANAGEMENT

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The Company realizes that risk management is an important part of enhancing the potential of its business operations and is a factor that enables the Company to operate its business sustainability. However, due to the rapidly changing economic, social, and advancement of innovation and technology, the Company is faced with various risks.

The Company expects that all management and employees have knowledge and understanding. Also aware of risk management including developing strategies and mechanisms for joint audits and risk management.

### 2.1 Risk Management Policy

The Company promotes a culture of risk management to create knowledge and awareness and shared responsibility in risk management. All management and employees are responsible for identifying and assessing the department's risks in which they are accountable.

In addition, all management and employees participate in setting appropriate and quality risk management, guidelines, measures and practices.

#### 2.1.1 Operating Framework

The Company has an appropriate risk management system and also has good corporate governance, ethics and anti-corruption policies (see policy and guidelines at <https://investor.asiasoft.net/th/corporate-governance>) which ensures that The Company has various measures that are sufficient and suitable for risk management covering the entire company.

#### 2.2.2 Risk Management Structure

The Company has assigned employees at the manager level and above in every department are responsible for auditing and supervising risk management tasks, including reporting the results of the audit to the Executive Committee when any actions that may cause risks to the Company are found.

#### 2.2.3 Risk Management Guidelines

The Company provides risk management covering all activities of the Company with appropriate and timely risk management measures and must report to the Board of Directors for acknowledgment.

### 2.2 Risk Factors for the Company's Business Operation

#### 2.2.1 Risks from External Factors

##### Risks from Changes in the Regulations, Laws and Government Control

At present, the online gaming business in Thailand is regulated by various governmental agencies. For example, Ministry of Culture oversees online gaming licensing as well as censoring and rating of the game contents before public release, Ministry of Digital Economy and Society enacted Computer Crime Act B.E. 2550 (2007) and added Computer Crime Act (No. 2) B.E. 2560 (2017) and the Cyber Security Act B.E. 2019 to supervise and prevent computer-related offenses. In addition, the Personal Data Protection Act B.E. 2562 has also been issued to control the collection and use of personal data information. While the controls for online game services businesses in Singapore, Malaysia, Indonesia and the Philippines do not have constraints on the online gaming industry, they have only the Personal Data Protection Act to control the usage of personal data.

##### Risks from Game Developers' Lower Dependency on Service Operators Opting to Provide Own Services

At present, there are many sizable game developers with own online game services. They are highly successful with many gamers from various countries in Southeast Asia. They choose to bypass the general practice of partnering with local online game operators.

However, there are many game developers with limitations in providing own services as having a successful operation requires many factors such as the understanding of local gamers' behavior, marketing and communications, managing gaming community, and direct meeting with customers. In addition, many game developers still want coverage in providing games to countries in Southeast Asia and simultaneously cover every country in the region. To achieve this, they still need to partner with companies that have the knowledge, understanding, experience and expertise in the business with the power to service every country in the region. To these points, Asiasoft stands out strong as there are very few operators who can provide services to as many countries based on the criteria mentioned herein.

### 2.2.2 Business Risks

#### Risks from Market Launch Failure of the Licensed Games

In launching any online game, the upfront costs are quite substantial as they primarily consist of license fees, server systems, related computer equipment and marketing expenses. If the Company cannot generate revenue to exceed the amount invested, or in the amount forecasted, impact on the business performance and profitability of the Company in the future is definite. Therefore, if any online game appears to show lower-than-expected sales performance, the Company may consider writing off the license fee in full which in turn will likely have a direct impact on the Company's profit for that accounting period.

To increase the chance of success in providing online and mobile games, it is the Company's policy to consider selecting games with appropriate contents to the market's demand by using experience, the Company's procurement procedures, as well as carefully reviewing the games and gamers' target group before making any investment decision. In addition, the Company has defined a clear policy to diversify its sources of revenue into various online games licensing by launching more than one online game for each country.

During 2021, the Company offers a total 31 online games in 5 countries, 18 games in Thailand, 18 games in Singapore, 30 games in Malaysia, 7 games in Indonesia, and 13 games in the Philippines, with plans to continuously release new online games in the future.

#### Risk of Dependence on Internet and Service and Internet Data Centers Providers

At present, Asiasoft's online-gaming affiliated companies rent the Internet Data Center (IDC) for their server and high-speed internet bandwidth operating systems from external ISPs providers as follows :

- **Thailand** : IDC and bandwidth services from True Internet Data Center Company Limited, 3BB, and AIS
- **Singapore** : IDC services from 1-Net Mediacorp and bandwidth services from StarHub and SGIX
- **Malaysia** : IDC and bandwidth services from IPServerONe Hosting
- **The Philippines** : IDC and bandwidth services from Philippine Long Distance Telephone Company (ePLDT) and Globe Telecom

If these ISPs are unable to provide good quality internet connection or discontinue their services, it could impact the online gaming services of the affiliated companies. Moreover, intermittent internet connectivity could negatively affect customer satisfaction and service experiences resulting in the Company's reputation and business performance in time.

Fortunately, these service providers are leading operators providing high-quality services in their respective countries. They, compared with international standards, have very high performing ISP redundancy and security systems. Additionally, there are more alternatives for such rental services including Cloud services, which provide more backup options for the companies in case of problems.

#### Risks from not being Copyright Owners and/or Online Game Developers

In providing online game services, the Company receives the right to distribute the games from various copyright owners, developers or overseas distributors for specified territories for a term of 2 - 3 years, from the date of commercial launch at the agreed rates. The copyright owners support services such as providing

updates, creating patch files, and solving technical issues and bugs. The risks may occur from these owners terminating the copyright license agreements in case of breach of contract and/or not renewing the agreement at reasonable prices and conditions, and/or copyright owners' inability to provide technical support that may impact the operation, financial, and the future business performance of the Company.

The Company complies strictly to the copyright license agreement to mitigate risks from termination. It is the Company's policy to procure copyright license agreements from various online game developers or distributors whose reputation is widely recognized with the ability to provide support and service throughout the term of agreement. The renewal clause for online games with continuing popularity contains an option to renew with same prices and conditions. Agreements for MMORPG and Casual Games are customarily set for a period of 2 - 3 years.

#### Risks from Online Game Copyright Infringement

At present, some operators illegally import online games that are rightfully licensed to the Company and install them on their servers using their own network to provide services at lower fees, potentially causing revenue loss for the Company. However, services provided through these illegal operators' servers are of poor quality both in terms of speed and ability to accommodate a large number of players simultaneously. Moreover, players are limited to play the games on the illegal network of servers and cannot access to play on the Company's network, therefore limiting the number of players in the community. In addition, operators infringing copyright cannot solve the bugs or technical problems in the game programs resulting in low acceptance among gamers. As a result, the Company deems that the loss of income from copyright infringement will not implicate the financial position. In order to lessen the risks of encountering these types of problems, the Company has set up a team to investigate and take legal action against operators who infringe copyright.

### **2.2.3 Sustainability Risk**

The Company has continued to focus on sustainability issues by integrating them with the Company's business operations. There is to determine key risk factors related to sustainability such as climate change risk factors, water management, risk factors from the increasing importance of environmental conservation, etc.

#### Environmental Dimension

Global climate change affects both the natural and human environment in many areas. It causes severe impacts in the economic, social, and environmental dimensions, which are the three main areas of sustainable development. Climate change from global warming (Climate Change) has become more severe, resulting in various risks and affecting the Company's business operations as follows:

**Social and Health :** Climate change poses both direct and indirect risks to human health and well-being. It may cause severe diseases from minor to death, such as infectious diseases, and various tropical diseases caused by higher temperatures change the disease carrier's life cycle. As a result, there are new strains of diseases.

**Economic :** Climate change has had an impact on overall economic growth. It possibly affects production costs, competitiveness, and sustainability in the Company's future business operations.

**Major Risk Management Measures :** Climate change is another risk that the Company places great emphasis on management. For reducing environmental impact, such as applying IT technology to reduce the paper usage, controlling the cost of electricity, and water, in addition, the Company also collects the relevant information to calculate the emission of greenhouse gas. The information provides a factual perspective for better analysis and strategic planning for execution on a timely basis.

#### Social Dimension

The risk of personal data breaches or human rights : Personal Data Protection Act B.E 2562 (2019) or PDPA (Personal Data Protection Act), which focuses on protecting data subjects and sets guidelines for personal data controllers or the processor. The Company as a business operator is related to personal data of customers,

whether it is name-surname, address, gender, telephone number, e-mail address, ID card number, picture, fingerprint and any information that is considered personal data information. The Company has a duty to comply with the Personal Data Protection Law to prevent infringement of the privacy of others.

In this regard, the Company has prepared to prevent risks that will affect the collection, use or processing of personal data information as follows :

- Appoint a working group and designated person responsible for PDPA to conduct an interview with a PDPA expert advisor to assess the impact of personal data collection or use personal data information.
- Organize training and seminars to educate the working team, responsible persons and employees of the Company.
- Setting the policies related to personal data collection, practices, and forms relating to personal data.
- Establish a communication channel to systematically listen to opinions and complaints from employees and external stakeholders.

#### **2.2.4 Emerging Risk**

##### Technology Crime and Cyber Threats Risk

With the advancement of technology in the present time, the Company is aware of the importance and preparedness to deal with technological crimes and cyber threats which have many forms, such as, network attacks, destruction of data by unauthorized persons or unauthorized access to information or misusing the information which may affect the business and reputation of the Company, or may lose income from the Company being unable to serve customers or loss of confidential or proprietary information of the Company. Therefore, the Company has put in place appropriate measures to maintain cybersecurity to protect and manage the consequences of cyber threats, including :

- Prepare a plan to support ongoing business operations in an emergency to limit the risks of failure of the Company system.
- Improve computer network availability to avoid system failures by backing up the network and the server to work continuously and is least likely to fail. It prevents unauthorized persons from intruding/destroying the Network and use of the Company information.
- There are strict security control measures such as the computer security system (Firewall), counter check, authorization period, backup, and recovery design from unexpected disasters, including detection of unauthorized network access. And the Company has also set up the DDOS Protection Solution, an intrusion prevention system that helps increase capacity of other systems up to 99.99%.
- The Company is the first online gaming service operator in Thailand to obtain ISO/IEC 27001:2013 (Information Security Management System : ISMS). ISO/IEC 27001:2013 is the standard defined by the renowned and reliable international ISO (The International Organization for Standardization) and IEC (The International Electrotechnical Commission). These two organizations set up standards for information security management systems that all companies apply in both internal and external operations. These standards can be implemented in all businesses and industries.

#### **2.2.5 Risks from Majority Shareholders' Influence on the Policy and Management of the Company**

Shares held by Mr. Pramoth Sudjitporn's group equal to 38.01% of the total paid-up capital (as of 28 August 2021) enabling the group to control the votes in the passing almost all of the resolutions at a general shareholders meeting, with the exception of special resolutions which, according to the law, require a passing of three fourths in number of shares held by those present and eligible to vote. Shareholders may not be able to gather enough votes to countercheck and offset matters proposed by majority shareholders. Moreover, the majority shareholder has the controlling power with one out of five directors holding management positions in the Company.

As such, the Company has appointed three independent directors who are outsiders to oversee the management and to look after the interest of the minority shareholders.

#### **2.2.6 The Investment Risk of Securities Holders**

Investors can review the information that may influence investment decisions at the Securities and Exchange Commission Office or via the SEC's Internet network ([www.sec.or.th](http://www.sec.or.th)).

## 3 DRIVING BUSINESS TOWARDS SUSTAINABILITY

In achieving the vision “Virtual World for Passionate Gaming”, one of key driving forces for the Company is customer services. The Company is committed to providing services with high service quality, sincerity, and integrity to meet the highest level of customer satisfaction. Hereby, Asiasoft continues to improve and raise the customer service standards to ensure that our online entertainment services are perfectly delivered to our regional customers. Besides focusing on the vision achievement, the Company also adheres to sustainability. As a result, sustainability policies and goals have been established to reflect the Company’s intent of growing the business with corporate social responsibilities in educational, environmental and social concerns, along with good corporate governance practices.

In 2021, the world was still facing the COVID-19 pandemic situation. The pandemic also surged across Southeast Asia, causing wide-ranging impacts on people’s health care, economy and society. The Company helped communities by donating over 8.9 million Baht to 16 organizations across 5 countries (Thailand, Singapore, Malaysia, The Philippines, and Vietnam). In addition, the Company provided support to not only communities in society but also employees of the Company. The Company helped employees to go through the COVID-19 crisis and increase COVID-19 risk mitigation by offering them COVID-19 insurance and Moderna vaccines and establishing the work-from-home policy.

Regarding good corporate governance practices, the Company is aware of the importance of business transparency and always adheres to this direction. Operating the business with transparency helps the Company improve the credibility with stakeholders in all sectors. The Company delivered the declaration of intent to join Thailand’s Private Sector Collective Action Against Corruption (CAC) on 15 March 2021. As a result of putting in place strong compliance with the anti-corruption policy framework of the Company, Asiasoft has been certified as a member of CAC, since 30 September 2021.

### 3.1 Sustainable Management Policy and Goals

The Company recognizes the significance of building sustainable business growth under good corporate governance practices, responsibilities towards shareholders’ benefits and accountability to stakeholders, society and environment. The Company is also determined to be an anti-corruption role model for the society.

The Company has established a policy to conduct a business project in adherence to UN sustainability goals (UN SDGs). This commitment has provided guidelines for the Company to operate the business with a clearer direction. Three major goals of SDGs have been taken into account as follows.



- **Good Health And Well-Being** : The Company has continued to promote health and wellness to people in the society. For example, amid the COVID-19 crisis, the Company donated money to public health agencies to help them increase capacities to help patients. Moreover, the Company also gives priority to building a better workplace environment to ensure occupational health and safety among employees.
- **Quality Education** : The Company carried out several CSR projects under an education scheme as contribution to the society. Activities included scholarship projects, training programs for knowledge enhancement, donation of refurbished used or old computers to be used as learning tools for schools in need.
- **Gender Equality** : The Company also identifies equitable and fair treatment of all stakeholders in all sectors as a top priority, especially in terms of gender equality. For example, for customers, a gaming event of Audition Lady League was organized and open for female gamers. For employees, all job positions in the Company were open to everyone without gender discrimination.
- **Decent Work And Economic Growth** : As a company in digital technology, one of the most important industries at present, the Company creates effective recruitment by hiring employees for positions that suit the Company's business size. This is considered a mechanism of driving economic growth.
- **Climate Action** : The Company determines guidelines for pollution prevention and mitigation. For example, use of Information Technology in the workplace contributes to reduction of paper usage. Data collection of a greenhouse gas inventory provides more concrete information and can be used in a review and improvement of regulations in response to a situation.

The Company has a policy in operating the business with corporate social responsibility in accordance with 5 major concerns.



- **Corporate Governance** : The Company adheres to business integrity and fairness. The Company strictly keeps the business compliant with corporate rules and regulations as well as transparency.
- **Fair Employment Practices** : Employees are considered as the valuable asset of the Company. The Company has a policy of equal opportunities and fair treatment in employment. The policy covers opportunities and treatment without discriminations against gender, religion, race and other aspects in all dimensions, including payment, career opportunities, working environments, and employee development. It is established in an aim to ensure that all employees gain career growth opportunities and a competitive advantage to compete in a continuously changing market environment. Moreover, the Company determines rules and regulations relating to employee care in line with other relevant regulations such as labor laws to ensure that employees of the Company are treated appropriately.
- **Customer Responsibility** : Customer service is vital to the business. In improving the service standards, the Company has provided different customer contact channels for submission of enquiries, suggestions and complaints. The channels include social network platforms and emails. In addition, customer satisfaction surveys are also arranged, and customers are invited to take the surveys. It is one of the



KPIs for measuring the Company's service standards.

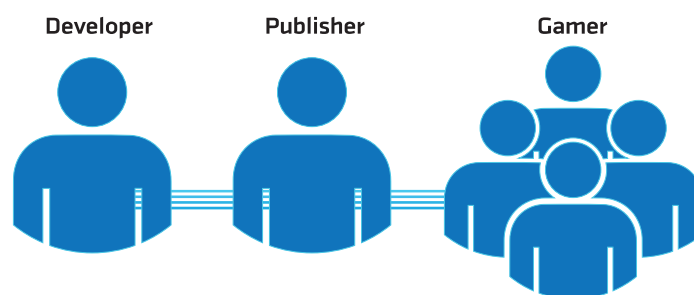
- **Corporate Social Responsibility (CSR)** : The Company provides support for CSR activities and projects as a way to contribute to society. The Company also builds cooperation with other sectors to promote social development, with a focus on educational and technological schemes. This is pursuant to the nature of the business and covers assistance in emergency cases such as the COVID-19 pandemic that has broad effects, especially on the public health dimension.
- **Focusing on Environmental Issues** : The Company recognizes the importance of adopting eco-friendly business practices. A work system that efficiently helps maximize resource utilization is developed. Reduction of wasteful use of resources is promoted. Moreover, energy conservation measures in terms of work procedures and selections of energy-efficient equipment are determined.

### 3.2 Managing Stakeholder Impacts in the Business Value Chain

#### Business Value Chain

Supply chain management is the heart of the Company's business operation. Effective supply chain management, hence, influences the Company's competitiveness.

As a gaming service provider, the Company plays a role in connecting game developers with consumers (gamers). The Company's roles are to provide and select games that are in the market demand and to negotiate with game developers to hold a contract for launching their gaming services. Accordingly, the Company recognizes the importance of business partner relations. In the past, the Company continuously gained positive cooperation and support and had the equitable and fair business partner policies. The Company also determines to provide quality gaming services with constant game content updates to achieve the highest customer satisfaction.



#### Stakeholder Analysis

For Asiasoft, stakeholders, involved in the business operation, influencing the business existence and having direct and indirect impacts, are categorized into different groups as it is apparent that their views and feedback are crucial for increasing effectiveness of business operations.

Stakeholders	Stakeholder Expectations	Meeting Expectations	Participation Channels
<b>Shareholders Investors</b>	<ul style="list-style-type: none"> <li>• Increase competitiveness and profitability, including good dividends payment</li> <li>• Administration and risk management with an impact on the Company's operations both short term and long term</li> <li>• Access to regulatory information and transparent</li> </ul>	<ul style="list-style-type: none"> <li>• Develop the quality and management strategies of each business to be able to compete effectively, including developing a management system based on modern technology</li> <li>• Analyze, follow, inspect, monitor, and prepare risk management measures</li> </ul>	<ul style="list-style-type: none"> <li>• The Annual General Meeting of Shareholders</li> <li>• Annual report</li> <li>• Company Site Visits</li> <li>• Whistleblowing</li> <li>• Investor Relations, The Company Secretary</li> <li>• The Company's website</li> </ul>

Stakeholders	Stakeholder Expectations	Meeting Expectations	Participation Channels
	<p>disclosure of information</p> <ul style="list-style-type: none"> <li>• Disclose the Company's information and performance accurately and timely</li> </ul>	<p>throughout the organization, both short-term and long-term, including the new risks that may arise</p> <ul style="list-style-type: none"> <li>• Provide shareholders opportunities to directly submit their opinions and complaints to the Company</li> <li>• Correctly disclose the guidelines for information disclosure of listed companies</li> <li>• Operate the business for utmost benefit</li> <li>• Uphold good corporate governance and code of conduct</li> <li>• Actively follow compliance with laws</li> <li>• Have solid regulatory compliance</li> </ul>	
<b>Customers : Gamers</b>	<ul style="list-style-type: none"> <li>• Play a high-quality game with good gaming content</li> <li>• Get to play a game that has smooth gameplay with no obstacles</li> <li>• Superior quality of game support services are provided</li> <li>• Take full responsibility in protecting data of customers with highest security</li> <li>• Build and maintain good rapport among gamers</li> </ul>	<ul style="list-style-type: none"> <li>• Select high-quality games and services that match their needs and preferences</li> <li>• Regularly manage to ensure continuous games' update and always improve the services</li> <li>• Provide services through a Live Chat / Facebook Fan Page / E-Support</li> <li>• Work under the ISO 27001:2005 framework and perform 24/7 system maintenance for prompt service</li> <li>• Assign staff to manage the community administration very closely</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct a customer satisfaction survey</li> <li>• Event marketing</li> <li>• Facebook Fan Page / Live Chat / Website</li> </ul>
<b>Partners and Alliances</b>	<ul style="list-style-type: none"> <li>• Conduct the business with sincerity and transparency for mutual suitable benefits</li> <li>• Make payments on time</li> </ul>	<ul style="list-style-type: none"> <li>• Create contracts or agreements reasonably fair to both parties</li> <li>• Build healthy and close relationships</li> <li>• Meet the payment</li> </ul>	<ul style="list-style-type: none"> <li>• Annual report</li> <li>• Social media, email</li> <li>• Suggestions / Complaints</li> </ul>

Stakeholders	Stakeholder Expectations	Meeting Expectations	Participation Channels
		<ul style="list-style-type: none"> <li>• deadlines with completion and on-time</li> </ul>	
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Compensation</li> <li>• Benefits</li> <li>• Career stability</li> <li>• Career advancement</li> <li>• Occupational safety and health at the workplace</li> <li>• Knowledge development</li> <li>• Happiness at work</li> </ul>	<ul style="list-style-type: none"> <li>• Provide provident fund, group insurance, etc., in addition to employee's welfare mandated by law</li> <li>• Provide equitable treatment with no deprivation or partial treatment</li> <li>• Support their career advancement in all levels.</li> <li>• Consider internal employee promotions before recruiting an external employee</li> <li>• Provide training to promote and improve staff's skills and competency</li> <li>• Provide a recreation and sports zone along with a budget support for sports activities, for example badminton</li> <li>• Consider employees as the Company's family members</li> <li>• Always maintain all office's equipment in a good condition and up to date for work readiness</li> </ul>	<ul style="list-style-type: none"> <li>• Provide different internal communication channels i.e. email, communication application, public relations board</li> <li>• Create activities to build good relationships among staff members</li> <li>• Set the "Town Hall Meeting" to promote regular meetings between management</li> <li>• Conduct a staff survey to check their satisfaction on welfare and activities provided</li> </ul>
<b>Community and Society</b>	<ul style="list-style-type: none"> <li>• The Company's business operations must not affect society, community, and environment</li> <li>• Encourage and support the society, especially educational and public health</li> </ul>	<ul style="list-style-type: none"> <li>• Operate the business with prudence and caution to ensure prevention of negative impacts on society, communities and environments</li> <li>• Arrange CSR activities to make contribution to the society</li> </ul>	<ul style="list-style-type: none"> <li>• CSR activity</li> <li>• Owned media i.e. website, social media</li> </ul>
<b>Government and Audit Agencies</b>	<ul style="list-style-type: none"> <li>• Strictly follow laws, regulations, and other related procedures</li> </ul>	<ul style="list-style-type: none"> <li>• Regularly conduct an internal audit by the Internal Audit Team in a strict manner</li> <li>• Organize a training program to educate staff members of the related laws</li> </ul>	<ul style="list-style-type: none"> <li>• Owned media i.e. website, social media</li> </ul>

### 3.3 Sustainable Management in the Environmental Dimension

#### Environmental Policies and Practices

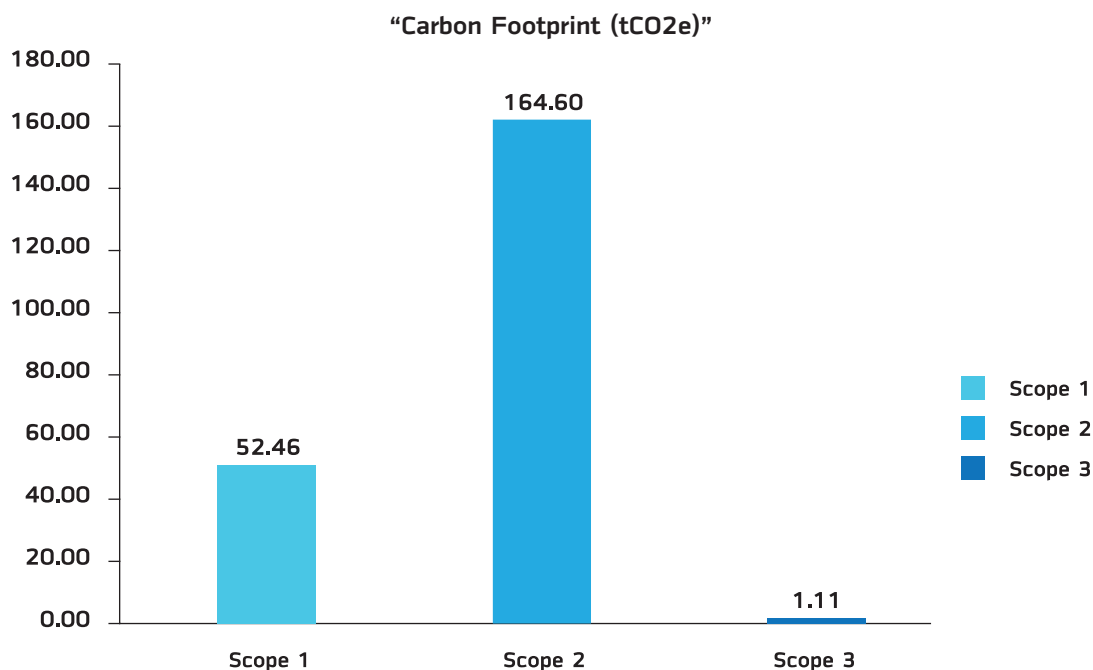
Even though the nature of the Company's business does not affect the environment directly, however, the Company always takes this matter into consideration as much as emphasizes pollution prevention measures or any other problems which may affect the environment. For example, reducing the energy consumption, energy-saving campaigns, reducing the use of papers by applying IT technology into the work procedure which is a policy continuously adopted by the Company for years.

#### Environmental Performance

In 2021, the Company started to promote cost-saving practices by reducing and controlling overhead expenses and utilities, including minimizing energy and water consumption and reducing use of paper and unnecessary equipment. Details are as follows.

- **Electric Power and Lighting Management** : The Company promote a campaign for lighting controls and air conditioning cost saving by assigning persons to be in charge of, setting a routine to turn off an air conditioner 30 minutes before lunch time and off-duty time and using LED lighting for greater energy savings.
- **Water Consumption Management** : Water conservation and reduction of water wastage are promoted.
- **Paper Consumption Management** : Conducted by promoting paper reusing. A service point for leaving used paper is located in a photocopier zone for convenience of reusing them.
- **Reduction of Paper Consumption** : Encouraged by reducing workflow cycle and promoting a system of Paperless Workflow.
- **Donating Old Computers** : Old computers in good condition that are outdated and not suitable to be used for current works can be repaired and refurbished, and then donated to schools in need so that they can be used as teaching and learning tools.
- **Greenhouse Gas Mitigation Management** : The Company is aware of the significance of the management of greenhouse gas mitigation. Electricity consumption in the offices is found to be a major contributor of greenhouse gas emission. In this regard, the Company has determined a scope of consumptions of energy and resources that are sources of greenhouse gas emission
  1. Scope 1 direct greenhouse gas emissions refer to emissions calculated from fuel consumption. This type of emissions is associated with fuel combustion in mobile sources owned and controlled by the Company. The sources consist of 3 cars and 1 motorcycle.
  2. Scope 2 indirect greenhouse gas emissions refer to emissions from the generation of electricity acquired from external services and used by the Company. This type of emissions can be calculated from the electricity consumption in 1 main office, the headquarter of Asiasoft Corporation Public Company Limited.
  3. Scope 3 indirect greenhouse gas emission refer to emissions generated within the headquarter of Asiasoft Corporation Public Company Limited were from 734.64 cubic meters of water consumption and usage of 50,344 A4 paper sheets.

In 2021, the Company's direct greenhouse gas emissions were 52.46 tonnes of CO<sub>2</sub> or 24% while 165.71 tonnes of CO<sub>2</sub> or 76 % were from indirect greenhouse gas emissions. The total greenhouse gas emissions of the year were 218.17 CO<sub>2</sub>.



Scope 1 Direct GHG Emissions	Scope 2 Indirect GHG Emissions	Scope 3 Indirect GHG Emissions
52.46	164.60	1.11
Total GHG Emissions = 218.17 tonnes of carbon dioxide		

### 3.4 The Social Dimension of Management of Sustainability

#### Social Policies and Guidelines

The Company adheres to its commitment to operate its business with principles of human rights. Particularly, the Company's stakeholders shall receive equitable and fair treatment. Principles and guidelines for treatment of employees and Corporate Social Responsibility are as follows. (Visit the Investor Relation section on [www.asiasoft.net](http://www.asiasoft.net) for more details.)

#### **Employees**

- **Equitability and Recognition of Human Rights of an Individual** : Employees of the Company are a valuable asset. The Company recruits and hires individuals with relevant competencies and experience and they are appropriately compensated comparable to other leading companies. The Company is determined to reinforce and promote positive corporate culture and environment while emphasizing fair treatment of employees on an equal basis. In other words, the Company operates the business against direct and indirect discrimination and human right violation at the workplace. Employees' security and welfare are also provided through different arrangements such as Provident Funds, annual health check-up, group insurance, fire drills, and safety and security systems.
- **Occupational Health and Safety** : Building a healthy and safe working environment is a top priority of the Company. Hereby, compliance with law and regulations relating to occupational health and safety as well as a continuous system and regulation improvement are crucial. The Company aims at creating an injury-free environment in the workplace.
- **Information Disclosure** : The Company respects the dignity and privacy of all its employees. Henceforth, personal data of the employees shall be collected only in an important case contributing to effective work performance or to the limited extent necessary for the Company's lawful purposes. All information collected shall be kept confidential and disclosed as required only to a proper authority by law.
- **Employee Development** : The Company recognizes the value of its employees and supports them to improve their professional development. Moreover, they are encouraged to attend both internal and external trainings as it is essential to enhance the right skills and competence to match the right roles.

### Customers

- **Product Quality and Safety** : the Company is committed to provide superior services and products to maintain customer satisfaction and readiness to meet customer demands. The Company also provides channels for customers to express their feedback, with persons assigned to specially deal with customer complaints.
- **Information Disclosure** : customer relationship is built based on a mutual fundamental combination of integrity and credibility. The Company respects the rights of customers with regards to their privacy and data, and strictly maintains the confidentiality of customer information as confidential information of the Company. Hereby, their information shall be collected only in an important case contributing to effective work performance or to the limited extent necessary for the Company's lawful purposes.

### Communities and Society

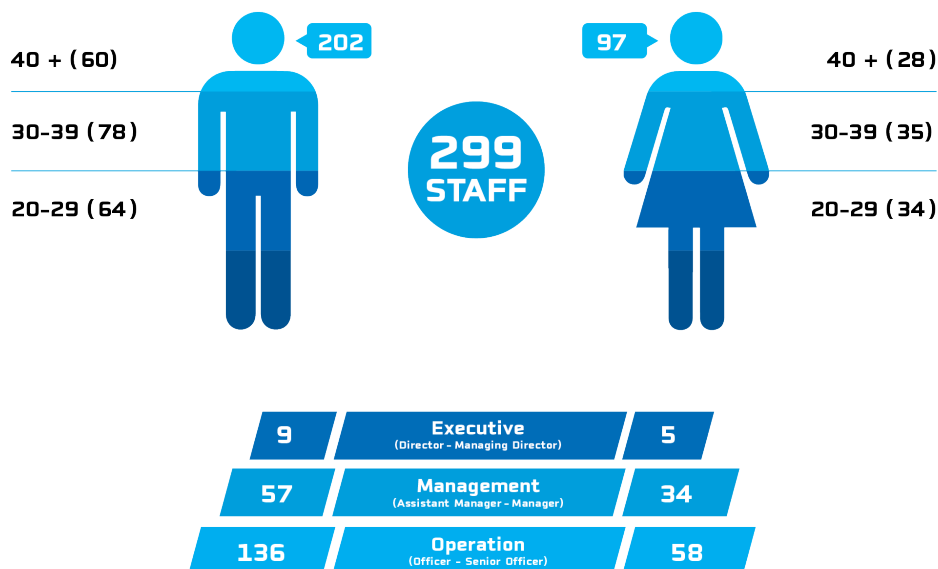
The Company recognizes its important role as a member in the society. This means that one of the vital duties of the Company is establishing corporate social responsibility. The Company, hence, continues to support CSR activities arranged for communities and help increase better environments of communities and society for improvement of quality of life.

#### The Social Dimension of Business Performances

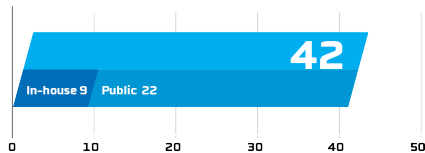
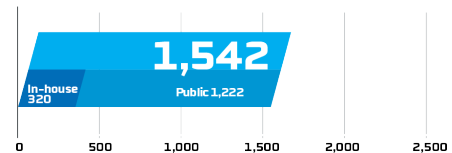
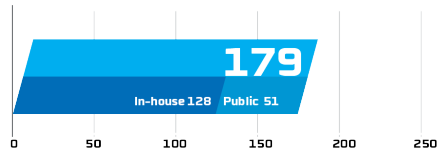
Social performances of the Company in 2021 are as follows.

#### Employees

- The Company operated the business with 299 employees in the country and abroad, including 48 new employees. This means there were 4 new employees a month on average. This shows that Asiasoft is a company that opens the door to a wide range of career opportunities relating to the gaming industry. Careers offered in the Company range from common career fields such as accounting, IT and marketing to gaming administration and management jobs that require gaming passion and expertise.



- The Company promoted knowledge and skill improvement among employees by providing them different training courses arranged inside and outside the Company. In 2021, 42 training courses were organized with 60% of the total employees participated, having 5.16 hours of training per person per year on average. *\*Examples of the training courses arranged for the employees included CQI and IRCA Certified ISO/IEC 27001:2013 Lead Auditor, TLCA CFO Professional Development Program, Recruitment after Pandemic, Preparing a greenhouse gas report For the Sustainability - Generation 1*

**Total courses****Total training hours****Total trainees**

- 15 job promotions were offered to the employees of the Company, under consideration of their knowledge, skills and potential in handling higher-level job responsibilities. It is one of the Company policies that aim to promote the employees' career advancement in their work field.
- There were no cases of injury causing absence from work.
- Amid the COVID-19 pandemic, the Company provided close care and support to its employees along with the following measures.
  - Employees were assigned to work through the Work from Home mode. The working mode was adjusted in response to the pandemic situation.
  - Equipment of the security system was changed to automatic doors with touchless access control.
  - COVID-19 insurance and Moderna vaccines were offered to the Company's employees.
  - Antigen test kits were provided to employees for a test before going to work onsite.
  - Fabric masks were made and provided to employees to establish COVID-19 risk mitigation.

**Customers**

- An overall level of customer service satisfaction in 2021 is 95.98% (95.36% in 2020).
- Besides the E-Support system, 94 customers informed their gaming problems and sent enquiries to the email corporate@asiasoft.net.



## Communities and Society

The Company continued to promote CSR activities. The following details present the activities arranged in 2021.

- **Sharing is Caring** : An 8.9 million Baht donation to support people affected by the COVID-19 crisis was given through 16 organizations in 5 countries : Thailand, Singapore, Malaysia, the Philippines, and Vietnam. The donation was done in an aim to mitigate the impacts of COVID-19 in different aspects, such as public health, education, and social concerns.



- **The Meal Box Project** : From August - October 2021, the Company donated around 5,800 meal boxes in total as moral support to those affected by the COVID-19 impacts and frontline workers working amid the crisis through 42 social organizations and communities. The meal boxes were given to workers in medical units and foundations, patients, those in detention centers, and people affected by the COVID-19 impacts.



- **2021 Online Red Cross Fair** : PlayPark joined the 2021 Online Red Cross Fair on 14 - 17 December 2021 with a PlayPark booth. The booth offered 2 mini games for free items and for purchase. The net income gained from the event was donated to Red Cross. After the fair, the net income (after expense deduction) gained from item selling was 101,357 Baht. The donation was given to Red Cross in January 2022.



- **Open House** : On 22 December 2021, the management team members and members of Asiasoft Corporation Public Company Limited got together to share their knowledge and experiences regarding the Cyber Security issue to police officers, teachers and students from the Royal Police Cadet Academy (RPCA).



## 4. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL STATUS AND OPERATING RESULTS

### 4.1 Financial Status and Operating Results

#### Overview of Past Operating Results

##### Business Structure 2021

The Group has a core business on online revenue both PC and mobile game whereas PC game still is a core revenue, distribution and payment channels in Thailand, Singapore, Malaysia, Indonesia and the Philippines.

##### Group Operating Result

Asiasoft Corporation Public Company Limited, a regional online entertainment service provider in Southeast Asia with a dominating market share in the 5 countries covering Thailand, Singapore, Malaysia, Indonesia and the Philippines.

In 2021, the Company has total revenue of 1,862.11 million Baht, increased by 39% from the year 2020 which was 1,336.2 million Baht, contributed mainly by new game launch across our groups as well as cost savings from restructuring of the Company operations and increased efficiency, our group performance and cash flow position has strengthened as compared to the prior year. Overseas markets had significant growth during 2021 and this is a testament to having a deeper understanding of the behaviors and needs of gamers as well as local knowledge of the mobile games market.

##### Overview of Performance for 2021

The Total Revenue of the Company comprises of a proportion of online game, distribution, advertisement and other income as follows :

Business	Revenue					
	2021		2020		2019	
	THB M	%	THB M	%	THB M	%
Online Game Service	1,850.4	99.4	1,310.5	98.1	741.8	97.3
Distribution	10.1	0.5	23.3	1.7	14.2	1.9
Others	1.7	0.1	2.4	0.2	6.4	0.8
Total	1,862.1	100	1,336.2	100	762.4	100

Remark : The above revenue has already eliminated the related parties transactions.

**1. Online game service** : In 2021, online revenue was 1,850.40 million Baht, versus 1,310.5 million Baht for 2020 and 741.8 million Baht for 2019 respectively. New PC and mobile games launched in 2021 resulted in total revenue increased from 2020 and 2019 by 41% and 149%, respectively. The Company has sharpened strategic focus on new games to be launched and expect to have revenue growth for 2022 and beyond.

**2 Distribution** : Revenue on payment channel in 2021 of 10.1 million Baht, versus 23.3 million Baht in 2020 and 14.2 million Baht in 2019, from the change of business model and payment channels.

**3 Others :** It comprised of sponsoring, licensing and social network advertising management. In 2021, the revenue was 1.65 million Baht, decreased from 2020 and 2019 mainly due to the change of business model.

Geographic	Revenue (THB M)		
	2021	2020	2019
Thailand	556.4	528.5	410.9
Overseas	1,305.7	807.7	351.5
Total	1,862.1	1,336.2	762.4
% Change	39.4	75.3	26.8

The proportion of Company revenue for domestic and overseas in 2021 was 30:70, increased from 2020 and 2019 which had 40:60, 54:46, respectively. This was mainly due to new PC and mobile game launches in 2021. Especially, the overseas market.

#### Costs, Expenses, Finance Costs and Income Tax

List	Consolidated (THB M)		
	2021	2020	2019
Costs of Sales and Services	(835.4)	(580.2)	(385.9)
Selling Expenses	(233.2)	(178.7)	(149.5)
Administrative Expenses	(247.1)	(215.9)	(172.8)
Loss on Impairment and Write-off of Intangible and Prepaid License Fee	-	(17.7)	-
Expense under Litigation	-	-	(55.1)
Total Operation Cost	(1,315.7)	(992.5)	(763.3)
Finance Costs	(0.8)	(1.3)	(1.1)
Income Tax Income (Expense)	(84.5)	(24.3)	(0.2)
Total	(1,401.0)	(1,018.1)	(764.6)
% Change	37.6	33.2	83.5

In 2021, the Company's Costs, Expenses, Finance costs and Income tax was at 1,401 million Baht, increased by 37.6% from 2020 which was 1,018.1 million Baht and increased by 83.5% from 2019 which was 764.6 million Baht which in line with the revenue increase; however, the Company was able to achieve very effective and efficient cost management.

Cost of sales and services in 2021 increased by 44.0% from 2020 and increased by 50.3% when compared to 2019 mainly due to the increased royalty fees which varied with revenue.

Selling expenses increased 30.5% from 2020 and increased 19.5% from 2019 mainly due to an increase in the channeling service fees and advertising expenses in line with increases in revenues from sales and services.

Administration expenses increased 14.5% and 24.9% from 2020 and 2019, respectively mainly due to the increment of employee cost.

Net Profit (Loss)

In 2021, the Company ended with a profit of 479.2 million Baht, increased by 56.1% and 11,044.2% from the year 2020 and 2019, respectively due to the significant growths in revenue and also the effectiveness of Company structure in cost control.

Net Profit (Loss) (THB M)	2021	2020	2019
	479.2	307.0	4.3
% Change		56.1	11,044.2

Balance Sheet**Assets**

Total assets as of 31 December 2021 was 1,330.32 million Baht versus total assets as of 2020 at 517.03 million Baht, increased of 813.29 million Baht or 63.57% as follows :

1. Current assets increased 455.66 million Baht or 66.33% from 2020 due to these changes :

- Cash and cash equivalent increased 278.13 million Baht from net cash generated from operating activities of 686.4 million Baht.
- Short-term investment increased 128.2 million Baht which increased from 2020 by 46% due to the excess cash from operating activities.
- Account receivables and other receivables increase by 46.2 million Baht which increase from 2020 by 105.9% due to the increase in revenue
- The following table is the analyst of Aged Receivables – Third Parties :

The following table is the analyst of Aged Receivables – Third Parties :

Receivables	2021	% of net A/R	2020	% of net A/R	2019	% of net A/R
<b>Current</b>	<b>50.6</b>	<b>63</b>	<b>31.6</b>	<b>77</b>	<b>23</b>	<b>58</b>
<b>Less Than 3 Months</b>	<b>11.1</b>	<b>14</b>	<b>9.3</b>	<b>23</b>	<b>15</b>	<b>38</b>
<b>3 - 6 Months</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>3</b>
<b>6 - 12 Months</b>	<b>0.2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Over 12 Months</b>	<b>18.4</b>	<b>23</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>3</b>
<b>Total</b>	<b>80.3</b>	<b>100</b>	<b>40.9</b>	<b>100</b>	<b>40</b>	<b>100</b>
<b>Less Allowance for Doubtful Accounts</b>	<b>(18.4)</b>	<b>(23)</b>	<b>(0.1)</b>	<b>(0.2)</b>	<b>(1)</b>	<b>(3)</b>
<b>Trade Accounts Receivable</b>	<b>61.9</b>	<b>77</b>	<b>40.8</b>	<b>99.8</b>	<b>39</b>	<b>97</b>

In 2021, the Company had current account receivables 3rd parties and overdue less than 6 months at 61.7 million Baht. The Company has no significant concentrations of credit risk arising from trade receivables as a large number of trade receivables and experience from the previous collection.

2. Non-Current Asset increased 61.37 million Baht or 48.59% from last year mainly due to the following :

- Increase of deferred tax assets for 5.6 million Baht which due to the temporary difference between accounting book and tax book.
- Increase from intangible assets for 64.9 million Baht which due to signing new game during 2021 and also extend the agreement for existing games.



- Increase from equipment for 2.3 million Baht which due to purchase of new equipment to support the new game launches.
- Decrease of restricted bank deposit 5.4 million Baht which due to the close down the credit line with financial institution.
- Decrease of right of use assets by 4 million Baht due to amortization of right of use assets during year

### Liabilities

As of 31 December 2021, the Company had total liabilities 472.31 million Baht versus total liabilities for the year 2020 at 320.55 million Baht, increased by 151.76 million Baht or 47.3% due to the following :

1. Current liabilities increased 154.6 million Baht or 54% due mainly to the following :

- Increased trade accounts payables and other account payables 79.74 million Baht from increasing in royalty fee.
- Increase of deferred revenue by 33.6 million Baht because of the increase in refill but not use.
- Increase of income tax payable by 53.4 million Baht due to the Company fully utilise of loss carry forward in year 2021
- Decrease of the current portion of the liability under litigation and other current liabilities by 5.5 million Baht and 3.9 million Baht, respectively.

### Equities

As a result of strong performance, The Company is able to generate net profit equal to 479.2 million Baht. Equity attributable to owners of the parent company as of 31 December 2021 equal to 858.01 million Baht which increased from 2020 and 2019 as shown only 492.7 million Baht and 141.7 million Baht, respectively and resulting in 348% of paid-up capital.

### Profitability

In 2021, the Company and subsidiaries had a gross profit margin of 55.14% of net revenue (including the one-time items) compared to 2020 and 2019 which had 56.6% and 49.4% respectively. This resulted in positive profitability for 3 consecutive years from 2019.

### Asset Management Ability

In 2021, the Company and subsidiaries had Return on Assets (ROA) of 44.71% compared to 50.4% of 2020 and 1.18% of 2019.

Total Assets Turnover for 2021 is 1.4 times while 2020 and 2019 is 1.7 and 2.1 times, respectively reflecting the good asset management.

### Liquidity and Capital Adequacy

In 2021, the Company and subsidiaries had a liquidity ratio of 2.6 improved from 2020 and 2019 which had 2.4 and 1.1 times, respectively because the current asset is higher than current liabilities.

Debt to Equity ratio in 2020 was 0.59 improved from 2020 which was 0.72 times. This improvement in D/E ratio resulted in a lower exposure for the Company.

## 4.2 Factors that Affect Financial Position Significantly in the Future, both Internal and External

The following factors may affect the overall performances, financial position and/or operations of the Company :

**1. Risk of Product's Hit Factors** : Online game industry in Southeast Asia has become more and more competitive whereby gamers have become more selective in terms of which games they will spend their time and money on. Hence, the Company is committed to publishing hit games and top-notch services that will appeal to our market and will result in positive financial performance for the Company.

**2. Operation Schedules** : Timing is key in the online game industry whether for launching new titles, new game updates, new types of services, gaming events, as such the Company is carefully scheduling key activities based on consumer behaviour and trend, such as school terms, holiday seasons, key sports events, or competitor's products schedules to ensure optimal timing for any product activities.

**3. Changes in Technology and Platforms** : Consumer behaviour have changed drastically, due to changes in technology and the games are easier to access and more prevalent. In the last several years, smartphone penetration has grown significantly in the region and as a result, the barrier to entry into a new market has been lowered with many online game service providers entering this business by launching their self-developed games. The Company strives to look out for oncoming changes in behaviour and will constantly adapt our business plan to tap into the ever-growing mobile gaming market. Also the Company will continue to focus on PC games with the strategy that let the players access the games easier and faster as well as launching a new co-publishing business model with potential partners. We will continue to develop new and enhanced systems for both games and other services to serve internet users in Southeast Asia.

**4. Privacy Protection** : One of the Company's strengths is our massive amount of users from all across Southeast Asia and beyond. Hence, any leak of consumer's data by and to third parties will negatively affect our relationship with our users and our revenue. To this end, the Company has implemented secure systems to store and to protect our user database and information.

**5. Diversifying Channel Partners** : the Company has been maintaining a good relationship with the channel partners (e.g. for payment, sales, distribution) such as mobile service providers, cyber cafes, convenient shops, gaming shops, and online gaming news portals. Our channel partners have significant influence over the products and services that we offer on their platforms. As such, the Company will maintain to provide an agreement that is beneficial to our channel partners.

**6. Talents in the Online Game Industry in Southeast Asia** : the Company believes in keeping and nurturing talents as an integral part of the Company's overall growth. As the game industry in the region has grown significantly in the past decade, the demand for and quality of talents in the game industry has increased too. The Company will stay competitive in terms of remuneration and advances in the job environment, as well as maintaining the effort to draw top talents into the Company.

**7. Risk in Expanding Business Abroad** : the Company has expanded its investment in Southeast Asia since 2012. Works are in progress to ensure that systems and processes improved are implemented across the region.

**8. Risk in Copyright Amortization** : the Company has risk from copyright cost and for obsolete games that will be considered for termination or impairment and may affect the operation results. However, the Company has tried to revise the terms of the contract and negotiate with the manufacturers or game developers to reduce such risks.



### 4.3 Financial Highlight

#### Statement of Financial Position of Company and Subsidiaries as at 31 December 2019 – 2021

Balance Sheet (THB M)	2021	2020	2019
Cash and Cash equivalents	602.9	324.77	145.37
Current Investments	406.89	278.73	-
Trade and Other Receivables	89.77	43.59	63.28
Prepaid License Fees	13.07	4.65	9.90
Other Current Assets	30.02	35.25	37.13
Total Current Assets	1,142.70	686.99	255.68
Total Non-Current Assets	187.67	126.30	150.69
<b>Total Asset</b>	<b><u>1,330.32</u></b>	<b><u>813.29</u></b>	<b><u>406.37</u></b>
Total Current Liabilities	440.96	286.36	229.33
Total Non-Current Liabilities	31.35	34.19	35.31
<b>Total Liabilities</b>	<b><u>472.31</u></b>	<b><u>320.55</u></b>	<b><u>264.64</u></b>
Registered	256.50	286.42	532.84
Issued and Fully Paid-Up	228.20	207.24	409.88
Share Premium	125.39	6.99	-
Retained Earnings	415.58	248.78	(256.52)
Equity Attributable to Owners of Company	794.77	443.40	126.76
Non-controlling Interests of Subsidiaries	63.24	49.34	14.97
<b>Total Shareholder's Equity</b>	<b><u>858.01</u></b>	<b><u>492.74</u></b>	<b><u>141.73</u></b>

#### Statement of Comprehensive Income of Company and Subsidiaries end of 31 December 2019 – 2021

Profit and Loss (THB M)	2021	2020	2019
Revenue from Sales and Services	1,862.12	1,336.22	762.44
Other Income	54.32	19.96	5.18
<b>Total Revenues</b>	<b><u>1,916.44</u></b>	<b><u>1,356.18</u></b>	<b><u>767.62</u></b>
Cost of Sales and Services*	835.38	580.19	385.87
Selling and Administrative Expenses*	480.31	411.88	377.38
<b>Total Expense</b>	<b><u>1,315.69</u></b>	<b><u>992.07</u></b>	<b><u>763.26</u></b>
<b>Profit (Loss)</b>	<b>479.2</b>	<b>307.04</b>	<b>4.35</b>
<b>Basic Earning Per Shares</b>	<b>1.13</b>	<b>0.75</b>	<b>0.01</b>

Remark : \*including one-time items

Statement of Cash Flows of Company and Subsidiaries  
end of 31 December 2019 - 2021

Cash Flow Statements (THB M)	2021	2020	2019
Cash Flows from Operating Activities	686.40	502.30	105.92
Cash Flows from Investing Activities	(222.82)	(305.11)	(21.24)
Cash Flows from Financing Activities	(199.9)	(19.23)	(3.10)
Net Increase (Decrease) in Cash and Cash Equivalents	276.95	180.08	80.99
Cash and Cash Equivalents at End of Year	602.90	324.77	145.37

Financial Ratio

Financial Ratio	Financial Statement		
	2021	2020	2019
Current Ratio (Time)	2.60	2.40	1.11
Gross Profit Margin (%)*	55.14	56.58	49.39
Net Profit Margin (%)	32.17	27.28	0.57
ROE (%)	77.41	107.81	3.45
ROA (%)	44.71	50.40	1.18
Total Asset Turnover (Time)	1.40	1.70	2.08
DE (Time)	0.59	0.72	2.09

Remark : \*including one-time items

## 5 GENERAL INFORMATION AND OTHER SIGNIFICANT INFORMATION

### 5.1 General Information (As of 31 December 2021)

<b>Company Name</b>	<b>Asiasoft Corporation Public Company Limited</b>
Type of Business	Providing online entertainment services as an online game and mobile game operator in Thailand.
Head Office	9, UM Tower, 28th Floor, Room 9/283-5, Ramkhamhaeng Road, Suanluang, Bangkok, 10250
Registered Number	0107550000050
Telephone	66 2769 8888
Facsimile	66 2717 4250
Website	www.asiasoft.net
Registered Capital	THB 256,503,736.50 divided into 513,007,473 ordinary shares with a par value of THB 0.50 each.
Paid-up Capital	THB 212,394,553 divided into 424,789,106 ordinary shares with a par value of THB 0.50 each.

### Companies in which the Company Hold 10% or More of Shares

(As of 31 December 2021)

<b>Company Name</b>	<b>A Capital Company Limited</b>
Type of Business	Investment Arm (Holding Company).
Head Office	9, UM Tower, 28th Floor, Room 9/283-5, Ramkhamhaeng Road, Suanluang, Bangkok, 10250
Telephone	66 2769 8888
Facsimile	66 2717 4250
Registered Capital	THB 20,000,000 divided into 200,000 ordinary shares with a par value of THB 100 each. All shares have been issued and fully paid up.
Shareholding Status	99.99% of registered capital.

<b>Company Name</b>	<b>Playpark Company Limited</b>
Type of Business	Online game business services.
Head Office	9, UM Tower, 28th Floor, Room 9/283-5, Ramkhamhaeng Road, Suanluang, Bangkok, 10250
Telephone	66 2769 8888
Facsimile	66 2717 4250

Website	www.playpark.com
Registered Capital	THB 150,000,000 divided into 1,500,000 ordinary shares with a par value of THB 100 each. All shares have been issued and fully paid up.
Shareholding Status	99.99% of registered capital.

<b>Company Name</b>	<b>Thaiware Communication Company Limited</b>
Type of Business	Providing information and distributing software and IT service, including software download on the website www.thaiware.com
Head Office	69/6 Tung Hua Pug Building, B Tower, 4th Floor, Room 3, Soi Suksa Wittaya, Silom Road, Silom Sub-district, Bang Rak District, Bangkok
Telephone	66 2635 0744
Facsimile	66 2635 0745
Website	www.thaiware.com
Registered Capital	THB 1,500,000 divided into 150,000 ordinary shares with a par value of THB 10 each. All shares have been issued and fully paid up.
Shareholding Status	40% of registered capital held by A Capital Company Limited.

<b>Company Name</b>	<b>Skynet Systems Company Limited</b>
Type of Business	Developing stock and security market trading platform application.
Head Office	9/283-285, UM Tower, Ramkhamhaeng Road, Suanluang, Bangkok, 10250
Telephone	66 2769 8888
Facsimile	66 2717 4250
Website	www.skynetsystems.co.th
Registered Capital	THB 6,136,400 divided into 61,364 ordinary shares with a par value of THB 100 each. All shares have been issued and fully paid up.
Shareholding Status	57.04% of registered capital held by A Capital Company Limited.

<b>Company Name</b>	<b>Asiasoft International Company Limited</b>
Type of Business	Investment Arm (Holding Company).
Head Office	9, UM Tower, 28th Floor, Room 9/283-5, Ramkhamhaeng Road, Suanluang, Bangkok, 10250
Telephone	66 2769 8888
Facsimile	66 2717 4250
Registered Capital	THB 102,000,000 divided into 1,020,000 ordinary shares with a par value of THB 100 each. All shares have been issued and fully paid up.
Shareholding Status	99.99% of registered capital.
Note	Under liquidation.

<b>Company Name</b>	<b>Playpark Pte. Ltd.</b>
Type of Business	Online PC and mobile game business services in Singapore.
Head Office	7500A Beach Road, #13-306, The Plaza, Singapore 199591
Telephone	65 6291 6129
Website	www.asiasoft.net
Registered Capital	SGD 3,000,000, all shares have been issued and fully paid up.
Shareholding Status	100% of registered capital.

<b>Company Name</b>	<b>PT. Asiasoft</b>
Type of Business	Online game business services in Indonesia.
Head Office	Grand Slipi Tower 9th Fl. Unit G No. 105, RT/RW 001/004, Province DKI Jakarta, City West Jakarta, District Palmerah, Sub District Palmerah, 11480
Telephone	621 8066 0900
Facsimile	621 8066 0901
Website	www.asiasoft.net
Registered Capital	IDR 31,744,520,000, all shares have been issued and fully paid up.
Shareholding Status	99.90% of paid-up capital.

<b>Company Name</b>	<b>Playpark Inc.</b>
Type of Business	Online game business services in the Philippines.
Head Office	OPL Building, 6th Floor, 100C Palanca St., cor Dela Rosa St., Legaspi Village, Makati City, Philippines
Telephone	63 2751 9600
Facsimile	63 2813 8966
Registered Capital	PHP 4,000,000
Shareholding Status	40% of paid-up capital.

<b>Company Name</b>	<b>CIB Development Sdn. Bhd.</b>
Type of Business	Online PC and mobile game business services in Malaysia.
Head Office	Suite C-06-01, 02, 03 & 3A, Level 6, Block C, Sky Park One City, Jalan USJ 25/1, 47650, Subang Jaya, Selangor Darul Ehsan, Malaysia
Telephone	603 5022 3020
Facsimile	603 5022 3028
Website	www.cib.com.my
Registered Capital	MYR 1,000,000, all shares have been issued and fully paid up.
Shareholding Status	61.68% of registered capital.

<b>Company Name</b>	<b>Playpark Malaysia Sdn. Bhd.</b> (Former name CIB Net Station Sdn. Bhd.)
Type of Business	Online PC and mobile game business services in Malaysia.
Head Office	Suite C-06-01, 02, 03 & 3A, Level 6, Block C, Sky Park One City, Jalan USJ 25/1, 47650, Subang Jaya, Selangor Darul Ehsan, Malaysia
Telephone	603 5022 3020
Facsimile	603 5022 3028
Website	www.cib.com.my
Registered Capital	MYR 1,000,000, all shares have been issued and fully paid up.
Shareholding Status	100% of registered capital held by CIB Development Sdn. Bhd.
Note	This company was changed the name to Playpark Malaysia Sdn. Bhd. since 17 August 2021.

## Reference Persons

### Registrar

#### **Thailand Securities Depository Company Limited**

The Stock Exchange of Thailand Building,  
93, Ratchadaphisek Road, Dindaeng, Bangkok, 10400, Thailand

Telephone 66 2009 9000

Facsimile 66 2009 9991

### Auditors

#### **Mr. Sompop Pholprasarn**

**CPA License No. 6941 and/or**

#### **Ms. Wannawat Hemachayart**

**CPA License No. 7049**

#### **MAZARS LIMITED**

1, Empire Tower, 12th floor,  
Room 1202-6, 1209-6, 1209-12  
South Sathorn Road, Bangkok, 10120, Thailand

Telephone 66 2670 1100

Facsimile 66 2670 1101

## Legal Advisor - None

## Information of Securities and Shareholders

### • Company's Securities

As of 31 December 2021, the Company's registered capital was 256,503,736.50 Baht, divided into 513,007,473 ordinary shares, and 56,600,872 warrants with a par value of Baht 0.50 each, of which 228,203,300 Baht is paid-up capital, divided into 456,406,601 ordinary shares with a par value of Baht 0.50 each.

### • Company's Shareholders

Top ten Company's shareholders were as follows :

Names of Shareholders	Number of Shares (as of the latest book closing date on 14 March 2022)	% Holding
1. Mr. Pramoth Sudjitporn*	161,439,690	35.37
2. Miss Saowalak Jitsamrit*	41,397,656	9.07
3. Thai NVDR Company Limited	28,092,244	6.16
4. Bualuang Long-Term Equity Fund	11,475,400	2.51
5. STATE STREET EUROPE LIMITED	10,492,200	2.30
6. Mr. Pornsin Kraisdawat	6,479,000	1.42
7. Mr. Aphisak Theppadungporn	6,150,000	1.35
8. Mr. Lertchai Kanpai	5,964,418	1.31
9. Mr. Chod Reankittiwat	5,661,000	1.24
10. Mr. Naphat Panchakunathorn	5,650,000	1.24

Remarks : \*Mr. Pramoth Sudjitporn is a spouse with Miss Saowalak Jitsamrit.

**List of major shareholders who, according to their conducts, were able to assert their influences towards the management policy and operation procedure of the Company with ulterior motives**

(Shareholding groups or shareholders who owned over 10% and holding position as the Company's director or sending representative as the Company's director), is Mr. Pramoth Sudjitporn's Group.

• **Others Securities Issuance**

The Company does not issue other types of securities.

• **Dividend Payment Policy**

In general, if the Company has no funding requirement for additional investment or business expansion and has sufficient cash flow, the Company has a policy to pay dividend to shareholders of the Company and its subsidiaries of at least 50.0% of net profit of each company (according to each company's financial statements) after deducting corporate income tax, legal reserves and other necessary reserves on a half basis. The first dividend payment shall be paid as an interim dividend and the second dividend payment shall be paid as an annual dividend. Nevertheless, this dividend payment rate may be changed depending on the necessity and appropriateness, given that this change must provide the highest benefit to the shareholders. A resolution of the Company's Board of Directors regarding the dividend payment must be proposed to the Shareholder Meeting for approval, except for an interim dividend payment, which the Board of Directors may approve and then report to the next Shareholder Meeting.

During the year 2021, the Company has paid dividends as follows :

1. The Annual General Meeting of the Shareholders year 2021 approved dividend payment for the year 2020 at the rate of 0.30 Baht per share, totaling approximately 124,342,921.20 Baht, representing 59% of net profit, with a dividend payment date on 7 May 2021.

2. Resolutions of the Board of Directors Meeting No. No. 3/21, on 13 August 2021, approved to pay interim dividends at the rate of 0.40 Baht per share, totaling approximately 169,895,499.60 Baht, representing 20% of net profit, with a dividend payment date on 10 September 2021.

**5.2 Other significant information**

None

**5.3 Legal Dispute**

None

**5.4 Secondary Market**

None

**5.5 Contact Financial Institution** (only if the Company issues debt securities)

None





# **PART 2**

# **CORPORATE**

# **GOVERNANCE**

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ASIASOFT ANNUAL REPORT 2021

## 6 CORPORATE GOVERNANCE POLICY

Asiasoft Corporation Public Company Limited, under the supervision of the Board of Directors, we are committed to doing business with transparency, legitimate, adhere to the Code of Conduct, taking into account the impact on shareholders and all stakeholders and develop an internal audit and control system to be sufficient and appropriate as follows : “Good Corporate Governance Policy” by study policies and guidelines in full practice at <https://investor.asiasoft.net/en/corporate-governance>

### 6.1 Policies and Guidelines for the Board

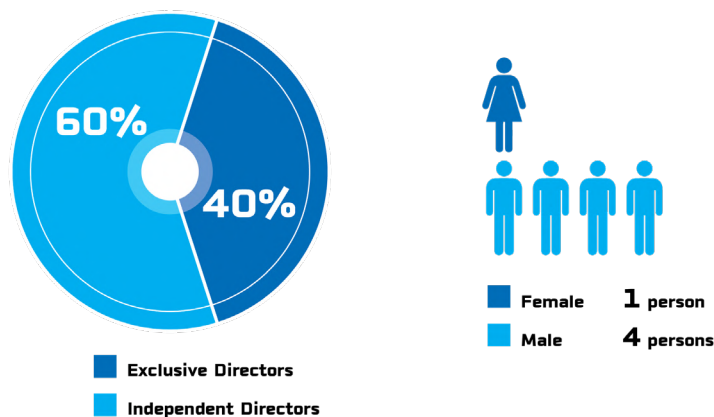
#### 6.1.1 Board of Directors

The Company focuses on providing efficient services, developing our personnel to support the services and expanding investment to other high potential countries in the region, under a transparent and accountable management pursuant to the principles of Good Corporate Governance. To realize this vision, the Board strives to maintain the highest ethical standards within the framework of the law, the Company’s objectives and its Charter as well as resolutions adopted at shareholder meetings with commitment, honesty, integrity, and prudence in line with good operating practice so as to deliver highest economic value to the Company and maximum stability to shareholders.

The Company’s Board of Directors comprises people who have knowledge, skills, and experience drawn from a variety of professions in the areas of PC games, online business, finance, marketing, law, management, IT, and other fields beneficial to the Company’s work. The Board is free to decide in the best interests of the Company and its shareholders overall. This Board has played a part in determining (or approving) the Company’s Vision, Mission, Strategies, Targets, Business Plans, and Budgets, as well as supervising the performance of its management to ensure effective implementation of the Business Plans and Budgets for the greatest economic benefit for the Company and maximum stability for the shareholders. Action has also been taken to ensure that there is a process for regular evaluation of the adequacy of internal control, internal audit, risk management, financial reporting, and follow-up of performance.

Currently, the Company’s Board of Directors comprises five members, two of whom are executive and three are non-executive and independent directors which, therefore, exceeds one-third of the Board thereby giving an appropriate balance vis-a-vis executive directors. The Board has set up two sub-committees to help supervise operations of the Company, i.e. the Executive Committee and the Audit Committee which consists of three independent directors with a term of office of up to three years. The duties and responsibilities of those Committees have been expressly defined at previous shareholder meetings.

#### Portion and Structure of Directors



The Board is aware of the roles, duties, and responsibilities of guiding the operation. Monitor and supervise the work of the management. Perform duties with knowledge, ability, transparency, care, and responsibility in performing duties (Accountability) of the Board of Directors towards the Company and shareholders, independent from the management. There are essential guidelines as follows :

#### Board of Directors Qualifications

1. Possess the qualifications, and have no prohibited characteristics, according to the Public Limited Companies Act B.E. 2535 or other relevant laws, including the rules and regulations of the SET and the SEC and the Company's article of association.
2. Be qualified, knowledgeable, and capable. Have an experience that is beneficial to the business operations of the Company.
3. Have leadership, vision, and independence in making decisions for the Company's best interest and shareholders as a whole.
4. Have a responsibility to perform director duties and devote their time to serving the duties fully and being responsible to the shareholders regularly (Accountability to Shareholders) and make decisions with caution (Duty of Care) to protect the interests of the Company.
5. Perform duties with integrity and ethics within the law framework and guidelines for good corporate governance and code of business conduct.

#### The Chairman of the Board

1. Acts as the Chairman of the board, shareholders, and non-executive meetings.
2. Call the Board of Directors meeting or appoint another person to perform this duty.
3. Encourage all board members to debate issues vigorously during meetings, ask questions, and express opinions.
4. Cast decisive vote, in case the casting vote in the Board of Directors meeting are equal.

#### Roles and Duties of the Chairman of the Executive Committee

1. Utilize leadership to ensure the Executive Directors' efficient performance of duties for the best interests of the Company and independent from the management.
2. Consider and approve the agenda of the meeting proposed by the Company Secretary to make the agenda consistent with the duties and responsibilities of the Executive Committee.
3. Supervise the Executive Directors in implementing the Board of Directors' policies to implement them to achieve results.
4. Oversee and encourage the Executive Committee to abide by good corporate governance principles and the Company's code of business conduct.

#### Term of Office of Directors

1. At every annual general meeting, one-third (1/3) of the number of the directors shall retire from the office. If the number of directors can not be divided exactly into three parts, the number of directors nearest to one-third (1/3) shall retire from office.
2. The directors who retire from office in the first and second years following the registration of the Company shall be drawn by lots. In every subsequent year, the directors who have been longest term in office shall retire. A retired director may be eligible for re-election.

#### The Director Election/Appointment

1. Election of directors to replace those who are due to retire by rotation must seek approval from the shareholders' meeting.
2. In the event that a position of director becomes vacant for any reason other than the end of his office term, the board of directors shall on the next board meeting appoint a qualified person, not having

unacceptable qualities under the laws as the replacement, unless the remaining duration of the director's term of office is less than 2 months. The replacement director shall hold office only for the remaining term of office of the director whom he replaces. The resolution of the Board of Directors pursuant to the first paragraph must be approved by the votes of not less than three-fourth ( $\frac{3}{4}$ ) of the number of the remaining directors.

#### **6.1.2 Board Independence from the Management, Guidelines for the Board Independence from the Management**

The Board of Directors structure comprised three non-executive and independent directors and two executive directors. As of 31 December 2021, the Company had five members of the Board of Directors. The balance of power by non-executive directors was as follows :

- Executive directors : 2 persons (40%)
- Non-executive and independent directors : 3 persons (60%)

#### **6.1.3 Nomination of the Directors**

Currently, the Company has no Nominating Committee for selecting directors. This matter is therefore left to the Board, which will select individuals and propose them to the shareholders based on a variety of factors such as their educational background, competencies and business experience. They must also be qualified under the Public Limited Companies Act, B.E. 2535, Notification of the SEC and other relevant laws. Director selection will be made by majority vote at shareholder meetings in accordance with the following criteria and procedure :

1. A shareholder will be entitled to one vote for each share.
2. The vote to select directors will be done on an individual basis.
3. The person with the most votes will be selected as a director. If there is more than one vacancy, the persons with the most votes in descending order will be selected as directors. Where there is a tie, the Chair of the shareholder meeting has a casting vote.

Business Competencies Required	Mr. Pramoth Sudjitporn	Mr. Kittipong Prucksaroon	Mr. Chalermphong Jitkuntivong	Mrs. Monluedee Sookpantararat	Pol.Col. Yanaphon Youngyuen
Business Management					
Sales and Marketing					
Legal					
Accounting and Finance					
Information Technology					
Games Industry Knowledge					

#### **6.1.4 Board Diversity**

The Board of Directors recognizes the interests of the diversity of the Board of Directors. It deems an important factor in enhancing the efficiency of the Board of Directors' performance. Such diversity is not limited to only gender but also ethnicity, age, educational history, professional experience, skills, knowledge, and attitudes. Therefore, the nomination and appointment of the Company's directors will be based on knowledge and capability, including the use of selection criteria, which considers the interests of diversity.

### 6.1.5 Development of Directors and Executives

#### The Orientation of New Director

The Board of Directors provided an orientation program for new directors to gain a thorough understanding of the Company's business and management in order to prepare the directors to perform their duties.

#### Development of Directors and Executives

The Company will support the attendance of its Board and senior executives at training courses which will be beneficial to their performance and will enable them to exchange opinions, on a regular basis, with Board members and senior executives of other organizations. Such courses include those arranged by the Company's employee training unit, units under the State's jurisdiction and independent entities such as Thai Institution of Directors. It is an SEC requirement that directors of listed companies attend at least one of these courses, e.g. Director Certification Program (DCP), Director Accreditation Program (DAP), and Audit Committee Program (ACP) so that knowledge and experience gained can be used for the Company's further development.

In 2021, there were directors to attend training/seminars in the following important courses.

Name	Training Course
Mrs. Monluedee Sookpantarat	<ul style="list-style-type: none"> <li>• Ethical Leadership Program (ELP 23/2021)</li> <li>• Anti-Corruption the Practical Guide (ACPG 57/2021)</li> </ul>

### 6.1.6 Board Performance Evaluation

To enhance the efficiency of performance by its various Committees, arrangements are made by the Company to have members of each Committee evaluate their own overall performance so that they can together appraise and look at their performance and problems. Following this evaluation, the Board will analyze their performance and determine measures which will improve the Committees' efficacy.

### 6.1.7 Determination of Remuneration for Directors and Senior Executives

The Company has a policy of determining remuneration for its directors, both in monetary and non-monetary terms, openly and transparently. The remuneration shall be submitted for approval to the annual general meeting of shareholders. Criteria governing remuneration of directors are as follows :

- Appropriate and commensurate with the duties and responsibilities of each director.
- At a level capable of attracting and retaining quality directors with suitable ability and knowledge.
- Clear, transparent, and easily comprehensible.
- Comparable to the remuneration of directors in the same or similar industry(ies).

### 6.1.8 Determination of Chief Executive Officer Remuneration

The remuneration for executives will be determined by the Board, both in monetary and non-monetary terms, in line with the Company's performance and each executive's performance. They will be set at such rates as are adequately attractive to retain quality senior executives and shall be comparable to rates of other companies in the same grade or operating in the same line of business.

### 6.1.9 Succession Plan Policy of Chief Executive Officer

The Company has a plan for selecting personnel who will be responsible for all important positions to be appropriate and transparent to ensure that the Company has executives who are professional which is considered by the Board of Directors.

### 6.1.10 Directorship in Other Listed Companies

The Board of Directors has stipulated that each director can hold a directorship position in other listed



companies as deemed appropriate. The director should not serve as a director in other listed companies that cause conflicts of interest with the Company and the performance of director duties.

#### **6.1.11 Investment Policy and Supervision of Subsidiaries and Associated Companies and Guidelines**

The Company has an investment and management policy in subsidiaries and associates, which will invest in businesses related or benefit and support the Company's business operations to strengthen the Company's stability and performance. The Company will consider the investment proportion, expected profit, the risk that may arise, and the Company's financial status before deciding to invest in various projects. Such investment approval must be considered at the Board of Directors' meeting and/or the shareholders' meeting under the specified approval authority scope

For the Supervision of Subsidiaries and Associated Companies. The Company has sent the representatives to be directors in subsidiaries and affiliates according to the proportion of shareholding of the Company. Such representatives have the rights to control the material transaction that is any material agreement or contract of subsidiaries or affiliates shall be signed by the director who is the representative of the Company. The representative of the Company who is nominated to be directors of subsidiaries or affiliates has the duty to do for the best benefit of such subsidiaries or affiliates.

In addition, in case the subsidiaries, the representatives of the Company who is nominated to be director of subsidiaries shall manage subsidiaries to keep the information and accounting records in order to the Company can verify and collect such information to prepare the consolidated financial statements in time.

### **6.2 Policy and Guidelines on Shareholders and Stakeholders**

#### **6.2.1 Rights of Shareholders and Equal Treatment of Shareholders**

##### Rights of Shareholders

The rights of shareholders covers a variety of rights such as the right to purchase, sell, or transfer shares, the right to share in the Company's profits, the right to attend shareholder meetings, and the right to express an opinion and to participate in making important decisions in the Company. Such decisions include the selection of directors, approval of major transactions with a potential impact on the Company's direction, and revisions of the Company's Memorandum and Articles of Association.

It is the Company's policy to promote and facilitate the shareholders' exercise of their various rights, by such means as follows :

- Distribute information concerning shareholder meetings on the Company's website before sending out paper documents, and elaborating on the rights of shareholders in attending the meeting and voting.
- Where a shareholder cannot attend the meeting in person, he or she is given the opportunity to appoint an independent director or any individual as his or her proxy at the meeting by using any of the forms of proxy sent by the Company together with the convening notice for the meeting.
- Before a scheduled meeting date, shareholders are given the opportunity to send their opinions, recommendations, and questions by e-mail to the Investment Relations Officer or the Board Secretary.
- The Company will arrange an appropriate time-slot for shareholders to make their comments and recommendation or raise questions freely on any agenda item before a resolution is adopted on that item. Adequate information has already been provided to shareholders for these meetings and the Company will arrange to have available staff who are well informed in each area under question, under the Board's supervision, to respond to any questions or doubts raised from the floor.
- All directors will attend the meeting so that shareholders may ask for further details or information on any relevant issues.

##### Equal Treatment of Shareholders

It is the Company's policy to treat all shareholders equally and protect their rights in the interest of strengthening equitable treatment particularly for minority shareholders. For instance :

- Shareholders will be given equal opportunities and facilities. No action will be taken that will limit, violate or diminish their rights.
- The right to vote at meetings will be determined by the number of shares held by each shareholder at the rate of one vote for one share.
- Independent directors are assigned to take care of minority shareholders who may make recommendations, comments or complaints to them. These independent directors will give appropriate consideration to each issue. For example, in the case of complaints, they will establish the facts and decide a suitable remedy. In the case that the independent directors consider that the recommendation has significant impact on those with vested interests or on the Company's operations in general, that issue will then be submitted to the shareholder meeting for the shareholders' consideration.
- Shareholders will be encouraged to exercise their rights. For example, minority shareholders will be given the opportunity to add agenda items before the scheduled meeting date or to nominate directors. The agenda, however, may not be expanded without prior notice to shareholders.
- The Board has taken measures against insider trading by relevant parties including directors, executives, employees, and employees of the Company involved with that information (including the spouses and non sui juris children of those individuals).

### **6.2.2 The Use of Inside Information Policy**

The Company has introduced a policy and measures to prevent the use of inside information which has not yet been disclosed to the public, for personal gain and securities trading :

1. Directors, executives, employees and workers within the Company must keep Company information and other inside information confidential.

2. Directors, executives, employees and employees within the Company may not disclose any confidential information or other inside information about the Company, or use it for their own gains or those of others, whether directly or indirectly, and whether or not it is for compensation.

3. Directors, executives, employees, and workers within the Company may not buy or sell, transfer or accept the transfer of the Company's securities through the use of confidential or inside information about the Company, or take any other action using that confidential or inside information which would cause the Company to suffer a loss, whether directly or indirectly.

Directors, executives, employees, and workers of the Company who work in a unit which has acquired inside information should avoid buying or selling the Company's securities for one month before disclosure of its financial statements to the public.

This provision includes the spouses and non sui juris children of directors, employees, and workers of the Company. It is a serious offense to breach this provision.

4. Directors and executives are required to report to the SEC any change in their holding of securities or that of their spouses and non sui juris children.

The Company will take disciplinary action against any of its directors, executives, employees, and workers who breaches or fails to comply with the Company policy. The disciplinary action begins with a written notice and is followed by salary cut(s), unpaid temporary suspension from work and dismissal from employment, depending on the severity of the offense and the provisions in the Company's Charter informing all directors, executives, employees and workers of the disciplinary action.

Moreover, each director and executive has acknowledged in writing his or her duty to report his or her holding of the Company's securities and those held by his or her spouses and non sui juris children, and to report any change in such holdings to the SEC and the SET pursuant to section 59 and the penalty prescribed by section 275 of the Securities and Exchange Act, B.E. 2535.

On the subject of providing supporting data to its affiliates, the Company has prescribed procedures to

prevent information leaking, such as requesting a signed Confidentiality Agreement and a ban against photocopying of documents without authorization

### **6.2.3 Transparency and Disclosure Policy**

Besides making complete and timely financial disclosure or disclosure of other information to the public via various channels in strict compliance with the law, the Company shall also make the following disclosures to show the transparency of its operations :

- Disclosure of information concerning performance by various sub-committees such as the frequency of their meetings.
- Disclosure of guidelines in recruiting directors, relevant evaluation guidelines and evaluation of the Board's performance.
- Disclosure of remuneration policies for directors and high-level executives as well as the form, manner and amount of remuneration received by each member of the various sub-committees.
- Disclosure of policies created for protection of the environment and in support of society, and the results of their implementation.
- Report on policies of corporate governance and their implementation.
- Opportunity for the public to raise any concern/query via the Investment Relations Officer.

### **6.2.4 Conflict of Interest Policy**

- The Board of Directors shall consider related transaction that may cause conflict of interest between shareholders, directors, and the management with best prudence, integrity, reasonableness, and independence within good business ethic framework, and disclose complete information for the best benefit of the Company. The Board of Directors shall strictly conform to the criteria and procedures or regulations set by SET and ask the audit committee to provide information about the necessity and appropriateness of such transaction.
- The Board of Directors formulated measures and approval procedure of related transaction between the Company and its subsidiaries or persons who may have conflict of interest. The persons who may have direct and indirect conflict of interest shall not be allowed to make decisions on the matter. The audit committee is required to participate in the consideration and provide opinions on the necessity and reasonableness of the items proposed for the best benefits of the Company. The board of the financial statements prepared by using the generally accepted accounting principles published in the annual report.

### **6.2.5 Non-Violating Human Rights and Intellectual Property or Copyright Policy**

#### The Company Sets Policy on Treatment towards Intellectual Property

The Company operates business under the intellectual property law, including copyrights, patents, and other specified intellectual properties, such as using the copyright computer programs and software. For this reason, the contributions to be used in the organization must be checked to assure that those contributions will not infringe anyone's intellectual property.

#### The Company Sets Policy on Treatment towards Human Rights

The Company respects the fundamental human rights which is equivalent for employees and encourages employees to have personal coequal rights, freedoms, and equivalences without violation of personal privacy. The Company has fair employment and will not participate in any performances against human rights.

### **6.2.6 Anti-Corruption Policy**

The Company realized the importance of doing business under governance by adhering to business activities with honesty, integrity, transparency, fairness, responsibility, and be cautious under the laws, regulations, rules, and relevant standards of Thailand. To show the spirit and determination against corruption in all forms,



on 15 March 2021, the Company, therefore, signed a declaration of intent joining “Thai Private Sector Coalition Against Corruption” and by conducting business with transparency and strictly adhere to the policy guidelines. On 30 December 2021, Thai Private Sector Collective Action Coalition (CAC) issued an official announcement that Asiasoft Corporation Public Company Limited has been certified as a member with effect from 30 September 2021.

As a guideline and practice for directors, executives, and employees, the Company has set up a policy defining responsibilities, practices, and rules for appropriate actions. To prevent corruption in all business activities and to prevent the risk of corruption, the Company has provided the “Anti-Corruption Policy” in written form as a clear guideline in business operations and to drive the Company toward corporate goals in a sustainable manner, by study policies and guidelines in full practice at <https://investor.asiasoft.net/en/corporate-governance>

#### Training and Communication

To make the directors, executives and employees of the Company having knowledge and able to properly comply with anti-corruption policies, the Company, therefore, arranges for communication and dissemination of anti-corruption policies to employees and internal personnel of the Company through various channels, such as, new employee orientation, organizing seminars, posting announcements, publication via internal, email and website of the Company, etc.

In addition, the Company communicates and disseminates an anti-corruption policy and channels for reporting clues or complaints to the public, subsidiaries, business representatives, related business partners, and stakeholders through various channels. It creates understanding and encourages adherence to social responsibility standards in the anti-corruption issue, the same as the Company

#### No Gift Policy

The Company has established guidelines to comply with the anti-corruption policy regarding receiving-giving gifts, entertainment, or any other benefits and promulgated throughout the organization so that the personnel of the Company group strictly observes. Do not demand/accept gifts, gratuity, entertainment, or any business associates’ compensation.

#### Whistleblowing or Complaints

The Company has designated the person responsible for receiving complaints, Chairman of the Audit Committee (Independent Director), Company Secretary Human Resources Department, By submitting a complaint to the following channels :

- By email : [auditcom@asiasoft.net](mailto:auditcom@asiasoft.net)
- By telephone : 66 2769 8888
- By fax : 66 2712 4250
- By post : Asiasoft Corporation Public Company Limited 9 U.M. Tower, Room 9/283-5, 28th Floor, Ramkhamhaeng Road, Suanluang, Bangkok 10250, Thailand

#### Protection and Confidentiality Measures

1. The Company will keep the information as confidential. The Company will use this information for the benefit of internal administration and supervision or will disclose the information according to lawful orders, court orders and/or orders of the SEC Office, government sectors and/or relevant regulatory sectors.

2. Whistleblowers or complaints will receive a serious response and be protected from abusive action using authority or an unfair action which may arise to whistleblowers or complaints.

3. The complaint must act in good faith. If the Company finds a fraudulent in whistleblowing or the intention of harassing others which causes damages, disgrace, insulted, hated or shamed, and so on, the Company will proceed further action as appropriate.

4. The Company reassures its directors, executives and employees that no one will be demoted, penalized, or otherwise affected by corruption refusal, even if such refusal will cost the Company a loss of business or a missed opportunity in new business. The Company believes that the anti-bribery and anti-corruption policy will create a sustained value for the Company. In addition, the Company does not allow anyone to threaten, harass, or detain directors, executives, and employees who intend to act in compliance with this policy.

5. If directors, executives and employees believe that they have been intimidated, harassed or detained, they must report or complain to their supervisors or the Human Resources Department immediately. And if the problem is still not resolved, they should report through the reporting channels in accordance with this policy.

#### Investigations and Penalties

1. Upon receiving the whistleblowing, the Executive Committee and the Audit Committee shall consider investigating the evidence.

2. During the investigation, the Executive Committee and the Audit Committee may assign an authorized person (executive) to periodically report progress to whistleblowers or complaints.

3. If the investigation finds that the available information or evidence has reasonable grounds that the accused has committed corruption or fraud, the Company shall inform the accused of the allegation and give the accused the right to prove himself/herself by obtaining additional information or evidence demonstrating that he/she is not involved in the alleged fraudulent act.

4. If the accused is proved to commit corruption, such action is considered a violation of the Anti-Corruption Policy and will be subject to disciplinary action up to the termination of employment and/or retirement. If the act of corruption is illegal, the offender may be subject to legal penalties, subject to disciplinary action following the Company's regulations. The decision of the Board of Directors (Executives) will be ineffective.

#### **6.2.7 Code of Business Conduct**

The Company always attaches importance to and operates its business in accordance with the Code of Conduct, including compliance with laws and regulations related. And encouraging directors, executives and employees of the Company to realize the importance of conducting business with social responsibility, uphold the principles of honesty and transparency in addition, all stakeholders must be taken into account. In 2021, the Company established an anti-corruption policy as a guideline for executives, directors and employees in working and doing business

### **6.3 Significant Changes and Developments of Policy of the Company**

In 2021, the Board of Directors Meeting No. 2/21, dated 14 May 2021, approved the anti-corruption policy to show that the Company has improved the policy guidelines and continuous business administration system to enhance governance and raise the standard of corporate governance of the Company.

### **6.4 Assessment Certifications Related to Good Corporate Governance**

#### Shareholder Meeting Quality Assessment Project

In the 2021, Annual General Meeting of Shareholders Quality Assessment Project conducted by the Thai Investors Association The result of the assessment of the quality of the Annual General Meeting of Shareholders for the year 2021, the Company received an evaluation of 86.5 points.

## 7 CORPORATE GOVERNANCE STRUCTURE AND SIGNIFICANT INFORMATION REGARDING BOARD OF DIRECTORS, SUB-COMMITTEES, MANAGEMENT, EMPLOYEES, AND OTHERS

### 7.1 Organizational Structure



Board of Directors and Sub-Committees

Name	Board of Directors	Sub-Committee
1. Mr. Pramoth Sudjitporn	Vice Chairman and Acting Chairman	-
2. Mr. Kittipong Prucksa-aroon	Director and	-
3. Mr. Chalermphonng Jitkuntivong	Managing Director	Independent Director and Chairman of the Audit Committee
4. Mrs. Monluedee Sookpantarat*	Independent Director	Independent Director and the Audit Committee Member
5. Pol.Col. Yanaphon Youngyuen	Independent Director Independent Direc	Independent Director and the Audit Committee Member

**Note :** \*Mrs. Monluedee Sookpantarat, the Audit Committee Member, has adequate expertise and experience to review the credibility of the financial reports. Details are shown in the profile of the board of directors and management.

## Board of Directors Meeting Attendance

Name	Number of Meetings Attended / Number of Meetings Held*	
	Board of Directors	Audit Committee
1. Mr. Pramoth Sudjitporn	5/5	-
2. Mr. Kittipong Prucksa-aroon	5/5	-
3. Mr. Chalermphong Jitkuntivon	5/5	5/5
4. Mrs. Monluedee Sookpantararat	5/5	5/5
5. Pol.Col. Yanaphon Youngyuen	5/5	5/5

**Note :** \*The number of meetings attended includes joining by teleconferencing and electronic conferencing.

Report of Changes in Securities Holding of Directors and Executives  
in the Company and its Subsidiaries (Information as of 31 December 2021)

Name	Ordinary Share (Shares)	
	31/12/2020	31/12/2021
1. Mr. Pramoth Sudjitporn	177,387,770	161,439,690
Ms. Saowaluck Jitsumrit (Spouse)	41,397,656	41,397,656
2. Mr. Kittipong Prucksa-aroon	96,859	61,324
Spouse	-	-
3. Mr. Chalermphong Jitkuntivon	605,700	505,700
Spouse	-	-
4. Mrs. Monluedee Sookpantararat	280,000	60,000
Spouse	-	-
5. Pol.Col. Yanaphon Youngyuen	80,000	50,000
Spouse	-	-
6. Mr. Ung Chek Wai, Gerry	93,563	145,482
Spouse	-	3,300,000
7. Mr. Quach Dong Quang	562	97,794
Spouse	-	1,100,000

## 7.2 Information of the Board of Directors

The Company focuses on providing efficient services, developing our personnel to support the services and expanding investment to other high potential countries in the region, under a transparent and accountable management pursuant to the principles of Good Corporate Governance. To realize this vision, the Board strives to maintain the highest ethical standards within the framework of the law, the Company's objectives and its Charter as well as resolutions adopted at shareholder meetings with commitment, honesty, integrity, and prudence in line with good operating practice so as to deliver highest economic value to the Company and maximum stability to shareholders.

The Company's Board of Directors comprises people who have knowledge, skills, and experience drawn from a variety of professions in the areas of PC games, online business, finance, marketing, law, management, IT, and other fields beneficial to the Company's work. The Board is free to decide in the best interests of the

Company and its shareholders overall. This Board has played a part in determining (or approving) the Company's Vision, Mission, Strategies, Targets, Business Plans, and Budgets, as well as supervising the performance of its management to ensure effective implementation of the Business Plans and Budgets for the greatest economic benefit for the Company and maximum stability for the shareholders. Action has also been taken to ensure that there is a process for regular evaluation of the adequacy of internal control, internal audit, risk management, financial reporting, and follow-up of performance.

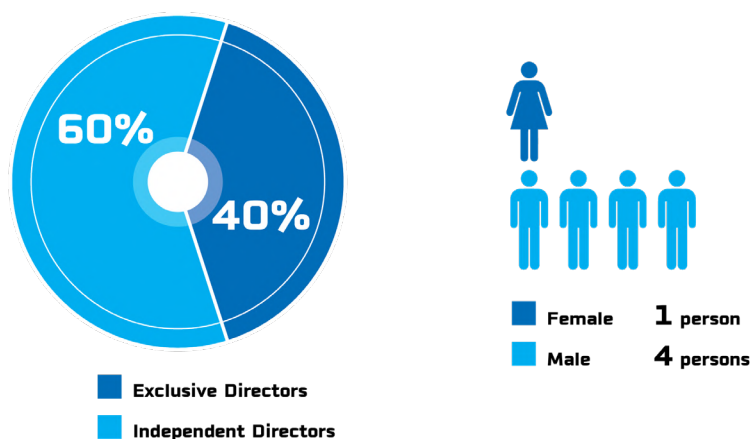
Currently, the Company's Board of Directors comprises five members, two of whom are executive and three are non-executive and independent directors which, therefore, exceeds one-third of the Board thereby giving an appropriate balance vis-a-vis executive directors. The Board has set up two sub-committees to help supervise operations of the Company, i.e. the Executive Committee and the Audit Committee which consists of three independent directors with a term of office of up to three years. The duties and responsibilities of those Committees have been expressly defined at previous shareholder meetings.

#### Balance of Power for Non-Executive Directors

The Board of Directors structure comprised three non-executive and independent directors and two executive directors. As of 31 December 2021, the Company had five members of the Board of Directors. The balance of power by non-executive directors was as follows:

- Executive directors: 2 persons (40%)
- Non-executive and independent directors: 3 persons (60%)

#### Portion and Structure of Directors



#### Board of Directors

As of 31 December 2021, the Company's Board of Directors had 5 members, all of whom have attended the Thai Institute of Directors' training programs, as follows :

Name	Position	At the Meeting During 2021
1. Mr. Pramoth Sudjitporn	Acting Chairman of the Board	5/5
2. Mr. Kittipong Prucksa-aroon	Director	5/5
3. Mr. Chalermphong Jitkuntivong	Independent Director and Chairman of the Audit Committee	5/5
4. Mrs. Monluedee Sookpantararat	Independent Director and the Audit Committee Member	5/5
5. Pol.Col. Yanaphon Youngyuen	Independent Director and the Audit Committee Member	5/5

Mrs. Monluedee Sookpantarat, the Audit Committee Member, has adequate expertise and experience to review the credibility of the financial reports.

Ms. Weena Ouppakham is the Secretary to the Board.

#### Authorized Directors to Bind the Company Pursuant to its Certificate of Incorporation

Mr. Pramoth Sudjitporn, and Mr. Kittipong Prucksa-aroon, these 2 directors together sign and affix the Company seal.

#### Information of the Board of Directors and the Controlling Persons of the Company Individually

The information can be found on “Information of the Board of Directors and Sub-committees” no. 7.1

#### The Chairman of the Board

- Acts as the Chairman of the board, shareholders, and non-executive meetings.
- Call the Board of Directors meeting or appoint another person to perform this duty.
- Encourage all board members to debate issues vigorously during meetings, ask questions, and express opinions.
- Cast decisive vote, in case the casting vote in the Board of Directors meeting are equal.

#### The Principal Power, Duties and Responsibilities of the Board of Directors

1. Overseeing, monitoring and managing the Company's operations to ensure that they are carried out pursuant to the law, the Company's objectives and the Company Charter and are in line with resolutions adopted at shareholder meetings on the basis of good corporate governance principles, and ensuring that action taken is in line with the rules and regulations prescribed by the SET and the SEC.

2. Determining or revising the list of authorized directors to bind the Company.

3. Setting policies, strategies and direction for the Company's operations and supervising the management to ensure effective and efficient implementation of the designated policies to create highest economic benefits to its shareholders and for the Company's sustained development.

4. Making decisions on important matters such as business plans, budgets, major investment projects, management authority and any other matters prescribed by law.

5. Appointing any sub-committee(s) or individual(s) e.g. Executive Committee, Audit Committee and Managing Director, to help in the monitoring, follow-up and supervision of the Company's management on matters which are substantial within the Board's jurisdiction. This includes evaluation of performance and determination of remuneration for the members of those sub-committee(s) or individual(s), or delegation of authority of any duration as is deemed expedient. Such authority may, however, be terminated, revoked, modified or revised by the Board.

6. Taking action to ensure that there is an efficient and effective system in place for internal control/ internal audit and risk management and monitoring and following up those issues on a regular basis.

7. Preparing the Board's Annual Report(s) and taking charge of preparing and disclosing financial statements to give its shareholders information on the Company's financial status and its performance in the preceding year.

However, delegation of authority to the above sub-committee(s) or individual(s) shall not include any delegation of authority which will empower any of them to authorise a transaction between the Company or any of its subsidiaries and the above sub-committee(s) or individual, or their authorised representative with a possible conflict of interest of any kind. In addition, the Company is required to ask for prior approval from the Company's shareholders regarding the Company's entering into a connected party transaction and acquisition or disposal of its material assets in accordance with the SET applicable regulations. If any director or individual may have a conflict of interest (as stipulated in Notification(s) of the SEC and/or the SET), that director(s) or individual(s) shall not have a right to vote or be authorized to approve that transaction in any way.

### Directors' Remuneration Policy

The Company has a policy of determining remuneration for its directors, both in monetary and non-monetary terms, openly and transparently. The remuneration shall be submitted for approval to the annual general meeting of shareholders. Criteria governing remuneration of directors are as follows :

- Appropriate and commensurate with the duties and responsibilities of each director.
- At a level capable of attracting and retaining quality directors with suitable ability and knowledge.
- Clear, transparent, and easily comprehensible.
- Comparable to the remuneration of directors in the same or similar industry(ies).

The remuneration for executives will be determined by the Board, both in monetary and non-monetary terms, in line with the Company's performance and each executive's performance. They will be set at such rates as are adequately attractive to retain quality senior executives and shall be comparable to rates of other companies in the same grade or operating in the same line of business.

### Details of Directors' Remuneration

The Annual General Meeting of the Shareholders 2021, on 23 April 2021 approved the directors' remuneration as follows :

#### 1. Monthly Remuneration

Position	Monthly Remuneration
Chairman of the Board	33,000 Baht / month
Director	22,000 Baht / month

#### 2. Meeting Allowance

Position	Meeting Allowance
Chairman of the Audit Committee	44,000 Baht / month
Audit Committee Member	33,000 Baht / month

The remuneration for executives will be determined by the Board, both in monetary and non-monetary terms, in line with the Company's performance and each executive's performance. They will be set at such rates as are adequately attractive to retain quality senior executives and shall be comparable to rates of other companies in the same grade or operating in the same line of business.

## 7.3 Information of the Sub-Committees

### Audit Committee

As of 31 December 2021, the Audit Committee had three members as follows :

Name	Position
1. Mr. Chalermphong Jitkuntivong	Independent Director and Chairman of the Audit Committee
2. Mrs. Monluedee Sookpantarat	Independent Director and the Audit Committee Member
3. Pol.Col. Yanaphon Youngyuen	Independent Director and the Audit Committee Member

Ms. Weena Ouppakham is Secretary to the Audit Committee which was effective from 28 February 2021.

### The Principal Power, Duties, and Responsibilities of the Audit Committee

1. To review the Company's financial reporting process to ensure that it is accurate and adequate.
2. To review the Company's internal control system and internal audit system to ensure that they are



suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer, and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit.

3. To review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business.

4. To consider, select, and nominate an independent person to be the Company's auditor, to propose, revoke or terminate such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year.

5. To review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations, and are reasonable, and for the highest benefit of the Company.

6. To prepare, and to disclose in the Company's annual report, an audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information :

- An opinion on the accuracy, completeness, and creditability of the Company's financial report.
- An opinion on the adequacy of the Company's internal control system.
- An opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business.
- An opinion on the suitability of an auditor.
- An opinion on the transactions that may lead to conflicts of interests.
- The number of the audit committee meetings, and the attendance of such meetings by each committee member.
- An opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter.
- Other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors.

7. To perform any other act as assigned by the Company's board of directors, with the approval of the audit committee.

#### Executive Committee

As of 31 December 2021, the Executive Committee had three members as follows :

Name	Position	At the Meeting During 2021
1. Mr. Pramoth Sudjitporn	Chairman of the Executive Committee	5/5
2. Mr. Kittipong Prucksa-aroon	Executive Committee Member	5/5

#### The Principal Power, Duties, and Responsibilities of the Executive Committee

1. Planning and determining policies, direction and strategies for the Company's operations to keep them in line with the targets set by the Board for further submission to the Board for approval.

2. Determining business plans, budgets and principles governing the operations to keep them in line with the targets set by the Board. It is also authorised to supervise and monitor the Company's operations to ensure that they are in line with the policies, business plans and business strategies approved by the Board, subject to the laws, any conditions, the relevant rules and regulations and the Company's Charter.

3. Determining the Company's organizational structure, management authority, remuneration policy and salary structure, as well as appointing, employing, relocating, terminating, and determining salaries,

remuneration and bonus for employees at executive levels.

4. Taking any action in the normal course of the Company's business such as the purchase of goods or licenses or investment in properties which exceed 20 million Baht but not exceeding 40 million Baht per each contract.

5. Undertaking financial transactions with banks/financial institutions pertaining to the opening of accounts, lending and borrowing, procurement of credit lines, pledges, mortgages, provision of collateral/security including the purchase/sale and registration of title over land in the normal course of its operations, as considered appropriate, which does not exceeding 40 million Baht.

6. Considering the Company's profits and loss so as to recommend to the Board whether an interim or annual dividend should be declared.

7. Delegating authority to one or several individuals to act on its behalf on any matter, as considered appropriate, under the supervision of the Executive Committee and for such period as it deems fit. Such authority may, however, be terminated, revoked, modified or revised by the Executive Committee.

8. Carrying out other duties as may be assigned from time to time by the Board.

In no circumstance will the above authorisation empower the Executive Committee or its authorised representative to authorise any transaction between the Company or any of its subsidiaries and the Executive Committee or their authorised representative with a possible conflict of interest of any kind. However, this rule may be waived if the authorisation involves a transaction which is entered into on an arm's length basis in the normal course of the Company's business and is within the specified scope of the Executive Committee's power and/or its authorised financial limit, subject to the criteria, terms and procedure under the Company's articles of association and the applicable rules of the SEC.

Moreover, the Board may revise, where necessary or appropriate, any of the Executive Committee's duties and responsibilities.

#### **7.4 Management (according to the definition of the SEC and the SET)**

As of 31 December 2021, the Company's Management consisted of 4 executives as follows :

Name	Position
1. Mr. Pramoth Sudjitporn	Chief Executive Officer
2. Mr. Ung Chek Wai, Gerry	Chief Financial Officer
3. Mr. Quach Dong Quang	Chief Operation Officer
4. Mr. Kittipong Prucksa-aroon	Managing Director

#### The Principal Power, Duties and Responsibilities of Chief Executive Officer

1. Supervising, monitoring and approving transactions/matters pertaining to the normal course of the Company's business and that of its subsidiaries to ensure that they remain in line with the Board's policies and decisions. It is also authorised to delegate authority, as considered appropriate, to the Managing Director, executives or one or several individuals in the Company and its subsidiaries to take any action relating to the Company's regular and daily operations and those of its subsidiaries.

2. Taking action and managing operations/activities involving the administration of the Company and its subsidiaries.

3. Taking any action in the normal course of the Company's business or that of its subsidiaries such as the purchase of goods and licenses, and investment in properties which does not exceed 40 million Baht per each contract, and delegating authority for payments to personnel at executive levels in the Company and its subsidiaries to purchases, contractual hire/employment for properties and services for the benefit of the Company and its subsidiaries.

4. Delegating authority to the Managing Director, employees at the executive level or one or several individuals in the Company and its subsidiaries to take any action considered appropriate on behalf of the Chief Executive Officer (the CEO), discharging specific duties (such as purchases, employment, payment) under the CEO's supervision and within the timeframe the CEO sets. Such delegation of authority may be terminated, revoked, revised or modified by the CEO.

5. Taking action on behalf of and representing the Company and its subsidiaries to third parties in matters relating and beneficial to the Company and its subsidiaries.

6. Appointing advisors in various areas necessary for the operations of the Company and its subsidiaries within the budgetary framework authorised each year by the Board.

7. Carrying out any other duties which may be assigned to them from time to time by the Board or the Executive Committee.

The CEO will report directly to the Executive Committee. He or she must act in accordance with the guidelines and policies set by the Executive Committee.

Moreover, the CEO will have no authority to take any action or be involved in any transaction or matter between the Company or any of its subsidiaries and the CEO or his/her authorised representative with a possible conflict of interest of any kind. However, this rule may be waived if the authorisation involves a transaction which is to be undertaken on an arm's length basis in the normal course of the Company's business within the scope of his/her powers and/or financial limit set by the Board subject to the criteria, terms and procedure under the Company's articles of association and the applicable rules of the SEC.

#### The Principal Power, Duties and Responsibilities of the Managing Director

1. Supervising, monitoring and authorising matters pertaining to the normal course of the Company's operations to ensure they remain in line with the policies set by the CEO. The Managing Director is also authorised to delegate authority to executives or one or several individuals to take any action involving the Company's regular operations as he or she sees fit.

2. Undertaking action and managing operations/activities involving the general administration of the Company's affairs.

3. Employing, appointing, relocating, dismissing and terminating Company employees below the executive level as well as determining and adjusting their remuneration and bonuses, together with appointing individual(s) to represent the Employer on the Company's Provident Funds Committee.

4. Authorising action in the normal course of the Company's operations such as the purchase of goods and licenses, and investment in properties which does not exceed 20 million Baht per each contract, and delegating the authority for payments to Company's executives to purchases, contractual hire/employment for property and services for the benefit of the Company.

5. Delegating authority to employees at the executive level or to one or several individuals to take any action considered appropriate on behalf of the Managing Director in order to discharge specific duties on his or her behalf (such as purchases, employment, payment) under his or her supervision and within the timeframe that he or she sets. Such delegation of authority may be terminated, revoked, revised or modified by the Managing Director.

6. Issuing orders, rules, announcements and memoranda to ensure that work is carried out pursuant to the Company's policies and in its interests and for the sake of maintaining order within the organisation.

7. Taking action on behalf of and representing the Company to third parties in matters relating and beneficial to the Company.

8. Carrying out any other duties which may be assigned from time to time by the CEO.

The Managing Director will come under the CEO's jurisdiction and will report directly to him or her. The Managing Director will act in accordance with guidelines and policies set by the CEO. Moreover, the Managing

Director will have no authority to take any action in or relating to transactions or matters between the Company or any of its subsidiaries and the Managing Director or their authorised representative with a possible conflict of interest of any kind. However, this rule may be waived if the authorisation involves a transaction which is undertaken on an arm's length basis in the normal course of the Company's business and is within the scope of its powers and/or the financial limit set by the CEO, subject to the criteria, terms and procedure under the Company's articles of association and the applicable rules of the SEC.

### **7.5 Remuneration Policy for Director, Executive, and Employee**

The Company's Remuneration Policy shall apply to all employees. It ensures that the Company will attract, develop, and retain high-performing and motivated employees in a competitive marketplace. Employees are offered compensation at an appropriate rate and in line with market guidelines, which is a critical remuneration component. As a result, employees feel empowered to create sustainable products and enable the Company to sustain growth.

The Company has established a performance management system with KPIs, covering relevant aspects of operation in all units of the Company. The system is finalized by the administration team. Also, all administrators and employees are respectively informed about KPIs for their preparation of performance improvement. Employee morale is boosted for their hard work and dedication by work compensation and rewards based on employee's performance. Furthermore, the system can be applied in knowledge and competency assessment, employee development, and efficiency assessment of goal implementation in accordance with the Company's units. It can also be used as a tool in evaluating the readiness of an employee that is going to be promoted. The system can identify a person's level of knowledge, skills, and competencies, as well as lacking skills in a higher level that are essential for their work in the future.

The Company focuses on providing remuneration and benefits similar to other companies in the same industry. The Company has emphasized hiring by considering the capabilities and performance according to employees' competence in different positions without discrimination and providing equal opportunities for women, the disabled, the disadvantaged. Take into account the principles of fairness, equality, suitable qualifications, and promote career advancement for sustainable growth with the Company. The employee remuneration policy is established both short-term and long-term consistent with the Company's performance and the employees' performance as follows :

1. Short-Term Return : The Company has set a compensation payment comparable to the general payout rate of companies in the same business to maintain and strengthen the competitiveness of the Company's human resources. Besides, the Company has set annual bonus payments based on the performance following the Company's evaluation.

2. Long-Term Return : The Company has set measuring employees' performance and potential and shall pay appropriate compensation to the highly competent employees. An opportunity for career growth is also included in accordance with the Company's Succession Plan.

Regarding the components of remuneration to be paid during performance assessment, an employee and his or her supervisor shall perform assessment of employee work performance of the previous year and determine a new work goal. A pay rate adjustment shall be considered according to the assessment results. The components of remuneration are as follows.

1. The pay rate will be determined based on the role and position of each employee. Professional experience, responsibility, job complexity, and the domestic market condition are also taken into consideration.

2. Performance-based annual bonuses will be based on the Company's performance appraisal and other indicators, reflecting the performance of each division/department and each employee. In addition, both financial and non-financial factors will be taken into account for consideration of individual's annual bonuses. This includes performances in compliance with the guidelines and procedures of the Company, employee competence

and efficacy, and dedication to work and so forth.

3. Employees will obtain various benefits based on their contract, national market practices, and/or their roles and positions.

4. In case of termination of employment, compensation will be remunerated in accordance with the Labor Protection Act.

In addition to paying compensation, the Company has taken care of various welfare benefits appropriately by regularly reviewing various benefits to comply with the changing economic and social conditions, such as the annual health check, travel expenses, accommodation expenses, and provident fund. This has been done in an aim to ensure stability and financial security to employees after the end of an employee's work with a company or retirement.

Note : The Company has no remuneration of Executive Committee policy.

#### Directors and Management Remuneration

##### Directors' Monetary Remuneration in 2021

Director	Remuneration (THB)	Meeting Allowance (THB)
1. Mr. Pramoth Sudjitporn	264,000.00	-
2. Mr. Kittipong Prucksa-aroon	264,000.00	-
3. Mr. Chalermphong Jitkuntivong	264,000.00	220,000.00
4. Mrs. Monluedee Sookpantarat	264,000.00	165,000.00
5. Pol.Col. Yanaphon Youngyuen	264,000.00	165,000.00
<b>Total</b>	<b>1,320,000.00</b>	<b>550,000.00</b>

##### Management's Monetary Remuneration in 2021

Position	Persons	Remuneration <sup>a</sup> (THB)
Executives <sup>b</sup>	6	14,463,487.82 <sup>c</sup>

Remarks :

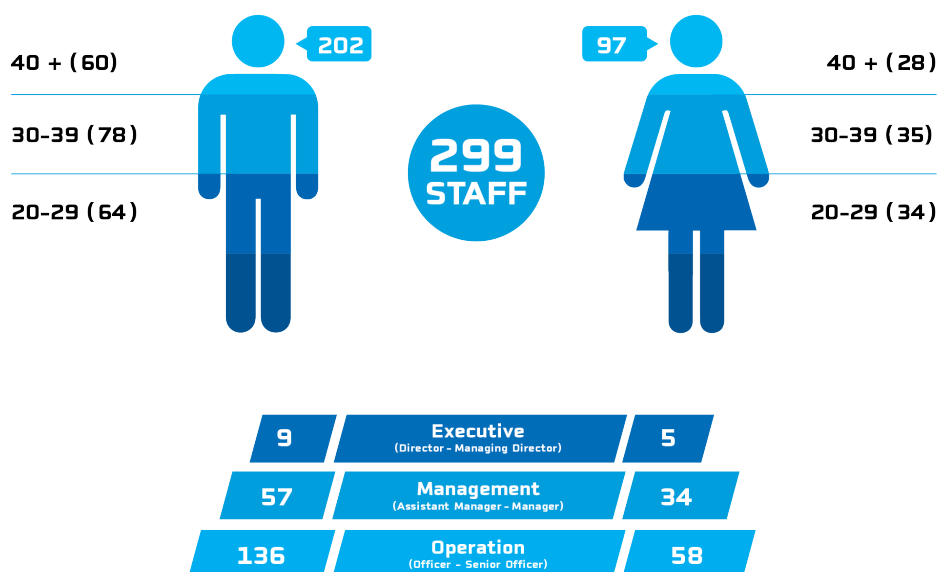
<sup>a</sup>Comprising salaries, bonus, contributions to Social Security Funds and Provident Funds, overtime payments, and welfare benefits.

<sup>b</sup>As defined by the SEC and the SET, and includes Mr. Pramoth Sudjitporn, as the CEO.

<sup>c</sup>Remuneration was calculated by the actual work days, some management has resigned from the Company during the year.

## 7.6 Information of the Employees

### Number of Personnel



### Employee Compensation

The Company pays compensation to its employees in various ways. These include salary, bonus, and other employee benefits such as provident fund, social security following the Company's employment policy and its subsidiaries. The remuneration as mentioned above does not include executive officers. In 2021 could be summarized as follows :

Compensation Type	2019 (THB M)	2020 (THB M)	2021 (THB M)
Salary and other short-term benefits	159.25	205.50	217.24
Post-employment benefits	3.69	5.13	4.69
<b>Total</b>	<b>162.94</b>	<b>210.63</b>	<b>221.93</b>

### Employee Development Policy

The Company emphasizes the development of its staff at all levels to support business growth and increase work efficiency because they are the significant factor in driving business and helping the organization grow and advance. Therefore, the Company aims to enhance the employees' knowledge, skills, and expertise, including educating the organization's culture and ethics to comply with the business strategies and guidelines with the following development policies.

1. Training and Development Policy : The Company has improved the system and human resource development process by adopting Competency-based training & Development. This is based on the 70:20:10 development principle (70% learning by practicing, 20% learning through coaching and mentoring, and 10% learning through training) to accelerate the employees' development of efficiency. The development model has been arranged in various ways as follows.

- Internal and external training has been provided for employees and executives at all levels though online and onsite classrooms. Employees and the executives are also provided opportunities to receive training and attend seminars organized by various institutions both domestically and internationally. These are expected to increase technical and specific knowledge based on the job position and the development of required skills for work, such as management skills and leadership development.
- Training and development of employees based on the On-the-job Training approach will be provided

through working in various projects of the Company or working in cooperation with a joint venture company.

- Scholarships are also granted for the employees in both bachelor's and master's degree studies in universities.

2. Career Development Planning Policy : The Company has established a career development planning policy for employees of all levels, whereby employees will receive continuous development of skills, knowledge, and abilities to prepare for a higher position. In addition, the Company has also implemented a 360-performance evaluation system to assess employee behavior. This evaluation approach allows employees to see various reflective perspectives about themselves which will contribute to their self-development. In an assessment, the criteria and content will be clearly reviewed to effectively assess the level of behavior of employees in the organization at present and be consistent with behaviors that promote organizational change. The results of the annual performance appraisal will be employed to analyze and formulate a plan and determine the direction of personnel development. The company's business strategy plan is mainly considered as follows.

- Core Competency : competence represents the organization's work culture, which all personnel should have and in the same direction to enable the organization to achieve its operational goals.
- Managerial Competency : The administrative capabilities in each personnel's organization are required for self-management and supervise their control for accomplishment and compliance with the organization's strategic plan and vision.
- Functional Competency : The ability and professional skill are necessary for working, which the difference is dependent on the job description.

#### Labour dispute in the past 3 years

None

### **7.7 Other Significant Information**

#### Company Secretary

The Board of Directors' Meeting No. 2/2017 held on 12 May 2017 has the resolution to appoint Ms. Chonthicha Sombatmongkol as the Company Secretary, which was effective on 1 June 2017. On 24 February 2021, Ms. Chonthicha Sombatmongkol resigned from the Company Secretary. The Board of Directors' Meeting No. 1/2021 has the resolution to appoint Miss Weena Ouppakham as the Company Secretary which effective date of 28 February 2021 and has the rights, duties and responsibilities in accordance with the laws as summarized following :

1. Prepare and keep the following documents :
  - a register of directors
  - a notice for calling director meeting, a minute of meeting of the board of directors and an annual report of the Company
  - a notice for calling shareholder meeting and a minute of shareholders' meeting
2. Keep reports of conflict of interest which are reported by a director or management.
3. Perform any other acts as specified in the notification of the Capital Market Supervisory Board.
4. Provide advice on the related Laws, Regulations, and any Corporate Governance to all Director(s).
5. Conduct the Board of Meeting and Annual General Meeting.
6. Contact with the Regulator(s) such as, Office of Securities and Exchange Commission and The Stock Exchange of Thailand, and to comply with the Laws and Regulations, be responsible for disclosing and reporting information to the Regulator(s) and Public.

Ms. Weena Ouppakham graduated with a Bachelor of Law from Ramkhamhaeng University.

#### Internal Audit Coordinator

The Board of Directors has assigned internal audit coordinator Mr. Chawanin Tritavornyuenyong as



Finance and Account Director to enhance internal control and compliance to the regulations. He gives advice to other departments by encouraging self-control.

#### Detail of Internal Audit Coordinator

Mr. Chawanin Tritavornyuenyong (38 years)

Position : Finance and Account Director

Education : Master of Science in Finance, Chulalongkorn University  
Bachelor of Business Administration Major in Accounting, Assumption University

Experience :

Aug 2020 – Present : Finance and Accounting Director,  
Asiasoft Corporation Public Company Limited

June 2019 – July 2020 : Chief Financial Officers,  
Warrik Sport Company Limited

Nov 2017 – May 2019 : Finance and Accounting Director,  
Royal Plus Company Limited

Nov 2007 – Oct 2017 : Senior Manager (Assurance services),  
PricewaterhouseCoopers ABAS, Ltd

#### Duties and Responsibilities of the Internal Audit Coordinator

1. Prepare an annual audit plan that has been considered and approved by the audit committee.
2. Prepare the department annual budget and define key performance indicator for internal audit work.
3. Review audit program of each audit project, in terms of operations, information technology, in order to use resources sufficiently and to effectively and efficiently achieve audit results.
4. Determine appropriateness of information storage systems and Company's asset verification.
5. Evaluate the credibility and correctness of accounting and financial information.
6. Review each departmental operation to ensure compliance with Company's objectives, working policies, and any related laws and regulations. And that the Company has sound internal control in assurance to achieve the objectives set by the Company.
7. Fraud Audit and take legal actions on fraudulent lawsuits.
8. Review the audit results and follow up on agreed recommendations.
9. Prepare an internal audit report to the executive team, the Audit Committee, and the Board of Directors.
10. Select and develop at all levels of internal auditors to be skilled and knowledgeable including evaluate internal auditors performance.
11. Provide consulting service on internal control and risk to other departments.
12. Perform other special tasks as assigned by the executive management and the Audit Committee.
13. Liaise with the executive management, Audit Committee, the Company's auditor and advisors.

#### Investor Relations

The Company has assigned Mr. Peetikorn Pattabongse to take a position in investor relations.

Email : [ir@asiasoft.net](mailto:ir@asiasoft.net)

Tel : 096-718-6682

website : <https://investor.asiasoft.net>

The Board takes care that adequate information is disclosed to its shareholders, investors, and other relevant parties. That disclosure must be correct, complete, transparent, comprehensive, and on-time pursuant to Good Corporate Governance principles. It must include financial reports, operating results, and other related information as well as information which may have an impact on the pricing of its securities. Information and

various e-newsletters will be distributed through channels set up by the SET and the SEC including the Company's own website (www.asiasoft.net) and will help ensure that investors, shareholders, and related parties can use the information in their investment decisions. The Company plans to set up an Investor Relations Unit to monitor and provide information and newsletters, and to answer queries raised by shareholders, investors, analysts, and the public in general.

In 2021, the Company organized many Investor Relations activities for analysts and investors, as follows :

Type of Activities	No. of Events
Provide information to Analysts, Fund, and Shareholders	100
Conference call with International fund	12
Meeting Investor, Fund Manager, and Analyst	11

#### The Auditor's Remuneration

In 2020, Mazars Ltd. was the external auditor for the Company and subsidiaries both local and oversea (excluding five subsidiaries in Thailand which were audited by PYS Audit Co., Ltd. with the expense of 0.10 million Baht; and a subsidiary in Indonesia, PT Asiasoft, which was audited by Jimmy Budhi & Rekan Registered Public Accountants, Indonesia, with the expense of 0.06 million Baht; and a subsidiary in Malaysia, AS Online Sdn. Bhd., which was audited by Ari & Co. (AF 1351), Malaysia, with the expense of 0.01 million Baht.)

In 2021, Mazars Ltd. was the external auditor for the Company and subsidiaries both local and oversea (excluding two subsidiaries in Thailand which were audited by PYS Audit Co., Ltd. with the expense of 0.10 million Baht; and a subsidiary in Indonesia, PT Asiasoft, which was audited by Jimmy Budhi & Rekan Registered Public Accountants, Indonesia, with the expense of 0.06 million Baht)

The following table shows the auditing expenses.

Expense Types	2021			2020		
	The Company	Subsidiaries (7)	Total	The Company	Subsidiaries (7)	Total
<b>Audit Fees (Baht)</b>						
- Statutory Financial Statement	2,250,000.00	2,658,007.56	4,908,007.56	2,050,125.00	2,417,634.16	4,467,759.16
- Review of Interim Financial Statement (3 Quarters)	750,000	865,885.77	1,615,885.77	693,000.00	1,715,869.02	2,408,869.02
<b>Total Audit Fees</b>	<b>3,000,000.00</b>	<b>3,523,893.33</b>	<b>6,523,893.33</b>	<b>2,743,125.00</b>	<b>4,133,503.19</b>	<b>6,876,628.19</b>
<b>Other Fees (Baht)</b>						
- Mazars Ltd.	69,021.22	77,295.68	146,316.90	56,955.68	-	56,955.68
<b>Total Other Fees</b>	<b>69,021.22</b>	<b>77,295.68</b>	<b>146,316.90</b>	<b>56,955.68</b>	<b>-</b>	<b>56,955.68</b>
<b>Total Fees</b>	<b>3,069,021.22</b>	<b>3,601,189.02</b>	<b>6,670,219.24</b>	<b>2,800,080.68</b>	<b>4,133,503.19</b>	<b>6,933,583.87</b>

## 8 KEY PERFORMANCE REPORTS ON CORPORATE GOVERNANCE

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### Summary of the Board's Performance

The Board of Directors plays an important role as the shareholders' representative, ensuring that the determination of the main goal in doing business, vision, mission, strategy, and budget for the management is set. Promote the creation of a corporate culture that adheres to ethics, including behaving as a model, taking care of the structure, and the board's performance as appropriate for the achievement of objectives and the main goal of conducting business efficiently, including recruiting, developing, setting compensation and evaluating performance.

The Board of Directors works with the management to formulate and review strategies, goals, annual work plans. Jointly supervise the adequacy of the risk management system and internal control. Determine the authority that is appropriate for the management's responsibilities. Define a resource allocation framework, development, and budgeting such as personnel management policy and plans and information technology policy, including monitoring and evaluating the performance and ensure that financial and non-financial information is disclosed reliably to achieve business objectives. Supervise the management's operation following the assigned policies with justice, transparency to comply with the laws, regulations, policies, and business ethics.

In 2021, the Board of Directors had acted in the management and operated the Company's business under the laws, objectives, and regulations of the Company, including the shareholders' resolution carefully to protect the Company's interests. There was the significant performance in corporate governance as follows

### 8.1 Nomination, Development, and Evaluation of the Board's Performance Independent

#### 8.1.1 Director Selection Criteria (Qualifications/Recruitment process)

The Company has defined the definition of the Company's independent directors, a director who is not an executive director (Non-Executive Director), not involved in the management of work, and not a major shareholder of the Company. The Company has set qualifications equal to the Securities and Exchange Commission's minimum requirements and the Stock Exchange of Thailand. The Board of Directors has appointed an Audit Committee, which consists of all independent directors to assist in corporate governance.

Independent director selection criteria are based on the procedure for selecting the Company directors. Qualifications of an independent director shall be determined following the directors' qualifications and prohibited characteristics under the Public Limited Companies Act and the Securities and Exchange Act, as well as relevant announcements, rules, and/or regulations. The independent directors shall have educational qualifications, specialized expertise, work experience, and other suitability to propose to the shareholders' meeting for further election as the Company's directors.

The Company has set the board of directors' composition to consist of at least one-third of the total number of Directors of the Company. The person nominated as an independent director of the Company must meet all the qualifications specified in the definition.

#### Qualifications of Independent Directors

1. Holding shares of not exceeding 1% of total voting shares of the Company, its parent company, its subsidiaries, its associated companies, or juristic person with a possible conflict of interest, including shares held by related parties.

2. Not being an executive director, employee, staff, corporate advisor receiving a regular salary, or a controlling person of the Company, its parent company, its subsidiaries, its associated companies, its same-level subsidiaries, or juristic person with a possible conflict of interest, unless the foregoing status has ended for more than 2 years.

3. Not being a person related by bloodline or by law in terms of father, mother, spouse, sibling, and child, including the spouse of the children, management, major shareholders, controlling persons, or persons to be nominated as management or controlling persons of the Company or its subsidiaries.

4. Not being or have had a business relationship with the Company, its parent company, its subsidiaries, its associated companies, or juristic person with a possible conflict of interest in the manner that may interfere with his/her independent judgment, or is not or has not ever been major shareholders, a director who is not an independent director, or management of persons having a business relationship with the Company, its parent company, its subsidiaries, its associated companies, or juristic person with a possible conflict of interest unless the foregoing relationship has ended for more than 2 years.

5. Not being or have ever been an auditor of the Company, its parent company, its subsidiary companies, its associated companies or juristic person with a possible conflict of interest and is not a major shareholder, a director who is not an independent director, executive, or managing partner of the audit firm which employs auditors of the Company, its parent company, its subsidiary companies, its associated companies or juristic person with a possible conflict of interest unless the foregoing relationship has ended for more than 2 years.

6. Not being or have ever been any professional advisor, including legal or financial advisor who receives an annual service fee exceeding 2 million Baht from the Company, its parent company, its subsidiaries, its associated companies, or juristic person with a possible conflict of interest. If the professional service provider is a juristic person, including being a major shareholder, a director who is not an independent director, management, or managing partner of that professional service provider unless the foregoing relationship has ended for more than 2 years.

7. Not being a director representing a Board member of the Company, its major shareholders, or a shareholder related to the major shareholders. Not having any other characteristics that may prevent him/her from expressing independent opinions concerning the Company's operations.

8. Not being a director of a parent company, a subsidiary or a subsidiary of the same level Only a listed company

9. Not being a director who has been assigned by the Board of Directors to make decisions on the operation of the Company, parent company, subsidiary company, associated company, subsidiary in the same order or juristic persons that may have conflicts. There is no other nature that prevents us from expressing an independent opinion on the Company's operations.

10. At least one member of the Audit Committee must be knowledgeable. and sufficient experience to review the reliability of the financial statements.

11. The Audit Committee's term of office is 3 years each. Membership of the Audit Committee terminates upon termination of the Board of Directors.

### **8.1.2 Nomination of Directors and Appointment of Senior Executives**

Currently, the Company has no Nominating Committee for selecting directors. This matter is therefore left to the Board, which will select individuals and propose them to the shareholders based on a variety of factors such as their educational background, competencies and business experience. They must also be qualified under the Public Limited Companies Act, B.E. 2535, Notification of the SEC and other relevant laws. Director selection will be made by majority vote at shareholder meetings in accordance with the following criteria and procedure :

1. A shareholder will be entitled to one vote for each share.
2. The vote to select directors will be done on an individual basis.

3. The person with the most votes will be selected as a director. If there is more than one vacancy, the persons with the most votes in descending order will be selected as directors. Where there is a tie, the Chair of the shareholder meeting has a casting vote.

Directors will be in office for a term of three years. At each Annual General Shareholders Meeting, one-third of the Board will retire with those who have been longest in office retiring first. A retiring director may be reappointed for another term.

For selection of Top Executives, the Board will consider and nominate the Top Executives by considering based on a variety of factors such as their educational background, competencies, business experience and their work responsibilities.

### 8.1.3 Board Performance Evaluation

To enhance the efficiency of performance by its various Committees, arrangements are made by the Company to have members of each Committee evaluate their own overall performance so that they can together appraise and look at their performance and problems. Following this evaluation, the Board will analyze their performance and determine measures which will improve the Committees' efficacy.

## 8.2 Meeting Attendance and Remuneration for Individual Directors

### 8.2.1 Board of Directors' Meetings

List of Board of Director	All Meeting	Number of Attendance
Mr. Pramoth Sudjitporn	5	5
Mr. Kittipong Prucksa-aroon	5	5
Mr. Chalermphong Jitkuntivong	5	5
Mrs. Monluedee Sookpantararat	5	5
Pol.Col. Yanaphon Youngyuen	5	5

## 8.3 Subsidiaries and Affiliates Governance

The Company has sent the representatives to be director in subsidiaries and affiliates according to the proportion of shareholding of the Company. Such representatives have the rights to control the material transaction that is any material agreement or contract of subsidiaries or affiliates shall sign by the director who is the representative of the Company. The representative of the Company who is nominated to be directors of subsidiaries or affiliates has the duty to do for the best benefit of such subsidiaries or affiliates.

In addition, in case the subsidiaries, the representatives of the Company who is nominated to be director of subsidiaries shall manage subsidiaries to keep the information and accounting records in order to the Company can verify and collect such information to prepare the consolidated financial statements in time.

## 8.4 Monitoring Compliance with Corporate Governance Policies and Practices

The Company is committed to improving "Good Corporate Governance" and "Business Ethics" of the Company and its subsidiaries on an ongoing and consistent basis. which can be studied at <https://investor.asiasoft.net/en/corporate-governance>

### 8.4.1 1 Monitoring the Prevention of Conflicts of Interest

#### Conflict of interest

- The Board of Directors shall consider related transaction that may cause conflict of interest between shareholders, directors, and the management with best prudence, integrity, reasonableness, and independence within good business ethic framework, and disclose complete information for the best benefit of the Company. The Board of Directors shall strictly conform to the criteria and procedures

or regulations set by SET and ask the audit committee to provide information about the necessity and appropriateness of such transaction.

- The Board of Directors formulated measures and approval procedure of related transaction between the Company and its subsidiaries or persons who may have conflict of interest. The persons who may have direct and indirect conflict of interest shall not be allowed to make decisions on the matter. The audit committee is required to participate in the consideration and provide opinions on the necessity and reasonableness of the items proposed for the best benefits of the Company. The board of the financial statements prepared by using the generally accepted accounting principles published in the annual report.

#### **8.4.2 Monitoring the Use of Insider Information to Benefit**

The Company has introduced a policy and measures to prevent the use of inside information which has not yet been disclosed to the public, for personal gain and securities trading :

1. Directors, executives, employees and workers within the Company must keep Company information and other inside information confidential.

2. Directors, executives, employees and employees within the Company may not disclose any confidential information or other inside information about the Company, or use it for their own gains or those of others, whether directly or indirectly, and whether or not it is for compensation.

3. Directors, executives, employees, and workers within the Company may not buy or sell, transfer or accept the transfer of the Company's securities through the use of confidential or inside information about the Company, or take any other action using that confidential or inside information which would cause the Company to suffer a loss, whether directly or indirectly.

Directors, executives, employees, and workers of the Company who work in a unit which has acquired inside information should avoid buying or selling the Company's securities for one month before disclosure of its financial statements to the public.

This provision includes the spouses and non sui juris children of directors, employees, and workers of the Company. It is a serious offense to breach this provision.

4. Directors and executives are required to report to the SEC any change in their holding of securities or that of their spouses and non sui juris children.

The Company will take disciplinary action against any of its directors, executives, employees, and workers who breaches or fails to comply with the Company policy. The disciplinary action begins with a written notice and is followed by salary cut(s), unpaid temporary suspension from work and dismissal from employment, depending on the severity of the offense and the provisions in the Company's Charter informing all directors, executives, employees and workers of the disciplinary action.

Moreover, each director and executive has acknowledged in writing his or her duty to report his or her holding of the Company's securities and those held by his or her spouses and non sui juris children, and to report any change in such holdings to the SEC and the SET pursuant to section 59 and the penalty prescribed by section 275 of the Securities and Exchange Act, B.E. 2535.

On the subject of providing supporting data to its affiliates, the Company has prescribed procedures to prevent information leaking, such as requesting a signed Confidentiality Agreement and a ban against photocopying of documents without authorization.

#### **8.4.3 Monitoring Anti-Corruption**

The Company is certified as a member of Thai Private Sector Collective Action Coalition (CAC) on 30 September 2021. In applying for such certification, the Company has established an anti-corruption policy as well as preparing a self-assessment on all 71 anti-corruption measures and reference evidence, which has been reviewed by the Company's internal auditors and reported the results to the Audit Committee to consider giving

opinions and suggestions, to ensure that the Company has measures and procedures to prevent comprehensive and appropriate corruption. The details are as follows.

#### Results of Anti-corruption Self-assessment

Topic	Result
1. Corruption Risk Assessment	✓
2. Internal Control for Corruption Risks	✓
3. Anti-Corruption Principle and Policy	✓
4. Human Resources	✓
5. Communication	✓
6. Raising Concerns and Seeking Guidance	✓
7. Review, Assess and Improve	✓

✓ Enough Control

ⓘ Minor : Low risk, if implemented it will make the control more efficient. (Suggestions from Inspector)

⚠ Major : Moderate risk, Management should consider to resolving these issues next to high risk issue.

❗ Critical : High risk, Management should take corrective action first.

#### 8.4.4 Monitoring Complaints and Whistleblowing

The Company provides a channel for stakeholders to report clues and make complaints through electronic mail, post mail, and the comment box. By appointed a working Team are responsible for considering and screening such clues and complaints.

In the past year, there were no complaints related to fraud and violation of good corporate governance policy, including no whistleblowing of corruption. There were only customer complaints regarding the products and services. The responsible department had handled such complaints.

### 8.5 Report on the Performance of Duties of the Audit Committee

#### 8.5.1 Number of Meetings and Attendance of Each Audit Committee Members

List of the Audit Committee	All Meetings	Number of Attendance
Mr. Chalermphong Jitkuntivong	5	5
Mrs. Monluedee Sookpantararat	5	5
Pol.Col. Yanaphon Youngyuen	5	5

The Audit Committee must arrange the meeting at least once a quarter. There must be no less than two-thirds of the total number of members of the audit committee to constitute a quorum at each meeting. Any audit committee member who has a personal interest in any matter or any interest in the matter considered must notify the meeting and abstain from making comments, voting, and leaving the meeting room. Unless for the meeting, excluding the directors with interests, there is a unanimous resolution for the interested directors to clarify the information at the meeting for prudence in decision-making but has no right to vote or make a decision on that matter. The Audit Committee has the power to invite the management or the auditor or those involved or those who appropriate to attend the meeting or requesting clarification on related matters.

#### 8.5.2 The Audit Committee Performance

In addition to the disclosure of the Audit Committee's report, the Audit Committee has also made further steps to enhance governance in 2021 as follows :

- Consider the anti-corruption policy to be able to run business sustainably and manage the organization to grow steadily and be accepted in society on the basis of ethics and good corporate governance principles.



## 9 INTERNAL CONTROL AND CONNECTED TRANSACTIONS

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The Company's Board of Directors and Audit Committee assessed the Company's internal control systems by following the internal control system adequacy assessment form. They concluded that the Company's internal control system is adequate and proper for the Company's business, free from any material defect and can prevent the Company's or the subsidiaries' properties from misuse or unauthorized use of the management. The Board of Directors and the Audit Committee also highlighted the Company's improvement in the practice of good corporate governance in accordance with the SET's 2006 good corporate governance principles for listed companies. Moving forward, the Company will have to strengthen the risk management report to Management.

### 9.1 Internal Control

The Company has strongly emphasized on the efficiency of its internal control systems at both the management and the operational levels with the aim to prevent or reduce possible risks. In this regard, the Company prepared a compliance manual to specify the duties, responsibilities and powers of staff and management, and to clearly separate the duties of operators, controllers and assessors from one another so as to create a proper system of checks and balances. Additionally, the Company hires Outsourcing Internal Audit to audit and assess the Company's internal control systems and to ensure that the Company's major activities and significant financial activities are performed in accordance with the stipulated rules with maximum efficiency and to check the Company's compliance with related laws and regulations (Compliance Control). To ensure that the Outsourced Internal Audit is independent and able to perform its supervisory duty, the Board of Directors requires that the Outsourced Internal Audit report the audit results directly to the Audit Committee and that the Outsourcing Internal Audit must be assessed its performance by the Audit Committee.

In the Meeting of the Company's Board of Directors No. 1/2021 held on 24 February 2021, attended by all members of the Audit Committee, the Board considered and evaluated the internal control system and approved the Company's internal control system adequacy assessment form that was prepared by Management. After assessing the Company's internal control system in 5 areas which are divided into 17 principles, namely (1) Control Environment which consists of 5 principles, (2) Risk Assessment which consists of 4 principles, (3) Control Activities which consists of 3 principles, (4) Information and Communication which consists of 3 principles, and (5) Monitoring Activities which consists of 2 principles, the Board was informed that the Audit Committee was of the same opinion as the outsourced internal auditor. Both parties have stated that the Company's internal control systems are adequate and proper for its business. So far, the Company has not found any crucial defects in the internal control systems which could materially affect the Company's financial condition or the auditor's opinion of the financial statements. The Company has also designed its internal control systems to conform with those suggested by the SET and with the international internal control framework of the Committee of Sponsoring Organizations of the Treadway Commission or COSO. Summarized details of the Company's internal control system are set out below.

1. Control Environment: The Company has set up control systems for the work of the finance and accounts, operations, organization, and personnel departments based on the good corporate governance principles and policies.

2. Risk Assessment: The Company always takes into consideration the risk factors that are now encountered or expected to be encountered for analyzing and estimating impacts and chances of those risks as well as formulating countermeasures to prevent and manage those risks. The Company then prepares risk management

reports to its management and follows up regularly.

3. Control Activities: The Company provides supervisory tools to its management through its development of various systems e.g. management information systems security (ISO: 27001). This supervisory tool emphasizes information reliability, the protection of Company's properties and compliance with internal and external rules and regulations as well as information security.

4. Information and Communication: The Company emphasizes information systems and communication channels both inside and outside the Company by providing an intranet system and a website to serve all-level communication.

5. Monitoring Activities: The Company assesses staff performance twice a year. It also informs its operating results on a quarterly basis at an executive meeting and staff meeting.

## 9.2 Internal Audit

The Outsourced Internal Audit has been established to bolster the Audit Committee's confidence in the supervision and review of the accuracy of the financial reports, the adequacy of information disclosure, the transparency of information, internal control and risk management. It focuses on having a preventive and creative audit policy and adheres to audit guidelines of international standard and good corporate governance principles. The audit system is developed in consistence with the fast paced environment of the Company's business in order for the Company to have a transparent, auditable and reliable image.

Year 2021, the Audit Committee considers, elects and nominates Crowe Harwarth as the outsourced internal audit for Playpark Pte. Ltd which is a subsidiary located in Singapore responsible for the performing of the Company's internal audit in the part of General, Financial Reporting, Revenue, Information technology and Finance and Account cycles .

For the year 2022, the Audit Committee is in the process of selecting the outsourced internal audit for Playpark Malaysia Sdn Bhd. which is a subsidiary located in Malaysia. The appointment of outsourced internal audit shall be approved by the Audit Committee.

## 9.3 Connected Transactions

### Procedure for Approval of Connected Transactions of the Company and Subsidiaries

The Company has set up a procedure in accordance with the relevant SEC notifications to control the Connected Transactions between the Company or its subsidiaries and interested persons in the present or in the future. The procedure requires the Audit Committee to comment on the necessity of the transaction and the appropriateness of the transaction price, taking into account that all the conditions must be considered in the ordinary course of business and comparing the price with that offered by third parties. However, if the Audit Committee does not have expertise in the subject matter of the transaction, the Company must provide a comment of independent expert or the Company's auditor on the transaction to support the decision of the Company's Board of Directors, Audit Committee or shareholders, as the case may be. The interested persons shall have no right to vote on the transaction. Additionally, the Company shall disclose information on the Connected Transactions and the acquisition or disposal of major assets of the Company and its subsidiaries, in accordance with the rules prescribed by the SEC and SET, including the accounting standard prescribed by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King.

The Company and its subsidiaries associated had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, subsidiaries associated and those related parties. The Company has disclosed the related party transactions.

**The Connected Transactions between the Company or its Subsidiaries  
or Related Companies and Interested Parties in 2020 and 2021 (Unit : Baht Million)**

Company or Individual / Type of Business	Nature of Relationship	Transaction Description	Transaction Value according to Consolidated Final Statement		Rationale for Transaction
			31 Dec 2020	31 Dec 2021	
<b>Asiasoft International Co., Ltd. (ASI)</b> Holding Company	A subsidiary in which 100% of the shares	<ul style="list-style-type: none"> <li>Revenues from services</li> <li>Dividend Income</li> </ul>	-	-	<ul style="list-style-type: none"> <li>ASC charged for the accounting service fee</li> </ul>
		<ul style="list-style-type: none"> <li>Revenue from distribution income of @Cash card</li> </ul>	-	0.18	<ul style="list-style-type: none"> <li>The Company sold the products to ASO for use in its business</li> </ul>
<b>Playpark Pte. Ltd. (PPSG)</b> (Former name Asiasoft Online Pte. Ltd.) Online game service provider in Singapore and Malaysia	A subsidiary in which 100% of the shares	<ul style="list-style-type: none"> <li>License and service fee</li> </ul>	1.40	41.00	<ul style="list-style-type: none"> <li>The revenue from license fee, management, IT service</li> </ul>
		<ul style="list-style-type: none"> <li>Inter Business Develop (IBD) cost and promotion expenses</li> </ul>	23.08	35.21	<ul style="list-style-type: none"> <li>ASO charged IBD cost and other expenses to ASC</li> </ul>
		<ul style="list-style-type: none"> <li>Revenue from online games</li> </ul>	0.21	-	<ul style="list-style-type: none"> <li>ASC charged @Cash</li> </ul>
		<ul style="list-style-type: none"> <li>Transfer of license fees</li> </ul>	-	-	
		<ul style="list-style-type: none"> <li>Interest income</li> </ul>	0.02	-	
		<ul style="list-style-type: none"> <li>Accounts receivable</li> </ul>	0.01	0.01	
		<ul style="list-style-type: none"> <li>Other receivables from related parties</li> </ul>	49.65	11.38	
		<ul style="list-style-type: none"> <li>Long-term loan to a related company</li> </ul>	-	-	
		<ul style="list-style-type: none"> <li>Interest income</li> </ul>	-	-	
		<ul style="list-style-type: none"> <li>Accounts payable</li> </ul>	1.55	2.19	
<b>CIB Development Sdn. Bhd. (CIB)</b> Online game service provider in Malaysia	A subsidiary in which 61.68% of the shares are held by the Company and has common directors	<ul style="list-style-type: none"> <li>Loan from ASC's Director</li> </ul>	-	-	
		<ul style="list-style-type: none"> <li>License Fee and service fee</li> </ul>	5.83	15.66	<ul style="list-style-type: none"> <li>The revenue from license and management fee</li> </ul>
		<ul style="list-style-type: none"> <li>Revenue from distribution</li> </ul>	-	0.17	<ul style="list-style-type: none"> <li>The Company sold the products to CIB for use in its business</li> </ul>
		<ul style="list-style-type: none"> <li>Revenue from online games</li> </ul>	0.46	-	<ul style="list-style-type: none"> <li>ASC charged @Cash to CIB</li> </ul>
		<ul style="list-style-type: none"> <li>Inter Business Develop (IBD) cost and promotion expenses</li> </ul>	-	-	<ul style="list-style-type: none"> <li>CIB charged IBD cost and other expenses to ASC</li> </ul>
		<ul style="list-style-type: none"> <li>Accounts payable</li> </ul>	-	-	
		<ul style="list-style-type: none"> <li>Other receivable from related parties</li> </ul>	1.84	3.28	
		<ul style="list-style-type: none"> <li>Accounts receivables</li> </ul>	0.02	-	
		<ul style="list-style-type: none"> <li>Revenue game online</li> </ul>	-	-	
		<ul style="list-style-type: none"> <li>License and service fee</li> </ul>	-	-	
<b>AS Online Sdn. Bhd. (ASM)</b> Distributor in Malaysia	A subsidiary in which 100% of the shares	<ul style="list-style-type: none"> <li>Other receivable from related parties</li> </ul>	-	-	
		<ul style="list-style-type: none"> <li>Accounts payable</li> </ul>	-	-	
<b>A Capital Co., Ltd.</b> Holding Company	A subsidiary in which 99.99% of the shares	<ul style="list-style-type: none"> <li>Revenue from services</li> </ul>	0.012	0.012	<ul style="list-style-type: none"> <li>ASC charged for the accounting service fee</li> </ul>

Company or Individual / Type of Business	Nature of Relationship	Transaction Description	Transaction Value according to Consolidated Final Statement		Rationale for Transaction
			31 Dec 2020	31 Dec 2021	
<b>CONG TY TNHH CHAU A MEM (CTCM)</b> Online game service provider in Vietnam who sublicensed game from Asiasoft Group only	A sublicensee of online games from Asiasoft Group for online game service in Vietnam	• License and services fee	-	-	• The Company sub-licensed online games to CTCM for online game service in Vietnam
		• Revenue from online games	0.43	-	• ASC charged @Cash DCUO/ADV N to CTCM
		• Promotion expenses	-	-	• CTCM charged marketing cost to ASC
		• Accounts receivable	19.59	-	• ASC and ASI collected the license fee from CTCM under a sublicense agreement
		• Accounts payable	-	-	
<b>Playpark Co., Ltd. (PlayPark)</b> Online game service provider	A subsidiary in which 99.99% of the shares	• Revenue from distribution income of @Card card	-	-	• The distribution income for @Cash card to PlayPark
		• Revenue from advertising and service	-	0.86	• ASC charged to PlayPark for advertising and service
		• Interest income	-	-	
		• Promotion expenses	-	-	
		• Accounts receivable	-	0.79	
		• Other accounts receivable from related parties	-	0.59	
		• Long-term loan to a related company	-	-	
		• Accrued interest receivable	-	-	
		• Accounts payable	-	11.35	
		• Revenue from online games	-	-	• Online game service income CB(PH)
<b>PlayPark Inc. (PPI)</b> Online game service provider	An associate in which 40% of the shares	• Revenue from distribution income of @Cash card	0.04	-	• The distribution income for @Cash card to PPI
		• Revenue from advertising and service	8.41	4.18	• ASC charged management fee, IT Service income
		• Promotion expenses	-	-	• PPI charged marketing cost to ASC
		• Accounts receivable	0.01	-	
		• Other accounts receivable from related parties	2.94	0.63	
<b>PT. Asiasoft (ASID)</b> Online game service provider in Indonesia	A subsidiary in which 99.90% of the shares	• Accounts payable	0.04	-	
		• Revenue from service	1.40	1.62	• ASC charged management fee, IT Service income
		• Other receivable from related parties	0.14	0.002	• ASC reimburse of advance payment
		• Accounts receivable	-	-	• The Company granted loan to ASID for working capital purpose
		• Long-term loan to a related company	-	-	
		• Accrued interest receivable	-	-	
		• Accounts payable	-	-	

Company or Individual / Type of Business	Nature of Relationship	Transaction Description	Transaction Value according to Consolidated Final Statement		Rationale for Transaction
			31 Dec 2020	31 Dec 2021	
<b>Playcybergames Co., Ltd. (PCG)</b> Online game service provider	A subsidiary in which 99.99% of the shares are held by the Company and has common directors	<ul style="list-style-type: none"> <li>• Revenue from service</li> <li>• Transfer of license fee</li> <li>• Interest income</li> <li>• Accounts receivable</li> <li>• Other accounts receivable from related parties</li> <li>• Accrued interest receivable</li> <li>• Accounts payable</li> </ul>	-	-	<ul style="list-style-type: none"> <li>• ASC charged for the accounting service fee</li> </ul>
<b>Skynet Systems Co., Ltd.</b> Mobile application	An associate in which 57.04% of the shares are held by the Company through A Capital	<ul style="list-style-type: none"> <li>• Revenue from service</li> <li>• Other accounts receivable from related parties</li> </ul>	-	-	<ul style="list-style-type: none"> <li>• ASC charged for the accounting service fee</li> </ul>

**Remarks :** Asiasoft Group has a regional purchasing policy. The Company is responsible for purchasing all properties, including online game licenses enabling the Company to purchase at better prices and on better conditions than separate purchases by each company.





# PART 3

## FINANCIAL STATEMENTS

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ASIASOFT ANNUAL REPORT 2021

# FINANCIAL STATEMENTS

## Independent Auditor's Report

To the shareholders and the Board of Directors of Asiasoft Corporation Public Company Limited

### Opinion

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

In my opinion, the accompanying consolidated and the separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at 31 December 2021, and its consolidated and separate financial performance and its consolidated and separate 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 and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with 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 judgment, 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.

Key Audit Matter	How My Audit Addressed the Key Audit Matter
<p><b><i>Revenue recognition from online game services</i></b></p> <p>Referring to Note 4.17 Revenue recognition and Note 8 Operating segments.</p> <p>The Group has primary income from the publishing of the online game according to the contracts with the game developers. The amount received in advance when gamers paid via refill channels is presented as deferred revenue in the statement of financial position. When gamers purchased an item in a game, it was</p>	<p>Key audit procedures included :</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of and evaluated the design effectiveness of the information technology system and key controls related to revenue recognition.</li> <li>• Tested the information technology general controls over the system relating to online game revenue.</li> <li>• Tested key internal controls over the revenue cycle for online game services, on a sample basis.</li> <li>• Tested, on a sample basis, the information technology</li> </ul>

Key Audit Matter	How My Audit Addressed the Key Audit Matter
<p>recognised as revenue in the consolidated and separate statements of comprehensive income. For the year ended 31 December 2021, online game service revenue recognized for the Group and the Company was Baht 1,850 million and Baht 514 million, respectively.</p> <p>I considered revenue recognition from online game services as a key audit matter due to the high volume of transactions, the financial magnitude of this revenue stream to the financial statements, and the complexity of information technology systems relating to online game revenue.</p>	<p>system relating to online game revenue of key online games to check the accuracy of processing and reporting information relating to cash refilled and cash used in a game.</p> <ul style="list-style-type: none"> <li>Recalculated the monthly reconciliations of cash receipts from gamers and cash used in games. For the cash receipts from gamers, I tested a sample of receipt transactions as deferred revenues. For the cash used in game, I agreed with the reports generated by the system relating to online game revenue.</li> <li>Sent out confirmation letters to selected game developers to confirm the accuracy and completeness of the balances of cash refilled and used in a game by gamers of key online games.</li> <li>On a sample basis, tested the recording of transactions with the underlying documents related to revenue and deferred revenue.</li> </ul>

Key Audit Matter	How My Audit Addressed the Key Audit Matter
<p><b><i>Impairment of game licenses</i></b></p> <p>Referring to Note 4.8 Accounting policies - Impairment of assets and Note 17 Intangible assets.</p> <p>The value of game licenses, of which the majority relates to intangible assets, is supported by the value-in-use calculations, which are based on future cash flow forecasts (i.e. 'recoverable amount').</p> <p>I considered this as a key audit matter because the impairment assessments of these assets are dependent on complex and subjective judgments by Management.</p>	<p>Key audit procedures included :</p> <ul style="list-style-type: none"> <li>Tested Management's impairment review of game licenses and also examined the future cash flow projections prepared by Management for each game.</li> <li>Tested the mathematical accuracy of the cash flow projection.</li> <li>Inspected the inputs and assumptions on revenue growth rates and discount rates used by Management in the model. These inputs and assumptions were agreed to supporting documents or based on reasonable sources such as historical information or future market plan.</li> <li>Compared the current year actual revenue results of each game to the budget and challenged Management to assess the appropriateness of assumptions used.</li> <li>Evaluated the scenarios of cash flow projections prepared by Management and considered whether the chosen scenario appropriately reflected the circumstances of each game.</li> </ul>



**Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report 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 will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

**Responsibilities of the directors for the consolidated and separate financial statements**

The directors are 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 the directors determine 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, the directors are responsible for assessing the Group and the Company'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 the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group and the Company'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 does not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional scepticism 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 and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' 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 and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company 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 the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the audit committee 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 the audit committee, 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.



Sompop Pholprasarn  
Certified Public Accountant (Thailand) No. 6941  
Mazars Limited  
Bangkok  
25 February 2022

**Asiasoft Corporation Public Company Limited**  
**Statement of Financial Position**  
**As at 31 December 2021**

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	9	602,904,285	324,772,508	288,721,659	148,788,314
Trade and other receivables	10	89,768,999	43,590,684	42,602,296	70,799,657
Other current financial assets	11	406,885,133	278,730,651	186,027,713	163,542,953
Prepaid royalty fees		13,074,848	4,647,509	5,880,133	1,331,456
Other current assets	12	30,022,063	35,251,627	11,056,293	18,577,374
<b>Total current assets</b>		<b>1,142,655,328</b>	<b>686,992,979</b>	<b>534,288,094</b>	<b>403,039,754</b>
<b>Non-current assets</b>					
Restricted bank deposits	13	-	5,367,986	-	5,367,986
Investments in subsidiaries	14 (a)	-	-	137,470,752	18,007,549
Investments in associates	14 (g)	10,573,615	11,755,064	-	-
Equipment	15	15,862,367	13,509,415	8,476,110	6,431,541
Right-of-use assets	16	13,680,248	17,599,136	6,125,220	11,701,433
Intangible assets	17	134,292,216	69,323,698	46,385,168	42,405,737
Deferred tax assets	21	9,410,565	3,793,403	27,166,024	-
Other non-current assets		3,844,843	4,952,321	3,841,612	4,456,464
<b>Total non-current assets</b>		<b>187,663,854</b>	<b>126,301,023</b>	<b>229,464,886</b>	<b>88,370,710</b>
<b>Total assets</b>		<b>1,330,319,182</b>	<b>813,294,002</b>	<b>763,752,980</b>	<b>491,410,464</b>

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

## Asiasoft Corporation Public Company Limited

## Statement of Financial Position (Cont'd)

As at 31 December 2021

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Trade and other payables	18	225,772,446	146,027,554	88,631,412	59,876,051
Deferred revenue	19	140,569,551	107,012,331	20,123,656	42,301,578
Current portion of liability under litigation	20	-	5,514,221	-	5,514,221
Current portion of leases liabilities		6,714,497	9,425,644	3,010,813	5,206,468
Short-term loans from director	32 (e)	477,945	477,945	-	-
Accrued corporate income tax		53,416,370	-	4,033,761	-
Other current liabilities		14,006,242	17,902,907	2,298,114	3,614,456
<b>Total current liabilities</b>		440,957,051	286,360,602	118,097,756	116,512,774
<b>Non-current liabilities</b>					
Lease liabilities		5,177,819	6,355,501	2,260,511	5,271,325
Deferred tax liabilities	21	5,785,471	4,557,774	2,721,139	-
Employee benefit obligations	22	20,383,775	21,769,338	16,210,253	12,687,460
Other non-current provision		-	1,509,823	-	1,509,823
<b>Total non-current liabilities</b>		31,347,065	34,192,436	21,191,903	19,468,608
<b>Total liabilities</b>		472,304,116	320,553,038	139,289,659	135,981,382

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

**Asiasoft Corporation Public Company Limited**  
**Statement of Financial Position (Cont'd)**  
**As at 31 December 2021**

		Consolidated		Separate	
		financial statements		financial statements	
		2021	2020	2021	2020
Notes		Baht	Baht	Baht	Baht
Liabilities and shareholders' equity (Cont'd)					
Shareholders' equity					
Share capital					
Authorised share capital					
513,007,473 ordinary shares of Baht 0.5 each					
(31 December 2020:					
		572,840,120 ordinary shares of Baht 1 each)	23	256,503,737	286,420,060
Issued and paid-up share capital					
456,406,601 ordinary shares of Baht 0.5 each					
(31 December 2020:					
		414,485,404 ordinary shares of Baht 1 each)	23	228,203,300	207,242,702
Premium on share capital	23	108,502,631	1,659,132	108,502,631	1,659,132
Capital reserve for share-based payment	25	19,337,211	5,333,080	19,337,211	5,333,080
Retained earnings					
		Appropriated - legal reserve	24	25,650,374	6,181,711
		Unappropriated		398,970,239	233,449,216
Other components of shareholders' equity		14,110,728	(10,468,137)	18,765,923	17,559,937
Equity attributable to owners of the parent		794,774,483	443,397,704	624,463,321	355,429,082
Non-controlling interests		63,240,583	49,343,260	-	-
Total shareholders' equity		858,015,066	492,740,964	624,463,321	355,429,082
Total liabilities and shareholders' equity		1,330,319,182	813,294,002	763,752,980	491,410,464

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

**Asiasoft Corporation Public Company Limited**  
**Statement of Comprehensive Income**  
**For the year ended 31 December 2021**

	Notes	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
Revenues from services	8	1,862,117,090	1,336,224,067	519,754,511	528,525,342
Cost of services		(835,383,207)	(580,192,525)	(213,400,182)	(220,414,951)
<b>Gross profit</b>		<b>1,026,733,883</b>	<b>756,031,542</b>	<b>306,354,329</b>	<b>308,110,391</b>
Other income	26	54,321,968	19,963,409	165,893,861	88,200,587
Selling expenses		(233,194,648)	(178,702,683)	(55,763,799)	(60,867,113)
Administrative expenses		(247,115,312)	(215,996,367)	(135,704,195)	(115,772,749)
Loss on impairment of prepaid royalty fee	27	-	(7,595,087)	-	-
Loss on write off of intangible assets	27	-	(9,581,836)	-	(9,581,836)
Reversal of impairment of investment in subsidiaries	14 , 27	-	-	124,075,375	-
Finance costs		(807,196)	(1,262,174)	(627,314)	(1,008,517)
Share of (loss) profit from investment in associates	14 (g)	(981,409)	1,636,456	-	-
<b>Profit before income tax expense</b>		<b>598,957,286</b>	<b>364,493,260</b>	<b>404,228,257</b>	<b>209,080,763</b>
Income tax (expense) revenue	28	(84,542,450)	(24,363,971)	16,030,189	-
<b>Profit for the year</b>		<b>514,414,836</b>	<b>340,129,289</b>	<b>420,258,446</b>	<b>209,080,763</b>
<b>Other comprehensive income (expense):</b>					
<b>Items that will be reclassified subsequently to profit or loss:</b>					
Exchange differences on translation of financial statements in foreign currencies		16,598,373	2,840,453	-	-
Total items that will be reclassified subsequently to profit or loss		16,598,373	2,840,453	-	-
<b>Items that will not be reclassified subsequently to profit or loss:</b>					
Remeasurements of post-employment benefit obligations	22	(227,052)	(1,256,065)	(1,994,885)	-
Income tax on items that will not be reclassified subsequently to profit or loss		1,629,532	-	3,200,871	-
Total items that will not be reclassified subsequently to profit or loss		1,402,480	(1,256,065)	1,205,986	-
<b>Other comprehensive income for the year, net of tax</b>		<b>18,000,853</b>	<b>1,584,388</b>	<b>1,205,986</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>532,415,689</b>	<b>341,713,677</b>	<b>421,464,432</b>	<b>209,080,763</b>

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

**Asiasoft Corporation Public Company Limited**  
**Statement of Comprehensive Income (Cont'd)**  
**For the year ended 31 December 2021**

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
<b>Net profit attributable to:</b>					
Owners of the parent		479,228,107	307,044,258	420,258,446	209,080,763
Non-controlling interests		35,186,729	33,085,031	-	-
		<u>514,414,836</u>	<u>340,129,289</u>	<u>420,258,446</u>	<u>209,080,763</u>
<b>Total comprehensive income attributable to:</b>					
<b>attributable to:</b>					
Owners of the parent		494,965,165	307,340,453	421,464,432	209,080,763
Non-controlling interests		37,450,524	34,373,224	-	-
		<u>532,415,689</u>	<u>341,713,677</u>	<u>421,464,432</u>	<u>209,080,763</u>
<b>Earnings per share</b>					
Basic earnings per share	29	1.13	0.75	1.00	0.51
Diluted earnings per share	29	1.04	0.74	0.91	0.50

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

Asiasoft Corporation Public Company Limited  
Statement of Changes in Shareholders' Equity  
For the year ended 31 December 2021

Consolidated financial statements													
Attributable to owners of the parent													
Notes	Issued and paid-up share capital	Premium on share capital	Capital reserve for share-based payments	Retained earnings (Deficits)		Other comprehensive income (expenses)				Total other components of shareholders' equity			
				Appropriated	Unappropriated	Exchange differences on translation of financial statements in foreign currencies		Remeasurement of employees benefit obligation	Change in parent's ownership interests in subsidiaries	Total other components of shareholders' equity		Total owners of the parent	Total shareholders' equity
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
<b>Opening balance as at 1 January 2020</b>	409,877,016	-	-	-	(272,351,928)	(15,007,178)	15,832,165	(11,589,319)	(10,764,332)	126,760,756	14,970,036	141,730,792	
<b>Change in shareholders' equity for the year</b>													
Decrease par value of share capital	(204,938,597)	-	-	-	204,938,597	-	-	-	-	-	-	-	-
Issuance of ordinary shares as a result of warrants exercised	2,304,283	1,659,132	-	-	-	-	-	-	-	3,963,415	-	3,963,415	
Share-based payments	-	-	5,333,080	-	-	-	-	-	-	5,333,080	-	5,333,080	
Legal reserve appropriation	-	-	-	6,181,711	(6,181,711)	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	307,044,258	798,621	(502,426)	-	296,195	307,340,453	34,373,224	341,713,677	
<b>Closing balance as at 31 December 2020</b>	207,242,702	1,659,132	5,333,080	6,181,711	233,449,216	(14,208,557)	15,329,739	(11,589,319)	(10,468,137)	443,397,704	49,343,260	492,740,964	
<b>Opening balance as at 1 January 2021</b>	207,242,702	1,659,132	5,333,080	6,181,711	233,449,216	(14,208,557)	15,329,739	(11,589,319)	(10,468,137)	443,397,704	49,343,260	492,740,964	
<b>Change in shareholders' equity for the year</b>													
Issuance of ordinary shares as a result of warrants exercised	23,25	20,960,598	106,843,499	-	-	-	-	-	-	127,804,097	-	127,804,097	
Share-based payments	25	-	-	14,004,131	-	-	-	-	-	14,004,131	-	14,004,131	
Dividends	30	-	-	-	(294,238,421)	-	-	-	-	(294,238,421)	(23,553,201)	(317,791,622)	
Legal reserve appropriation	24	-	-	-	19,468,663	(19,468,663)	-	-	-	-	-	-	-
Liquidation of subsidiary	-	-	-	-	-	8,841,807	-	-	-	8,841,807	-	8,841,807	
Total comprehensive income for the period	-	-	-	-	479,228,107	14,452,474	1,284,584	-	15,737,058	494,965,165	37,450,524	532,415,689	
<b>Closing balance as at 31 December 2021</b>	228,203,300	108,502,631	19,337,211	25,650,374	398,970,239	9,085,724	16,614,323	(11,589,319)	14,110,728	794,774,483	63,240,583	858,015,066	

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



Asiasoft Corporation Public Company Limited  
Statement of Changes in Shareholders' Equity (Cont'd)  
For the year ended 31 December 2021

Separate financial statements											
Notes		Other components of shareholders' equity									
		Issued and paid-up share capital	Premium on share capital	Capital reserve for share-based payments	Retained earnings (Deficits)		Other comprehensive income		Total shareholders' equity		
					Baht	Baht	Appropriated - Legal reserve	Unappropriated		Remeasurement of employees benefit obligation	Total other components of shareholders' equity

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

**Asiasoft Corporation Public Company Limited**  
**Statement of Cash Flows**  
**For the year ended 31 December 2021**

		Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
	Notes	Baht	Baht	Baht	Baht
<b>Cash flows from operating activities</b>					
Profit before income tax expense		598,957,286	364,493,260	404,228,257	209,080,763
Adjustments for:					
Depreciation and amortisation	15,16,17	54,244,297	55,614,107	30,680,568	37,630,754
Expected credit losses		(1,962,737)	(798,844)	(1,055,547)	-
Unrealised (gain) losses on revaluation of financial assets	11	1,392,862	(5,408,469)	(2,662,636)	(3,528,909)
Loss on impairment of prepaid royalty fee	27	2,956,212	7,595,087	-	-
Loss on write-off of intangible assets	27	-	9,581,836	-	9,581,836
(Gains) loss from disposals of equipment		(767,940)	213,611	(776,657)	(171,609)
Unrealised (gain) loss on exchange rate		(1,334,339)	664,292	(2,276,897)	664,292
Employee benefit expenses		(2,006,056)	2,835,788	1,527,908	1,362,832
Expenses in relation to share-based payments	25 (a)	14,004,131	5,333,080	14,004,131	5,333,080
Dividend received		-	-	(86,021,264)	-
Loss on liquidation of investment in subsidiary		-	-	(328,396)	(44,744,775)
Reversal of impairment of investment in subsidiaries	14 (a)	-	-	(124,075,375)	-
Share of (profit) loss from investments in associate	14 (g)	981,409	(1,636,456)	-	-
Finance costs		807,196	1,262,174	627,314	1,008,517
Cash flows before changes in operating assets and liabilities		667,272,321	439,749,466	233,871,406	216,216,781
Changes in operating assets and liabilities:					
Trade and other receivables		(45,829,363)	20,484,561	(15,857,778)	19,756,520
Prepaid royalty fees		(8,048,326)	(1,354,023)	(4,435,511)	(611,853)
Other current assets		(766,248)	(1,621,182)	1,525,269	(3,178,118)
Other non-current assets		1,107,478	6,807	614,852	257,339
Trade and other payables		75,230,011	74,709,090	24,441,718	14,573,276
Deferred revenue		33,557,220	23,932,009	(22,177,922)	4,441,936
Liabilities under litigation		(5,514,221)	(21,075,983)	(5,514,221)	(21,075,983)
Other current liabilities		(3,896,665)	(14,039,612)	(1,316,343)	1,452,104
Cash generated from operations		713,112,207	520,791,133	211,151,470	231,832,002
Interest received		1,613,785	1,226,749	365,884	928,105
Interest paid		(437,062)	(861,217)	(437,064)	(679,485)
Income tax (paid) received		(27,890,201)	(18,861,428)	4,815,749	(1,138,229)
<b>Net cash generated from operating activities</b>		<b>686,398,729</b>	<b>502,295,237</b>	<b>215,896,039</b>	<b>230,942,393</b>

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

**Asiasoft Corporation Public Company Limited**  
**Statement of Cash Flows (Cont'd)**  
**For the year ended 31 December 2021**

		Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Notes		Baht	Baht	Baht	Baht
<b>Cash flows from investing activities</b>					
		5,367,986	10,392,661	5,367,986	10,392,661
Decrease in restricted bank deposits					
Purchase of other current financial assets	11	(186,691,526)	(273,322,182)	(39,822,124)	(160,014,044)
Cash received from other current financial assets	11	67,677,597	-	20,000,000	-
Cash received from capital reduction of subsidiary		-	-	44,744,800	-
Cash received from liquidation of subsidiaries	14 (b)	-	-	4,940,568	-
Cash paid for purchase of equipment		(7,392,994)	(8,097,449)	(4,606,486)	(4,236,798)
Cash paid for purchase of intangible assets		(102,784,998)	(34,441,974)	(23,809,825)	(28,806,297)
Proceeds from disposals of equipment		803,332	356,218	803,332	306,130
Dividend received from associate and subsidiaries		200,040	-	86,021,264	-
<b>Net cash generated from (used in) investing activities</b>		<b>(222,820,563)</b>	<b>(305,112,726)</b>	<b>93,639,515</b>	<b>(182,358,348)</b>
<b>Cash flows from financing activities</b>					
Decrease in short-term borrowings					
from financial institution, net		-	(14,625,972)	-	(14,625,972)
Repayment of liabilities under lease agreements		(9,916,827)	(8,565,076)	(5,291,031)	(4,842,803)
Cash received from share subscriptions					
as a result of warrants exercised	23	127,804,097	3,963,415	127,804,097	3,963,415
Dividends paid		(317,791,622)	-	(294,238,421)	-
<b>Net cash used in financing activities</b>		<b>(199,904,352)</b>	<b>(19,227,633)</b>	<b>(171,725,355)</b>	<b>(15,505,360)</b>
<b>Translation adjustment</b>		<b>13,277,375</b>	<b>2,123,457</b>	<b>-</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>		<b>276,951,189</b>	<b>180,078,335</b>	<b>137,810,199</b>	<b>33,078,685</b>
Cash and cash equivalents at the beginning of the year		324,772,508	145,368,108	148,788,314	116,383,564
Unrealised exchange gain (loss) on cash and cash equivalents		1,180,588	(673,935)	2,123,146	(673,935)
<b>Cash and cash equivalents at the end of the year</b>		<b>602,904,285</b>	<b>324,772,508</b>	<b>288,721,659</b>	<b>148,788,314</b>
<b>Non-cash transactions</b>					
Acquisitions of right-of-use assets under lease agreements		12,132,646	16,688,174	5,588,802	7,903,890
Acquisitions of intangible assets by other payables	18	5,178,800	2,398,885	5,178,800	2,398,885

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

**Asiasoft Corporation Public Company Limited****Notes to the Consolidated and Separate Financial Statements****For the year ended 31 December 2021**

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**1 General information**

Asiasoft Corporation Public Company Limited (“the Company”) is a public company limited incorporated and resident in Thailand. The address of the Company’s registered office is 9/283-5, 28th floor, UM Tower Building, Ramkhamhaeng Road, Suanluang, Suanluang, Bangkok.

On 11 February 2022, the Company has changed its registered address and relocated to the location at 51 Major Tower Rama 9 – Ramkhamhaeng 18<sup>th</sup> floor, Room No.3-8, Rama 9 Road, Hua Mak, Bangkok, Bangkok.

The Company’s ordinary shares are listed on the Stock Exchange of Thailand. For reporting purposes, the Company and its subsidiaries are referred to as “the Group”.

The Group is principally engaged as a provider of online game services.

The consolidated and separate financial statements were authorised for issue by the Board of Directors on 25 February 2022.

**2 Basis of preparation**

The consolidated and separate financial statements have been prepared in accordance with Thai Generally Accepted Accounting Principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention, except as disclosed otherwise in the accounting policies.

The preparation of consolidated and separate financial statements in conformity with Thai Generally Accepted Accounting Principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated and separate financial statements are disclosed in Note 6.

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

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**Asiasoft Corporation Public Company Limited****Notes to the Consolidated and Separate Financial Statements****For the year ended 31 December 2021**

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**3 New financial reporting standards****3.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2021**

During the year, the Group has adopted the new and amended financial reporting standards and interpretations which are effective for fiscal periods 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 material impact on the Group's financial statements.

**3.2 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2022**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group is currently in process of evaluating the plan to be executed and considering the impact of these standards on the financial statements in the year when they are adopted.

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**Asiasoft Corporation Public Company Limited****Notes to the Consolidated and Separate Financial Statements****For the year ended 31 December 2021**

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**4 Accounting policies**

The principal accounting policies adopted in the preparation of these consolidated and separate financial statements are set out below:

**4.1 Group Accounting - Investments in subsidiaries and associates****4.1.1 Subsidiaries**

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement.

Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquirer's net assets.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

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**Asiasoft Corporation Public Company Limited****Notes to the Consolidated and Separate Financial Statements****For the year ended 31 December 2021**

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**4 Accounting policies (cont'd)****4.1 Group Accounting - Investments in subsidiaries and associates (cont'd)****4.1.1 Subsidiaries (cont'd)**

Intercompany transactions, balances and unrealised gains or loss on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the separated financial statements, investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

**4.1.2 Transactions with non-controlling interests**

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

**4.1.3 Disposal of subsidiaries**

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

**4.1.4 Associates**

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The group's investment in associates includes goodwill identified on acquisition.

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**Asiasoft Corporation Public Company Limited****Notes to the Consolidated and Separate Financial Statements****For the year ended 31 December 2021**

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**4 Accounting policies (cont'd)****4.1 Group Accounting - Investments in subsidiaries and associates (cont'd)****4.1.4 Associates (cont'd)**

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of its associates' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equal or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to share of profit or loss of associates in profit or loss.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gains and losses arising in investments in associates are recognised in the profit or loss.

In the separated financial statements, investments in associates are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

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**Asiasoft Corporation Public Company Limited****Notes to the Consolidated and Separate Financial Statements****For the year ended 31 December 2021**

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**4 Accounting policies (cont'd)****4.2 Foreign currency translation****4.2.1 Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Thai Baht, which is the Company's functional and presentation currency.

**4.2.2 Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit or loss in the statement of comprehensive income, any exchange component of that gain or loss is recognised in profit or loss.

**4.2.3 Group companies**

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

**4.3 Cash and cash equivalents**

In the statements of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less from the date of acquisition and are not pledged as collateral and bank overdrafts. Bank overdrafts are presented as current liabilities in the statement of financial position.

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**Asiasoft Corporation Public Company Limited****Notes to the Consolidated and Separate Financial Statements****For the year ended 31 December 2021**

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**4 Accounting policies (cont'd)****4.4 Trade accounts receivable**

Trade accounts receivable are carried at the original invoice amount and subsequently measured at the remaining amount less any impairment of trade receivables based on assessment of impairment of trade receivables are disclosed in Note 4.5.6. The amount of the impairment is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written-off during the year in which they are identified and recognised in profit or loss within administrative expenses.

**4.5 Financial asset****4.5.1 Classification**

The Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

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

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

**4.5.2 Recognition and derecognition**

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

**4.5.3 Measurement**

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

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

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**Asiasoft Corporation Public Company Limited****Notes to the Consolidated and Separate Financial Statements****For the year ended 31 December 2021**

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**4 Accounting policies (cont'd)****4.5 Financial asset (cont'd)****4.5.4 Debt instruments**

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

- **Amortised cost:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss.
- **FVOCI:** Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets are derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income is included in other income. Impairment expenses are presented separately in the statement of profit or loss.
- **FVPL:** Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

**4.5.5 Equity instruments**

The Group measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity instruments in other income statement (FVOCI), there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/losses in the statement of profit or loss.

Impairment losses (and reversal of impairment losses) on equity investments are reported together with changes in fair value.

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## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

## For the year ended 31 December 2021

## 4 Accounting policies (cont'd)

## 4.5 Financial asset (cont'd)

## 4.5.6 Impairment

The Group applies the TFRS 9 simplified approach in measuring the impairment of trade and other receivables, which applies lifetime expected credit loss, from initial recognition, for all trade and other receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade and other receivables are a reasonable approximation of the loss rates for the contract assets. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

The Group chose to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by excluding forward-looking information in assessing the expected credit loss under the simplified approach of trade and other receivables. The Group applied historical credit loss adjusted with the management's judgement in estimating the expected credit loss as disclosed in Note 10.

For other financial assets carried at amortised cost and FVOCI, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment (and reversal of impairment) losses are recognised in profit or loss as a separate line item.

**Asiasoft Corporation Public Company Limited****Notes to the Consolidated and Separate Financial Statements****For the year ended 31 December 2021**

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**4 Accounting policies (cont'd)****4.6 Equipment**

Equipment is stated at cost less accumulated depreciation and impairment losses (if any). Historical cost includes expenditure that is directly attributable to the acquisition of items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation of equipment is calculated to write down the cost of equipment to their residual values on the straight-line basis over estimated useful lives are as follows:

Building improvements	5 years
Server	5 years
Furniture & fixture and equipment	3 and 5 years
Vehicles	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 4.8).

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

**4.7 Intangible assets****Game licenses**

Purchased of game licenses are carried at cost less accumulated amortization. Amortisation of PC games are calculated using straight –line basis over their estimated useful life of 2 - 4 years while Mobile games are calculated using sum of year digit over their estimate useful life of 2 - 4 years.

**Computer software**

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised using straight-line basis over their estimated useful lives of 3 and 5 years. Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the criteria are met.

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**Asiasoft Corporation Public Company Limited****Notes to the Consolidated and Separate Financial Statements****For the year ended 31 December 2021**

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**4 Accounting policies (cont'd)****4.7 Intangible assets (cont'd)****Right for use of golf club**

Right for use of golf club are carried at cost less impairment losses (if any). Right for use of golf club is not amortised as it deems to have indefinite useful life.

**Customer relationship**

Customer relationship acquired in a business combination are recognised at fair value at the acquisition date. Customer relationship have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using straight-line basis over their estimated useful lives of 3 - 13 years.

**Trademark**

Trademark acquired in a business combination are recognised at fair value at the acquisition date. Trademark has a finite useful life and are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using straight-line basis over its estimated useful life of 20 years.

**4.8 Impairment of assets**

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

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**Asiasoft Corporation Public Company Limited****Notes to the Consolidated and Separate Financial Statements****For the year ended 31 December 2021**

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**4 Accounting policies (cont'd)****4.9 Leases - where the Group is the lessees**

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

- Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:
- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

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**Asiasoft Corporation Public Company Limited****Notes to the Consolidated and Separate Financial Statements****For the year ended 31 December 2021**

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**4 Accounting policies (cont'd)****4.10 Financial liabilities****4.10.1 Classification**

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

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

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

**4.10.2 Measurement**

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

**4.10.3 Derecognition and modification**

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation/modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated/modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

**4.11 Borrowings**

Borrowings are recognised initially at the fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective yield method

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**Asiasoft Corporation Public Company Limited****Notes to the Consolidated and Separate Financial Statements****For the year ended 31 December 2021**

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**4 Accounting policies (cont'd)****4.12 Current and deferred income taxes**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

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**Asiasoft Corporation Public Company Limited**
**Notes to the Consolidated and Separate Financial Statements**
**For the year ended 31 December 2021**


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**4 Accounting policies (cont'd)**
**4.13 Employee benefits**
**Defined contribution plan**

A defined contribution plan is a post employment plan which the Group pays fixed contributions into a separate entity and management by fund manager. The fund has received contributions from employees and the Group.

The contributions are recognised as employee benefit expense in statements of comprehensive income when they are due.

**Post-employment benefit obligations**

The Group provides for post-employment benefits to or retirement indemnity employees under the labor laws applicable in Thailand depends on basis of salary and service year of staff until the future last working day. The Group has recorded the liabilities in respect of employee benefits which are the present value of the defined benefit obligations calculated by an independent actuary in accordance with the actuarial technique, and discounted benefit by the projected unit credit method. The present value of the defined benefit obligations are determined by discounting estimated future cash flows using yields on the government bonds which have terms to maturity approximating the terms of related liability. The estimated future cash flows shall reflect employee salaries, turnover rate, mortality, length of service and other. The Group recorded provision of employee benefit as non-current liabilities. Actuarial gains and losses arising from experience adjustments or changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in profit or loss.

**4.14 Share-based payment**

The Group receives services from employees as consideration for equity instruments (options) of the Group companies. The fair value of the options is recognised as an expense over the vesting period, with a corresponding increase in equity. The fair value of the options is determined by:

- including any market performance conditions (e.g. the entity's share price);
- including the impact of any non-vesting conditions (for example, the requirement for employees to save or holdings shares for a specific period of time); and
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period).

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest.

At the end of each reporting period, the Group reviews the number of options that are expected to vest.

It recognises the impact of the revision, if any, in profit or loss with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital and share premium.

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**Asiasoft Corporation Public Company Limited****Notes to the Consolidated and Separate Financial Statements****For the year ended 31 December 2021**

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**4 Accounting policies (cont'd)****4.15 Provisions**

Provisions, which exclude the provision relating to employee benefits, are recognised when the Group have a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expect a provision to be reimbursed, the reimbursement is recognised as a separate assets but only when the reimbursement is virtually certain.

**4.16 Share capital**

Ordinary shares are classified as equity. Other shares including mandatory redeemable preference shares are classified as liabilities.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax from the proceeds.

**4.17 Revenue recognition**

Revenue from publishing of the online game after perform follow the obligation in contracts with the game developer comprises the fair value of performance obligation in contracts with the game developer that occur from the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, and discounts after eliminating sales within the Group. Revenue is recognised as revenue when the gamers purchased an item in game in the statement of comprehensive income. The amount paid in advance by gamers via the refill channels and did not purchased an item in game is presented as deferred revenue in the statement of financial position.

The revenue from distribution is shown net of value-added tax, returns, and discounts after eliminating sales within the Group. Revenue is recognised as revenue when the gamers paid via the refill channels.

Interest income and other income are recognised on an accrual basis, except if collectability is in doubt.

Dividend income is recognised when the right to receive payment is established.

**4.18 Dividend distribution**

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders and Board of Director's approval for interim dividend payment.

**4.19 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Board of Directors that makes strategic decisions.

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**Asiasoft Corporation Public Company Limited****Notes to the Consolidated and Separate Financial Statements****For the year ended 31 December 2021**

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**5 Financial risk management****5.1 Financial risk factors**

The principal financial risks faced by the Group are market risk (including currency risk and interest rate risk), credit risk and liquidity risk. Risk management is carried out by Group management. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

**5.1.1 Market risk****Foreign exchange risk**

The associates and subsidiaries of the Group operate internationally and are exposed to foreign exchange risk arising from various currency exposures, primarily with respect to USD, MYR, SGD and PHP. However, the Group believes that foreign exchange risk will have no material effect to their operational results.

**Interest rate risk**

The Group's interest rate risk arises from lease liabilities and short-term loan from director. Lease liabilities issued at variable rates and short-term loan from director issued at fixed rate. Management considers that interest rate risk is not significant.

**5.1.2 Credit risk**

Most of the Group's revenues, being publishing of the online revenue, are normally paid by gamers in advance. Therefore, the Group has never experienced significant difficulties in debt collection. Management considers that the Group have no material effect to credit risk is not significant.

**Impairment of financial assets**

The Group has financial assets that are subject to the expected credit loss model:

- Cash and cash equivalents
- Trade and other receivables
- Financial asset measured at fair value through profit or loss

While cash and cash equivalents are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

The Group applies the TFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables. To measure the expected credit losses, trade and other receivables have been grouped based on shared credit risk characteristics and the days past due. The details of expected credit loss are in Note 10.

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## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

## 5 Financial risk management (cont'd)

## 5.1 Financial risk factors (cont'd)

## 5.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to manage market positions. Due to the dynamic nature of the underlying business, the Group aims at maintaining flexibility in funding by keeping committed credit lines available.

**Maturity of financial liabilities**

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. For interest rate swaps, the cash flows have been estimated using forward interest rates applicable at the end of the reporting period.

Maturity of financial liabilities	Consolidated financial statements				
	Within 1 year	1 - 5 years	Over 5 years	Total	Book value
	Thousand	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht	Baht
<b>As at 31 December 2021</b>					
Trade and other payables	225,772	-	-	225,772	225,772
Short-term loan from director	478	-	-	478	478
Lease liabilities	6,714	5,178	-	11,892	11,892
<b>Total financial liabilities</b>	<b>232,964</b>	<b>5,178</b>	<b>-</b>	<b>238,142</b>	<b>238,142</b>

Maturity of financial liabilities	Separate financial statements				
	Within 1 year	1 - 5 years	Over 5 years	Total	Book value
	Thousand	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht	Baht
<b>As at 31 December 2021</b>					
Trade and other payables	88,631	-	-	88,631	88,631
Lease liabilities	3,011	2,261	-	5,272	5,272
<b>Total financial liabilities</b>	<b>91,642</b>	<b>2,261</b>	<b>-</b>	<b>93,903</b>	<b>93,903</b>

## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

## 5 Financial risk management (cont'd)

## 5.1 Financial risk factors (cont'd)

## 5.1.3 Liquidity risk (cont'd)

Maturity of financial liabilities	Consolidated financial statements				
	Within 1 year	1 - 5 years	Over 5 years	Total	Book value
	Thousand	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht	Baht
<b>As at 31 December 2020</b>					
Trade and other payables	146,028	-	-	146,028	146,028
Short-term loan from director	478	-	-	478	478
Liability under litigation	5,514	-	-	5,514	5,514
Lease liabilities	9,426	6,356	-	15,782	15,782
<b>Total financial liabilities</b>	<b>161,446</b>	<b>6,356</b>	<b>-</b>	<b>167,802</b>	<b>167,802</b>
Maturity of financial liabilities	Separate financial statements				
	Within 1 year	1 - 5 years	Over 5 years	Total	Book value
	Thousand	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht	Baht
<b>As at 31 December 2020</b>					
Trade and other payables	59,876	-	-	59,876	59,876
Liability under litigation	5,514	-	-	5,514	5,514
Lease liabilities	5,206	5,271	-	10,477	10,477
<b>Total financial liabilities</b>	<b>70,596</b>	<b>5,271</b>	<b>-</b>	<b>75,867</b>	<b>75,867</b>

## 5.2 Fair value

Disclosures of fair value measurements by level are as below:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

**Asiasoft Corporation Public Company Limited**
**Notes to the Consolidated and Separate Financial Statements**
**For the year ended 31 December 2021**
**5 Financial risk management (cont'd)**
**5.2 Fair value (cont'd)**

The following table shows fair values and carrying amounts of financial assets and liabilities by category.

	Consolidated financial statements			
	As at 31 December 2021			
	Fair value through profit or loss (FVPL)	Amortised cost	Total carrying amount	Fair value
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Financial assets</b>				
Cash and cash equivalents	-	602,904	602,904	602,904
Trade and other receivables	-	89,769	89,769	89,769
Other current financial assets	406,885	-	406,885	406,885
	406,885	692,673	1,099,558	1,099,558
<b>Financial liabilities</b>				
Trade and other payables	-	225,772	225,772	225,772
Short-term loans from director	-	478	478	478
Lease liabilities	-	11,892	11,892	11,892
	-	238,142	238,142	238,142
<b>Separate financial statements</b>				
As at 31 December 2021				
	Fair value through profit or loss (FVPL)	Amortised cost	Total carrying amount	Fair value
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Financial assets</b>				
Cash and cash equivalents	-	288,722	288,722	288,722
Trade and other receivables	-	42,602	42,602	42,602
Other current financial assets	186,028	-	186,028	186,028
	186,028	331,324	517,352	517,352
<b>Financial liabilities</b>				
Trade and other payables	-	88,631	88,631	88,631
Lease liabilities	-	5,272	5,272	5,272
	-	93,903	93,903	93,903

## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

## For the year ended 31 December 2021

## 5 Financial risk management (cont'd)

## 5.2 Fair value (cont'd)

The following table shows fair values and carrying amounts of financial assets and liabilities by category. (cont'd)

	Consolidated financial statements			
	As at 31 December 2020			
	Fair value			
	through profit	Amortised	Total carrying	
	or loss (FVPL)	cost	amount	Fair value
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Financial assets</b>				
Cash and cash equivalents	-	324,773	324,773	324,773
Trade and other receivables	-	43,591	43,591	43,591
Other current financial assets	278,731	-	278,731	278,731
Restricted bank deposits	-	5,368	5,368	5,368
	278,731	373,732	652,463	652,463
<b>Financial liabilities</b>				
Trade and other payables	-	146,028	146,028	146,028
Short-term loans from director	-	478	478	478
Liability under litigation	-	5,514	5,514	5,514
Lease liabilities	-	15,782	15,782	15,782
	-	167,802	167,802	167,802



**Asiasoft Corporation Public Company Limited**
**Notes to the Consolidated and Separate Financial Statements**
**For the year ended 31 December 2021**
**5 Financial risk management (cont'd)**
**5.2 Fair value (cont'd)**

The following table shows fair values and carrying amounts of financial assets and liabilities by category. (cont'd)

	Separate financial statements			
	As at 31 December 2020			
	Fair value			
	through profit	Amortised	Total carrying	Fair value
	or loss (FVPL)	cost	amount	
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Financial assets</b>				
Cash and cash equivalents	-	148,788	148,788	148,788
Trade and other receivables	-	70,800	70,800	70,800
Other current financial assets	163,543	-	163,543	163,543
Restricted bank deposits	-	5,368	5,368	5,368
	163,543	224,956	388,499	388,499
<b>Financial liabilities</b>				
Trade and other payables	-	59,876	59,876	59,876
Liability under litigation	-	5,514	5,514	5,514
Lease liabilities	-	10,477	10,477	10,477
	-	75,867	75,867	75,867

The following table presents fair value of financial assets and liabilities recognised or disclosed by their fair value hierarchy.

Assets	Level 1	
	Consolidated	Separate financial
	financial statements	statements
	2021	2021
	Thousand Baht	Thousand Baht
<b>Financial assets at fair value through profit or loss</b>		
Investment in mutual fund (Note 11)	406,885	186,028
<b>Total assets</b>	406,885	186,028

**Asiasoft Corporation Public Company Limited****Notes to the Consolidated and Separate Financial Statements****For the year ended 31 December 2021**

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**6 Critical accounting estimates, assumptions, and judgements**

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

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

**6.1 Estimated impairment of goodwill, intangible assets and prepaid royalty fees**

The Group tests annually whether goodwill has suffered any impairment and considers impairment of intangible assets and prepaid royalty fees when indicators of impairment exist, which are in accordance with the accounting policy stated in Note 4.8. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates.

**6.2 Equipment and intangible assets**

Management determines the estimated useful lives and residual values for the plant, equipment and intangible assets of which are mainly considered by technical ability and economic useful lives. The management will revise the depreciation charge where useful lives and residual values are significantly different to previously estimated, or it will write off or write down technically obsolete or assets that have been abandoned or sold.

**6.3 Expected credit losses**

The Group maintains an expected credit losses for doubtful accounts to reflect impairment of trade receivables and loans including interest receivables relating to estimated losses resulting from the default or inability of customers to make required payments. The expected credit losses is based on consideration of historical collection experience, known and aging of outstanding debt of each customer. The management will fully set up allowance for long outstanding amounts and without any collateral.

**6.4 Employee benefit obligations**

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the pensions include the discount rate. Any changes in these assumptions will have an impact on the carrying amount of employee benefit obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related employee benefit liability.

Other key assumptions for employee benefit obligations are based in part on current market conditions. Additional information is disclosed in Note 22.

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**Asiasoft Corporation Public Company Limited****Notes to the Consolidated and Separate Financial Statements****For the year ended 31 December 2021**

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**7 Capital risk management**

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

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

**8 Operating segments**

Board of Directors is the Group's chief operating decision-maker. Management has determined the operating segments based on the information reviewed by Board of Directors for the purposes of allocating resources and assessing performance.

Board of Directors considers the business from both a geographic and product and service perspective. Geographically, management considers the performance in Thailand, Singapore, Malaysia, Philippines and other countries. From service perspective, management separately considers the online game services and distribution activities in these geographies. The Group derives their revenue primarily from publishing of the online game services.

Board of Directors assesses the performance of the operating segments based on a measure of adjusted EBIT. This measurement basis excludes discontinued operations and the effects of non-recurring expenditure from the operating segments such as restructuring costs, legal expenses and goodwill impairments when the impairment is the result of an isolated, non-recurring event. The measure also excludes the effects of equity-settled share-based payments and unrealised gains/losses on financial instruments. Interest income and expenditure are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Group.

Sales between segments are carried out at arm's length. The revenue from external parties reported to Board of Directors is measured in a manner consistent with that in profit or loss.

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

For management purposes, the Company and its subsidiaries are organised into business units based on its services and have 2 reportable segments as follows:

- The online game segment is a business segment which provides online game services through the internet that perform based on the agreement of publisher with the game developer.
- The distribution segment is a business which provides payment channel services.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial information.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

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**Asiasoft Corporation Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2021**

**8 Operating segments (cont'd)**

The following table presents revenue and profit information regarding the Company and its subsidiaries' operating segments for the years ended 31 December 2021 and 2020.

	For the years ended 31 December						Unit: Thousand Baht	
	Online game segment <sup>1)</sup>		Distribution segment <sup>2)</sup>		Others		Consolidation	
	2021	2020	2021	2020	2021	2020	2021	2020
Revenue from services from external customers	1,850,404	1,310,483	10,060	23,322	1,653	2,419	1,862,117	1,336,224
Segment profit	1,016,368	738,699	8,870	14,969	1,495	2,364	1,026,734	756,032
Loss on impairment of prepaid royalty fees	-	(7,595)	-	-	-	-	-	(7,595)
Loss on write-off of intangible assets	-	(9,582)	-	-	-	-	-	(9,582)
Unallocated income (expenses):								
Interest income							1,614	1,227
Other income							52,708	18,736
Selling and administrative expenses							(480,311)	(394,699)
Finance costs							(807)	(1,262)
Share of profit (loss) from investments in associates							(981)	1,636
Income tax expense							(84,542)	(24,364)
Non-controlling interests							(35,187)	(33,085)
Gain attributable to owners of the parent for the year							479,228	307,044

<sup>1)</sup> The online game segment is a business segment which provides online game services through the internet that perform based on the agreement of publisher with the game developer.

<sup>2)</sup> The distribution segment is a business segment which provides payment channel services.

## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

## For the year ended 31 December 2021

## 8 Operating segments (cont'd)

## Geographic information

Revenue from external customers for the years ended 31 December 2021 and 2020 based on locations of the Company and subsidiaries, are made up as follows:

	Consolidated	
	financial statements	
	2021	2020
	Thousand Baht	Thousand Baht
Thailand	556,421	528,533
Singapore	921,163	408,309
Malaysia	380,315	174,004
Philippines	-	217,624
Other	4,218	7,754
Total	1,862,117	1,336,224

## 9 Cash and cash equivalents

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Cash on hand	125	154	27	28
Deposit held at call with banks	602,779	324,619	288,695	148,760
Total cash and cash equivalents	602,904	324,773	288,722	148,788

As at 31 December 2021 and 2020, deposits held at call with banks bore interest at rates ranging from 0.05% to 0.50% per annum.

## Credit facility

As at 31 December 2021, the Group has an outstanding unused credit facility at Baht 50 million (31 December 2020: Baht 25 million)

## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

## 10 Trade and other receivables

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Trade accounts receivable				
- third parties	80,336	40,910	42,624	16,017
<u>Less</u> Expected credit losses	(18,419)	(97)	(18,344)	-
Trade accounts receivable, net	61,917	40,813	24,280	16,017
Trade accounts receivable				
- related parties (Note 32 (c))	-	19,401	808	19,429
<u>Less</u> Expected credit losses	-	(19,400)	-	(19,400)
Trade accounts receivable, net	-	1	808	29
Trade accounts receivable, net	61,917	40,814	25,088	16,046
Amounts due from related parties (Note 32 (c))	-	189	15,881	54,754
Accrued income from third parties	15,186	-	272	-
Other receivables from third parties	12,666	3,472	1,361	-
<u>Less</u> Expected credit losses	-	(884)	-	-
Trade and other receivables, net	89,769	43,591	42,602	70,800

**Asiasoft Corporation Public Company Limited**
**Notes to the Consolidated and Separate Financial Statements**
**For the year ended 31 December 2021**
**10 Trade and other receivables (cont'd)**

Outstanding trade accounts receivable can be analysed as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>
<b>Third parties</b>				
Trade accounts receivable				
Current	50,584	31,589	24,042	10,870
Overdue less than 3 months	11,117	9,004	238	5,115
3 - 6 months	-	207	-	32
6 - 12 months	211	32	-	-
Over 12 months	18,424	78	18,344	-
Total	80,336	40,910	42,624	16,017
<u>Less</u> Expected credit losses	(18,419)	(97)	(18,344)	-
Trade accounts receivable - third parties, net	61,917	40,813	24,280	16,017
<b>Related parties</b>				
Trade accounts receivable				
Current	-	1	808	29
Overdue less than 3 months	-	-	-	-
3 - 6 months	-	-	-	-
6 - 12 months	-	-	-	-
Over 12 months	-	19,400	-	19,400
Total	-	19,401	808	19,429
<u>Less</u> Expected credit losses	-	(19,400)	-	(19,400)
Trade accounts receivable - related parties, net	-	1	808	29

## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

## 11 Other current financial assets

Other current financial assets as at 31 December 2021 comprise the following:

	Consolidated financial statement	Separate financial statement
	Thousand Baht	Thousand Baht
<b>Financial assets measured at fair value through profit or loss</b>		
Beginning balance	278,731	163,543
Addition	186,692	39,822
Disposal	(67,678)	(20,000)
Change in investment value	(1,393)	2,663
Exchange rate differences	10,533	-
Total other current financial assets	406,885	186,028

## 12 Other current assets

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Account receivable				
- Revenue department	214	2,880	164	-
Withholding taxes refundable	2,349	7,036	1,138	7,292
Prepaid expenses	17,993	15,847	7,169	10,547
Undue input vat	6,418	4,453	504	262
Others	3,048	5,036	2,081	476
Total other current assets	30,022	35,252	11,056	18,577

## 13 Restricted bank deposits

As at 31 December 2021 the group canceled the fixed deposits with the banks to secure credit facilities (31 December 2020: Bath 5.37 million).



**Asiasoft Corporation Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2021**

**14 Investments in subsidiaries and associates**

**14 (a) Investment in subsidiaries**

The Group had the following subsidiaries as at 31 December 2021:

	Country of incorporation and place of business	Nature of business	Proportion of ordinary shares directly held by parent (%)		Proportion of ordinary shares held by the Group (%)		Proportion of shares held by non-controlling interests (%)		
			2021	2020	2021	2020	2021	2020	
Direct									
Subsidiaries which held by Asiasoft Corporation Public Company Limited									
A Capital Co., Ltd.	Thailand	Investment	100.00	100.00	100.00	100.00	-	-	
Asiasoft International Co., Ltd.	Thailand	Investment	100.00	100.00	100.00	100.00	-	-	
Playcybergames Co., Ltd.	Thailand	Publisher of online games	-	99.99	-	99.99	-	0.01	
CIB Development Sdn. Bhd.	Malaysia	Publisher of online games	61.68	61.68	61.68	61.68	38.32	38.32	
Playpark Co., Ltd.	Thailand	Publisher of online games	99.99	99.99	99.99	99.99	0.01	0.01	
Playpark Pte Ltd.	Singapore	Publisher of online games	100.00	100.00	100.00	100.00	-	-	
AS Online Sdn Bhd.	Malaysia	Publisher of online games	-	100.00	-	100.00	-	-	
PT. Asiasoft	Indonesia	Publisher of online games	99.99	99.99	99.99	99.99	0.01	0.01	
Playpark Inc.	Philippines	Publisher of online games	40.00	40.00	40.00	40.00	60.00	60.00	
Indirect									
Subsidiaries which held by A Capital Company Limited									
Skynet Systems Co., Ltd.	Thailand	Developer of mobile applications	-	-	57.04	57.04	42.96	42.96	
Subsidiaries which held by CIB Development Sdn. Bhd.									
Playpark Malaysia Sdn. Bhd.	Malaysia	Publisher of online games	-	-	100.00	100.00	-	-	
(Formerly known as CIB Net Station Sdn. Bhd.)									

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held. The parent company does not have any shareholdings in the preference shares of subsidiary undertaking included in the Group.

## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

## For the year ended 31 December 2021

## 14 Investments in subsidiaries and associates (cont'd)

## 14 (a) Investment in subsidiaries (cont'd)

Movements of investment in subsidiaries can be analysed as follows:

For the year ended 31 December	Separate financial statements	
	2021	2020
	Thousand Baht	Thousand Baht
Opening net book amount	18,008	18,008
Write off of investment	(16,614)	13,000
Write off impairment of investment	12,002	-
Reversal of impairment	124,075	(13,000)
Closing net book amount	137,471	18,008
<b>As at 31 December</b>		
Investment in subsidiaries – at cost	652,120	668,734
<u>Less</u> Allowance for impairment	(514,649)	(650,726)
Closing net book amount	137,471	18,008

## 14 (b) Liquidation of subsidiaries

Asiasoft International Co., Ltd. registered for liquidation with the Ministry of Commerce and is under the liquidation process since 14 September 2018. The management believes that there will be no material impact from this liquidation to the group.

On 2 March 2021, Playcybergames Co.,Ltd. was completed the liquidation process. The Company received cash from registered capital to the Company of Baht 1.00 million.

On 7 May 2021, AS Online Sdn. Bhd. was completed the liquidation process. The subsidiary paid back the registered capital to the Company of Baht 3.94 million.

## 14 (c) The capital reduction of subsidiary

The Company decreased its share capital in Playpark Pte., Ltd., a Singaporean subsidiary, by SGD 2 million from SGD 5 million to SGD 3 million. The capital reduction was completed on 16 December 2020 and the Company received the cash difference in February 2021.

**Asiasoft Corporation Public Company Limited****Notes to the Consolidated and Separate Financial Statements****For the year ended 31 December 2021**

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**14 Investments in subsidiaries and associates (cont'd)****14 (d) Reversal of impairment of investment in subsidiaries**

During the year, the management considered reversing impairments for investments in 2 subsidiaries, Playpark Pte Ltd. and CIB Development Sdn. Bhd., of Baht 72 million and Baht 52 million, respectively. As both companies have continued to improve their performance since 2020, the reversal of the impairments for investments has been taken into account by the parent company to ensure that the reversal will not affect the Company's ability to record impairments for investments in the two subsidiaries in the future.

The reversal on investment resulted in an increase of Baht 124 million in the net profit of the separated financial information for the year ended 31 December 2021.

**14 (e) Investment in oversea company**

At Board of Directors Meeting No. 4/2021, held on 18 October 2021, the Board considered and approved a resolution to change the method of investment in CONG TY TNHH CHAU A MEM ("CAM") in Vietnam by investing in a joint venture in a newly established company ("the New Company") by purchasing 49% of shares, valued at VND 10,780 million to comply with the law on establishing a new company and investing in Vietnam. The New Company will invest in CAM by hold 100% of shares in CAM, with the objective of operating a gaming business in Vietnam. As both Company will become a subsidiaries of the Company.

As at 31 December 2021, It is on a registration process of investment of the New Company in Vietnam

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## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

## For the year ended 31 December 2021

## 14 Investments in subsidiaries and associates (cont'd)

## 14 (f) Investment in subsidiaries (cont'd)

## Summarised financial information on subsidiaries with material non-controlling interests

Set out below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The amount disclosed for each subsidiary are before inter-company eliminations.

## Summarised statement of financial position

	Playpark Malaysia Sdn. Bhd. (Formerly known as CIB Development Sdn. Bhd.)					
	Playpark Inc.		Total			
	As at 31 December		As at 31 December		As at 31 December	
	2021	2020	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Current</b>						
Assets	115,906	76,812	23,644	65,746	139,550	142,558
Liabilities	(62,466)	(54,677)	(7,168)	(40,092)	(69,634)	(94,769)
Total current net assets	53,440	22,135	16,476	25,654	69,916	47,789
<b>Non-current</b>						
Assets	22,402	8,209	11,357	18,582	33,759	26,791
Liabilities	-	-	(6,081)	(13,640)	(6,081)	(13,640)
Total non-current net assets	22,402	8,209	5,276	4,942	27,678	13,151
Net assets (liabilities)	75,842	30,344	21,752	30,596	97,594	60,940
Accumulated NCI	37,552	16,334	21,086	28,063	58,638	44,397

## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

## For the year ended 31 December 2021

## 14 Investments in subsidiaries and associates (cont'd)

## 14 (f) Investment in subsidiaries (cont'd)

## Summarised financial information on subsidiaries with material non-controlling interests (cont'd)

## Summarised statement of comprehensive income

	Playpark Malaysia Sdn. Bhd. (Formerly known as CIB Development Sdn. Bhd.)		Playpark Inc.		Total	
	For the years ended 31 December		For the years ended 31 December		For the years ended 31 December	
	2021	2020	2021	2020	2021	2020
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht	Baht	Baht
Revenue	380,315	173,993	5,078	216,657	385,393	390,650
Profit (loss) before income tax	135,666	38,422	(10,082)	39,749	125,584	78,171
Income tax expense	(32,146)	(2,749)	(308)	(18,102)	(32,454)	(20,851)
Post-tax profit (loss) from continuing operations	103,520	35,673	(10,390)	21,647	93,130	57,320
Other comprehensive income	-	-	-	(1,256)	-	(1,256)
Total comprehensive income (expense)	103,520	35,673	(10,390)	20,391	93,130	56,064
Profit (loss) allocated to non-controlling interests	43,435	15,083	(7,904)	18,321	35,531	33,404

**Asiasoft Corporation Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2021**

**14 Investments in subsidiaries and associates (cont'd)**

**14 (f) Investment in subsidiaries (cont'd)**

**Summarised financial information on subsidiaries with material non-controlling interests (cont'd)**

**Summarised statement of cash flows**

	Playpark Malaysia Sdn. Bhd. (Formerly known as CIB Development Sdn. Bhd.)		Playpark Inc.		Total	
	For the years ended 31 December		For the years ended 31 December		For the years ended 31 December	
	2021	2020	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Cash flow from operating activities</b>						
Cash (used in) generated from operations	148,859	65,136	(44,839)	39,003	104,020	104,139
Interest paid	-	-	-	-	-	-
Income tax paid	(30,841)	(2,772)	(651)	(20,278)	(31,492)	(23,050)
Net cash (used in) generated from operating activities	118,018	62,364	(45,490)	18,725	72,528	81,089
Net cash used in investing activities	(65,203)	(3,225)	47,119	(24,275)	(18,084)	(27,500)
Net cash generated from financing activities	(65,395)	(304)	-	-	(65,395)	(304)
Net (decrease) increase in cash and cash equivalents	(12,580)	58,835	1,629	(5,550)	(10,951)	53,285
Cash and cash equivalents at beginning of year	65,300	6,772	4,356	6,980	69,656	13,752
Exchange gain (loss) on cash and cash equivalents	5,664	(307)	(3,111)	2,926	2,553	2,619
Cash and cash equivalents at end of year	58,384	65,300	2,874	4,356	61,258	69,656

## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

## 14 Investments in subsidiaries and associates (cont'd)

## 14 (g) Investment in associates

## Investments accounted for using equity method

The amounts recognised in the statement of financial position are as follows:

At 31 December	Consolidated financial statements	
	2021	2020
	Thousand Baht	Thousand Baht
Associates	10,574	11,755
	10,574	11,755

The amounts recognised in profit or loss are as follows:

For the years ended 31 December	Consolidated financial statements	
	2021	2020
	Thousand Baht	Thousand Baht
Associates	(981)	1,636
	(981)	1,636

Asiasoft Corporation Public Company Limited  
Notes to the Consolidated and Separate Financial Statements  
For the year ended 31 December 2021

14	Investments in subsidiaries and associates (cont'd)	Name of entity	Place of business/ country of incorporation	% of ownership interest	Nature of the relationship	Measurement method	Cost method		Equity method		Dividend	
							2021	2020	2021	2020	2021	2020
							Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
							Baht	Baht	Baht	Baht	Baht	Baht
Nature of investment in associates the year 2021 and 2020:												
14 (g)	Investment in associates (cont'd)											
Indirect												
		Thaiware Communication Company Limited	Thailand	40.00	40.00	Services on website	Equity	4,327	4,327	10,574	11,755	200
		Less Provision for impairment										-
		of investment in associates					-	-	-	-	-	-
		Total investments in associates, net					4,327	4,327	10,574	11,755	200	-



**Asiasoft Corporation Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2021**

**14 Investments in subsidiaries and associates (cont'd)**

**14 (g) Investment in associates (cont'd)**

Movements of investment in associates can be analysed as follows:

	<b>Consolidated financial statements Thousand Baht</b>
<b>For the year ended 31 December 2021</b>	
Opening net book amount	11,755
Dividend received	(200)
Share of profit	(981)
Closing net book amount	10,574
<b>As at 31 December 2021</b>	
Cost	10,574
<u>Less</u> Allowance for impairment	-
Net book amount	10,574

Set out below is the associate of the Group, which is material to the Group, in the opinion of the directors. The associate as listed below has share capital consisting solely of ordinary shares, which is held directly by parent.

**Summarised financial information for associates**

Set out below are the summarised financial information for Thaiware Communication Company Limited which is accounted for using the equity method.

**Summarised statement of financial position**

<b>As at 31 December</b>	<b>2021</b>	<b>2020</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>
<b>Current assets</b>		
Cash and cash equivalents	9,340	2,847
Other current assets (excluding cash)	29,372	22,825
Total current assets	38,712	25,672
Non-current Assets	2,813	3,203
	41,525	28,875
<b>Current liabilities</b>		
Other current liabilities (including trade payables)	(22,058)	(6,862)
Total current liabilities	(22,058)	(6,862)
Net assets	19,467	22,013

## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

## For the year ended 31 December 2021

## 14 Investments in subsidiaries and associates (cont'd)

## 14 (g) Investment in associates (cont'd)

## Summarised financial information for associates

Set out below are the summarised financial information for Thaiware Communication Company Limited which is accounted for using the equity method.

## Summarised statement of comprehensive income

For the years ended 31 December	2021	2020
	Thousand Baht	Thousand Baht
Revenues	97,279	89,052
Cost of sales	(71,129)	(60,198)
Selling and administrative expenses	(28,170)	(24,291)
Depreciation and amortisation	(433)	(473)
Total comprehensive income	(2,453)	4,090

The statement of financial position and statement of comprehensive income (unaudited) of Thaiware Communication Company Limited are prepared by management. However, the management has considered that the impact is not material to the consolidated financial statements.

The information above reflects the amounts presented in the financial statements of the associates (not the Group's share of those amounts) and adjusted for differences in accounting policies between the Group and the associates.

## Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of its interest in associates:

## Summarised financial information

	As at 31 December	
	2021	2020
	Thousand Baht	Thousand Baht
Opening net assets 1 January	22,420	18,330
Profit (loss) for the year	(2,453)	4,090
Dividend paid	(500)	-
Closing net assets	19,467	22,420
Interest in associates (40.00%)	7,787	8,968
Goodwill	2,787	2,787
Carrying value	10,574	11,755

There are no contingent liabilities relating to the Group's interest in the associates.

**Asiasoft Corporation Public Company Limited**
**Notes to the Consolidated and Separate Financial Statements**
**For the year ended 31 December 2021**
**15 Equipment**

	Consolidated financial statements				
	Building improvements	Server	Furniture & fixture and equipment	Vehicles	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>At 1 January 2020</b>					
Cost	20,787	208,309	99,130	9,583	337,809
<u>Less</u> Accumulated depreciation	(19,890)	(192,247)	(95,084)	(7,272)	(314,493)
Net book amount	897	16,062	4,046	2,311	23,316
<b>For the year ended 31 December 2020</b>					
Opening net book amount	897	16,062	4,046	2,311	23,316
Adjustment from adoption of TFRS 16 on 1 January 2020	-	(8,726)	-	(2,303)	(11,029)
Additions	510	6,493	1,094	-	8,097
Disposal/write off, net	(134)	(346)	(90)	-	(570)
Depreciation charge	(431)	(4,651)	(1,874)	(2)	(6,958)
Exchange differences	4	629	20	-	653
Closing net book amount	846	9,461	3,196	6	13,509
<b>At 31 December 2020</b>					
Cost	13,424	196,339	89,129	6,427	305,319
<u>Less</u> Accumulated depreciation	(12,578)	(186,878)	(85,933)	(6,421)	(291,810)
Net book amount	846	9,461	3,196	6	13,509
<b>For the year ended 31 December 2021</b>					
Opening net book amount	846	9,461	3,196	6	13,509
Additions	-	5,656	1,737	-	7,393
Disposal/write off, net	-	(26)	(10)	-	(36)
Depreciation charge	(278)	(3,958)	(1,391)	(2)	(5,629)
Exchange differences	-	485	140	-	625
Closing net book amount	568	11,618	3,672	4	15,862
<b>At 31 December 2021</b>					
Cost	13,465	179,529	86,214	5,825	285,033
<u>Less</u> Accumulated depreciation	(12,897)	(167,911)	(82,542)	(5,821)	(269,171)
Net book amount	568	11,618	3,672	4	15,862

## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

## For the year ended 31 December 2021

## 15 Equipment (cont'd)

	Separate financial statements				
	Building	Server	Furniture & fixture and equipment	Vehicles	Total
	improvements				
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>At 1 January 2020</b>					
Cost	19,339	93,504	73,031	6,711	192,585
<u>Less</u> Accumulated depreciation	(18,606)	(85,147)	(70,590)	(4,400)	(178,743)
Net book amount	733	8,357	2,441	2,311	13,842
<b>For the year ended 31 December 2020</b>					
Opening net book amount	733	8,357	2,441	2,311	13,842
Adjustment from adoption of TFRS 16 on 1 January 2020	-	(6,278)	-	(2,303)	(8,581)
Additions	510	3,393	375	-	4,278
Disposals/write off, net	(134)	-	(1)	-	(135)
Depreciation charge	(263)	(1,398)	(1,309)	(2)	(2,972)
Closing net book amount	846	4,074	1,506	6	6,432
<b>At 31 December 2020</b>					
Cost	12,902	87,603	67,735	3,512	171,752
<u>Less</u> Accumulated depreciation	(12,056)	(83,529)	(66,229)	(3,506)	(165,320)
Net book amount	846	4,074	1,506	6	6,432
<b>For the year ended 31 December 2021</b>					
Opening net book amount	846	4,074	1,506	6	6,432
Additions	-	3,562	1,002	-	4,564
Disposals/write off, net	-	(25)	(1)	-	(26)
Depreciation charge	(278)	(1,276)	(938)	(2)	(2,494)
Closing net book amount	568	6,335	1,569	4	8,476
<b>At 31 December 2021</b>					
Cost	12,902	60,815	62,442	2,683	138,842
<u>Less</u> Accumulated depreciation	(12,334)	(54,480)	(60,873)	(2,679)	(130,366)
Net book amount	568	6,335	1,569	4	8,476

**Asiasoft Corporation Public Company Limited**

**Notes to the Consolidated and Separate Financial Statements**

**For the year ended 31 December 2021**

**16 Right-of-use assets**

	<b>Consolidated financial statements</b>			
	<b>Building improvements</b>	<b>Server</b>	<b>Vehicles</b>	<b>Total</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>
<b>For the year ended 31 December 2020</b>				
Opening net book amount	5,634	8,726	2,303	16,663
Additions	6,488	2,988	-	9,476
Depreciation charge	(4,990)	(2,542)	(642)	(8,174)
Exchange differences	(329)	(37)	-	(366)
<b>At 31 December 2020</b>	<b>6,803</b>	<b>9,135</b>	<b>1,661</b>	<b>17,599</b>
<b>For the year ended 31 December 2021</b>				
Opening net book amount	6,803	9,135	1,661	17,599
Additions	5,467	-	-	5,467
Depreciation charge	(6,377)	(2,753)	(639)	(9,769)
Exchange differences	209	174	-	383
<b>At 31 December 2021</b>	<b>6,102</b>	<b>6,556</b>	<b>1,022</b>	<b>13,680</b>
	<b>Separate financial statements</b>			
	<b>Building improvements</b>	<b>Server</b>	<b>Vehicles</b>	<b>Total</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>
<b>For the year ended 31 December 2020</b>				
Opening net book amount	5,634	6,278	2,303	14,215
Additions	-	2,988	-	2,988
Depreciation charge	(2,817)	(2,043)	(642)	(5,502)
<b>At 31 December 2020</b>	<b>2,817</b>	<b>7,223</b>	<b>1,661</b>	<b>11,701</b>
<b>For the year ended 31 December 2021</b>				
Opening net book amount	2,817	7,223	1,661	11,701
Additions	-	-	-	-
Depreciation charge	(2,817)	(2,119)	(640)	(5,576)
<b>At 31 December 2021</b>	<b>-</b>	<b>5,104</b>	<b>1,021</b>	<b>6,125</b>

## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

## For the year ended 31 December 2021

## 17 Intangible assets

	Consolidated financial statements					
	Game licenses	Computer software	Right for use of golf club	Customer relationship	Trademark	Total
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht	Baht	Baht
<b>At 1 January 2020</b>						
Cost	362,006	54,675	3,390	75,278	51,133	546,482
<u>Less</u> Accumulated amortisation	(222,665)	(41,635)	-	(34,254)	(9,324)	(307,878)
<u>Less</u> Allowance for impairment	(78,717)	-	(1,264)	(26,597)	(41,809)	(148,387)
Net book amount	60,624	13,040	2,126	14,427	-	90,217
<b>For the year ended 31 December 2020</b>						
Opening net book amount	60,624	13,040	2,126	14,427	-	90,217
Additions	25,549	3,847	-	-	-	29,396
Disposal/write-off, net	(13,818)	-	-	-	-	(13,818)
Amortisation charged	(38,110)	(2,372)	-	-	-	(40,482)
Reversal impairment	3,011	-	-	-	-	3,011
Exchange differences	203	-	32	765	-	1,000
Closing net book amount	37,459	14,515	2,158	15,192	-	69,324
<b>At 31 December 2020</b>						
Cost	373,940	58,522	3,441	76,960	51,133	563,996
<u>Less</u> Accumulated amortisation	(260,775)	(44,007)	-	(35,171)	(9,324)	(349,277)
<u>Less</u> Allowance for impairment	(75,706)	-	(1,283)	(26,597)	(41,809)	(145,395)
Net book amount	37,459	14,515	2,158	15,192	-	69,324
<b>For the year ended 31 December 2021</b>						
Opening net book amount	37,459	14,515	2,158	15,192	-	69,324
Additions	104,495	1,070	-	-	-	105,565
Disposal/write-off, net	(2,956)	-	-	-	-	(2,956)
Amortisation charged	(32,952)	(2,519)	-	(3,375)	-	(38,846)
Exchange differences	3,205	-	196	(2,196)	-	1,205
Closing net book amount	109,251	13,066	2,354	9,621	-	134,292
<b>At 31 December 2021</b>						
Cost	395,115	59,592	3,755	78,501	51,133	588,096
<u>Less</u> Accumulated amortisation	(211,340)	(46,526)	-	(42,284)	(9,324)	(309,474)
<u>Less</u> Allowance for impairment	(74,524)	-	(1,401)	(26,596)	(41,809)	(144,330)
Net book amount	109,251	13,066	2,354	9,621	-	134,292

**Asiasoft Corporation Public Company Limited**
**Notes to the Consolidated and Separate Financial Statements**
**For the year ended 31 December 2021**
**17 Intangible assets (cont'd)**

	Separate financial statements		
	Game licenses	Computer software	Total
	Thousand Baht	Thousand Baht	Thousand Baht
<b>At 1 January 2020</b>			
Cost	80,490	49,088	129,578
<u>Less</u> Accumulated amortisation	(27,802)	(41,171)	(68,973)
<u>Less</u> Allowance for impairment	(3,011)	-	(3,011)
Net book amount	49,677	7,917	57,594
<b>For the year ended 31 December 2020</b>			
Opening net book amount	49,677	7,917	57,594
Additions	21,848	1,701	23,549
Write-off, net	(12,592)	-	(12,592)
Amortisation charged	(27,510)	(1,646)	(29,156)
Reversal of impairment	3,011	-	3,011
Closing net book amount	34,434	7,972	42,406
<b>At 31 December 2020</b>			
Cost	86,892	50,789	137,681
<u>Less</u> Accumulated amortisation	(52,458)	(42,817)	(95,275)
Net book amount	34,434	7,972	42,406
<b>For the year ended 31 December 2021</b>			
Opening net book amount	34,434	7,972	42,406
Additions	25,519	1,070	26,589
Amortisation charged	(20,894)	(1,716)	(22,610)
Closing net book amount	39,059	7,326	46,385
<b>At 31 December 2021</b>			
Cost	55,843	18,763	74,606
<u>Less</u> Accumulated amortisation	(16,784)	(11,437)	(28,221)
Net book amount	39,059	7,326	46,385

## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

## 18 Trade and other payables

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Trade account payables - third party	57,391	14,752	1,234	3,206
Trade account payables - related parties				
(Note 32 (c))	-	-	13,548	1,588
Other payables - third party	17,727	9,117	7,444	2,409
Accrued royalty fee	61,894	48,100	25,447	19,558
Payables for purchases of intangible assets	5,179	2,399	5,179	2,399
Accrued expenses	83,581	71,660	35,779	30,716
Total trade and other payables	225,772	146,028	88,631	59,876

## 19 Deferred revenue

Revenue recognised in the current reporting period from beginning balance performance obligations as follows:

	Consolidated		Separate	
	financial statements		financial statements	
For the years ended 31 December	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Beginning balance	107,012	83,080	42,302	37,860
Additions	1,866,809	1,404,842	507,172	530,746
Revenue recognised from online game service	(1,833,252)	(1,380,910)	(529,350)	(526,304)
Ending balance	140,569	107,012	20,124	42,302

## 20 Liability under litigation

On 9 April 2019 the Singapore International Arbitration Centre ('SIAC') rendered the award in favor of the game licensor and developer. The Company had already executed the first payment in May 2019, and the last payment was done in February 2021



## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

## For the year ended 31 December 2021

## 21 Deferred income taxes

Deferred income taxes are calculated on all temporary differences under the liability method using a principal tax rate from 17% - 24%.

The analysis of deferred tax assets and deferred tax liability is as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Deferred tax assets:</b>				
Deferred tax assets to be recovered within 12 months	982	3,793	20,723	-
Deferred tax assets to be recovered after 12 months	8,429	-	6,443	-
	9,411	3,793	27,166	-
<b>Deferred tax liabilities:</b>				
Deferred tax liabilities to be settled within 12 months	(4,629)	-	(2,721)	-
Deferred tax liabilities to be settled after 12 months	(1,157)	(4,558)	-	-
	(5,786)	(4,558)	(2,721)	-
<b>Deferred tax assets (liabilities), net</b>	<b>3,625</b>	<b>(765)</b>	<b>24,445</b>	<b>-</b>

The gross movement and the deferred income tax account is as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Deferred income tax, net - 1 January	(765)	(2,964)	-	-
Charged to profit or loss	1,581	3,794	21,244	-
Charged (credited) to other comprehensive income	2,044	-	3,201	-
Exchange differences	765	(1,595)	-	-
Deferred income tax, net - 31 December	3,625	(765)	24,445	-

## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

## 21 Deferred income taxes (cont'd)

The movement in deferred tax assets and liabilities is as follows:

As at 31 December	Consolidated financial statements		
	Credited (charged)		
	2020	to profit or loss	2021
	Thousand Baht	Thousand Baht	Thousand Baht
<b>Deferred tax assets</b>			
Deferred revenue	3,793	(3,768)	25
Obligation for employee benefit	-	5,228	5,228
Other provision	-	957	957
	3,793	2,417	6,210
<b>Deferred tax liabilities</b>			
Accumulated depreciation - equipment	(4,558)	4,558	-
Deferred revenue	-	(2,721)	(2,721)
Accumulated amortization – customer relation	-	(1,908)	(1,908)
	(4,558)	(71)	(4,629)
<b>Deferred tax assets (liabilities), net</b>	<b>(765)</b>	<b>2,346</b>	<b>1,581</b>

As at 31 December	Separate financial statements		
	Credited (charged)		
	2020	to profit or loss	2021
	Thousand Baht	Thousand Baht	Thousand Baht
<b>Deferred tax assets</b>			
Reversal impairment on investment	-	20,400	20,400
Obligation for employee benefit	-	3,242	3,242
Other provision	-	323	323
	-	23,965	23,965
<b>Deferred tax liabilities</b>			
Deferred revenue	-	(2,721)	(2,721)
<b>Deferred tax assets (liabilities), net</b>	<b>-</b>	<b>21,244</b>	<b>21,244</b>

## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

## 22 Employee benefit obligations

The amounts recognised in the statement of financial position are determined as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Present value of post-employment benefit obligations	20,384	21,769	16,210	12,687
Liability in the statement of financial position	20,384	21,769	16,210	12,687

Movements in the employee benefit obligations over the year are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Opening book amount	21,769	17,375	12,687	11,325
Current service costs	2,816	2,174	1,306	1,032
Interest costs	613	658	222	330
Loss on remeasurement of retirement of benefit obligations	227	1,256	1,995	-
Reversal on employee benefit obligations	(5,435)	-	-	-
Exchange rate differences	394	306	-	-
Closing book amount	20,384	21,769	16,210	12,687

## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

## 22 Employee benefit obligations (cont'd)

The amounts recognised into profit or loss are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Current service costs	2,816	2,174	1,306	1,032
Interest costs	613	658	222	330
Total, included in staff costs	3,429	2,832	1,528	1,362

Of the total charge, Baht 3.43 million and Baht 1.53 million (2020: Baht 2.83 million and Baht 1.36 million) were included in cost of goods sold and administrative expenses in the consolidated statements of comprehensive income and separate statements of comprehensive income, respectively.

The amounts recognised in other comprehensive income are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Loss on remeasurements of employee benefit obligations	227	1,256	1,995	-

The principal actuarial assumptions used were as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
	%	%	%	%
Discount rate	1.51 - 5.18	2.92 - 4.15	1.51	2.92
Future salary increase rate	5.00 - 10.00	5.00 - 10.00	5.00	5.00
Resignation rate	3.49 - 45.84	0.00 - 45.84	3.82 - 45.84	3.82 - 45.84

## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

## For the year ended 31 December 2021

## 22 Employee benefit obligations (cont'd)

Sensitivity analysis for each significant actuarial assumption:

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Impact on defined benefit obligations:	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Discount rate</b>				
Decrease 1%	1,594	3,024	2,033	1,273
Increase 1%	1,398	2,533	1,767	1,123
<b>Salary increase rate</b>				
Decrease 1%	1,358	2,697	1,723	1,320
Increase 1%	1,513	3,153	1,938	1,487
<b>Resignation rate</b>				
Decrease 1%	126	143	144	67
Increase 1%	102	112	117	52

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation- to significant actuarial assumptions, the same method has been applied as when calculating the liability recognised in the statement of financial position.

Expected maturity analysis of undiscounted retirement benefits:

	Consolidated financial statements				
	Between		Between		Total
	Less than a year	1-2 years	2-5 years	Over 5 years	
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Retirement benefits					
<b>At 31 December 2020</b>	-	1,672	1,757	104,517	107,946
<b>At 31 December 2021</b>	-	1,658	2,040	33,679	37,377
	Separate financial statements				
	Between		Between		Total
	Less than a year	1-2 years	2-5 years	Over 5 years	
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Retirement benefits					
<b>At 31 December 2020</b>	-	1,672	-	12,451	14,123
<b>At 31 December 2021</b>	-	-	2,040	15,138	17,178

The weighted average duration of the retirement benefit is 18.29 years. (2020: 23.89 years).

**Asiasoft Corporation Public Company Limited****Notes to the Consolidated and Separate Financial Statements****For the year ended 31 December 2021**

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**23 Share capital**

At the Annual General Meeting of the Shareholders for the year 2020 which was held on 23 April 2020, the shareholders approved the reduction of the authorised share capital of the Company from Baht 532,840,120 to Baht 512,346,270 by the reduce authorised share capital of 20,493,850 shares at a par value of Baht 1 each, due to Warrants (AS-WB) is expired, including amending the Memorandum of Association to reflect the reduction of authorised share capital of the Company. The Company registered the reduction in its registered with Ministry of Commerce on 28 April 2020.

On 28 May 2020, the shareholder exercised the warrant (AS-W1) for 177 shares at the price of Baht 2 per share totaling Baht 354, which consisted of issued and paid-up share capital for Baht 177 and share premium capital for Baht 177.

On 1 July 2020, the Company registered the reduction of the authorised share capital with the Ministry of Commerce by reducing the authorised share capital of the Company from Baht 512,346,270.00 paid-up share capital of Baht 409,877,193.00 to the authorised share capital of Baht 256,173,135.00 paid-up capital of Baht 204,938,596.50 by reduction the par value of shares from Baht 1.00 to Baht 0.50 each including amending the Memorandum of Association to reflect the reduction of authorised share capital of the Company in accordance with the approval in Annual General Meeting of the Shareholders for the year 2020 on 23 April 2020 in order to offset the partial of a deficit.

On 2 July 2020, the Company registered the increase of the authorised share capital with the Ministry of Commerce including amending the Memorandum of Association to reflect the increase of authorised share capital of the Company in accordance with the approval in Annual General Meeting of the Shareholders for the year 2020 as follows:

- increase in authorised share capital of the Company and issuance new warrant (AS-WB) not exceed 20,493,850 shares at par value Baht 0.50, for exercise of warrants.
- increase of the authorised share capital of the Company by issuance the General Mandate of the new issued share 40,000,000 shares at the par value of Baht 0.50 per share, totaling Baht 20,000,000.

On September 2020, the Company issued for 4,608,211 shares as a result of warrants (AS-WB), which consisted of paid-up share capital for Baht 2,304,105.50 and share premium capital for Baht 1,658,955.96.

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**Asiasoft Corporation Public Company Limited****Notes to the Consolidated and Separate Financial Statements****For the year ended 31 December 2021**

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**23 Share capital (cont'd)**

At the Extraordinary General Shareholders Meeting, which was held on 8 January 2021, the shareholders passed a resolution to approve as the follows:

- Decrease the authorised share capital Baht 51,234,538.50 from the authorised share capital Baht 286,420,060 with paid-up share capital of Baht 207,242,702 to be the authorised share capital Baht 235,185,521.50 with paid-up share capital of Baht 207,242,702 by cancelling the unissued shares to reserve for exercise of warrants. (AS-W1)
- Decrease the authorised share capital Baht 20,000,000 from the authorised share capital Baht 235,185,521.50 with paid-up share capital of Baht 207,242,702 to be the authorised share capital Baht 215,185,521.50 with paid-up share capital of Baht 207,242,702 by cancelling the unissued shares to reserve for issuance the General Mandate, included approve the amendment to Clause 4 of the Memorandum of Association of the Company to be in line with the reduction of the registered capital. The Company registered the decrease of share capital with the Ministry of Commerce on 18 January 2021.
- The allotment and preliminary details of warrants to purchase newly issued ordinary shares of Asiasoft Corporation Public Company Limited No. 2 (AS-W2) to the Company's existing shareholders proportionately to their shareholding.
- Increase the authorised share capital Baht 41,448,540 for issuance and allotment of warrants AS-W2 to purchase newly-issued ordinary shares to the Company's existing shareholders proportionately to their shareholding with 82,897,080 shares at par value Baht 0.50 from the authorised share capital Baht 215,185,521.50 with paid-up share capital of Baht 207,242,702 to be the authorised share capital Baht 256,634,061.50 with paid-up share capital of Baht 207,242,702, and approve the amendment to Clause 4 of the Memorandum of Association of the Company to be in line with the increasing of the registered capital. The Company registered the increase of share capital with the Ministry of Commerce on 18 January 2021.

On March 2021, the Company issued for 7,129,820 shares as a result of warrants (AS-WB), which consisted of issued and paid-up share capital for Baht 3,564,910 and share premium capital for Baht 2,566,736.

At the Annual General Meeting of the Shareholders for the year 2021 which was held on 23 April 2021. The shareholders passed a resolution to approve decrease the authorised share capital Baht 130,325 from the authorised share capital Baht 256,634,061.50 with paid-up share capital of Baht 207,242,702 to be the authorised share capital Baht 256,503,736.50 with paid-up share capital of Baht 207,242,702 by cancelling the unissued shares 260,650 shares with par value of Baht 0.50 per share and approve the amendment to Clause 4 of the Memorandum of Association of the Company to be in line with the reduction of the authorised share capital. The Company registered the decrease of share capital with the Ministry of Commerce on 30 April 2021.

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## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

## For the year ended 31 December 2021

## 23 Share capital (cont'd)

On 25 June 2021, the shareholder exercised the warrant (AS-W2) for 3,137,000 shares at the price of Baht 3.50 per share totaling Baht 10,979,500 which consisted of issued and paid-up share capital for Baht 1,568,500 and share premium capital for Baht 9,411,000.

On September 2021, the Company issued for 36,882 shares as a result of warrants (AS-WB), which consisted of issued and paid-up share capital for Baht 18,441 and share premium capital for Baht 13,278.

On 24 December 2021, the shareholder exercised the warrant (AS-W2) for 31,617,495 shares at the price of Baht 3.50 per share totaling Baht 110,661,232.50 which consisted of issued and paid-up share capital for Baht 15,808,747.50 and share premium capital for Baht 94,852,485

Reconciliations of number of authorised share capital and issued and paid-up share capital for the year ended 31 December 2021 are as follows:

	Authorised share capital	Issued and paid-up share capital
Number of ordinary shares at 1 January 2021 (shares)	572,840,120	414,485,404
Decreased authorised share capital due to cancelling the unissued shares;		
• to reserve for warrants (AS-W1) (shares)	(102,469,077)	-
• to reserve for issuance the General Mandate (shares)	(40,000,000)	-
Increased authorised share capital for issuance and allotment of warrants AS-W2 (shares)	82,897,080	-
Issuance of ordinary shares as a result		
of warrants exercised (AS-WB) (shares)	-	7,129,820
Decreased authorised share capital due to cancelling the unissued shares	(260,650)	-
Issuance of ordinary shares as a result		
of warrants exercised (AS-W2) (shares)	-	3,137,000
Issuance of ordinary shares as a result		
of warrants exercised (AS-WB) (shares)	-	36,882
Issuance of ordinary shares as a result		
of warrants exercised (AS-W2) (shares)	-	31,617,495
Number of ordinary shares at 31 December 2021 (shares)	513,007,473	456,406,601
Par value (Baht per share)	0.50	0.50
At 31 December 2021 (Baht)	256,503,737	228,203,300



**Asiasoft Corporation Public Company Limited**
**Notes to the Consolidated and Separate Financial Statements**
**For the year ended 31 December 2021**
**24 Legal reserve**

Under the Public Limited Company Act B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital of the Company. The reserve is not available for dividend distribution.

**25 Warrants**
**25 (a) Share-based payment - Warrants**
**Warrants issued and offered to directors and employees of the Company (AS-WB)**

The Company issued and offered warrants to directors and employees (AS-WB) of the Company and its subsidiaries, which are in registered form and are non-transferable. The warrants have no offered price and their terms do not exceed 3 years starting from 14 August 2020 in a maximum of 20,493,850 units. 1 unit of warrant is exercisable to purchase 1 ordinary share at Baht 0.86 each within 3 years starting from 14 August 2020. Its first exercise was during 16 - 20 September 2020 and able to exercise on every 6 months, which will be on 16 - 20 March and 16 - 20 September throughout the term of warrants.

Movements in the number of warrants outstanding and their related weighted average exercise prices are as follows:

	<b>Consolidated and Separate</b>	
	<b>financial statement</b>	
	<b>Average exercise price</b>	
	<b>Baht per share</b>	<b>Option</b>
At 1 January 2021	0.86	15,885,639
Exercised	0.86	(7,166,702)
At 31 December 2021	0.86	8,718,937

As at 31 December 2021, the Group and the Company recognised the value of warrants over the vesting period. The expense in relation to warrants are recognised as an expense in the consolidated and company income statements with a corresponding credit to the consolidated and company shareholders' equity of Baht 14,004,131

## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

## 25 Warrants (cont'd)

## 25 (b) Warrants No. 2 (AS-W2)

The Company issued and offered warrants to the Company's existing shareholders proportionately to their shareholding, which are in registered form and transferable to existing shareholders in a maximum of 82,636,430 units. 1 unit of warrant is exercisable to purchase 1 ordinary share at Baht 3.50 each within 3 years starting from 25 January 2021. Its first exercise was on 25 June 2021 and able to exercise on every 6 months, which will be on 25 June and 25 December throughout the term of warrants.

	Consolidated and Separate	
	financial statement	
	Average exercise price	
	Baht per share	Option
At 25 January 2021		
Granted by the company (AS-W2)	3.50	82,636,430
Exercised	3.50	(34,754,495)
At 31 December 2021	3.50	47,881,935

## 26 Other income

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Interest income	1,614	1,227	366	928
Gain from reduction of investment in subsidiary	-	-	-	44,745
Dividend income (Note 32(a))	-	-	86,021	-
Service income	10,403	-	59,600	26,448
Other income	42,305	18,736	19,907	16,079
Total other income	54,322	19,963	165,894	88,200

## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

## 27 Expenses by nature

The following expenditure items, classified by nature, have been charged in arriving at the operating profit (loss):

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Salaries, wages and other employee benefits	236,171	223,760	103,706	104,271
Monthly royalty fee	582,981	418,056	148,399	157,948
Depreciation	15,397	15,132	8,070	8,474
Amortisation	38,846	40,482	22,610	29,156
Loss on write off of intangible assets	-	9,582	-	9,582
Loss on impairment of prepaid royalty fee	2,956	7,595	-	-
Reversal of impairment of investment in subsidiaries	-	-	(124,075)	-

## 28 Income tax

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Current tax:</b>				
Current tax on profit for the year	83,111	20,119	5,214	-
Adjustment in respect of prior year	(152)	451	-	-
Total current tax	82,959	20,570	5,214	-
<b>Deferred tax:</b>				
Origination and reversal of temporary differences:				
- Deferred tax assets	6,210	3,817	23,965	-
- Deferred tax liabilities	(4,629)	(23)	(2,721)	-
Total deferred tax (income) expense	1,581	3,794	(21,244)	-
Total income tax expense (revenue)	84,542	24,364	(16,030)	-

## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

**28 Income tax (cont'd)**

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the Group as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Profit before income tax	598,957	407,293	404,228	209,081
Tax rate	17 – 24%	17 - 30%	20%	20%
Tax calculated at tax rate	161,599	83,501	80,846	41,816
Tax effect of:				
Adjustment in respect of prior year	(152)	451	-	-
Income not subject to tax	(52,429)	(24,719)	(51,032)	(19,221)
Expenses not deductible for tax purpose	9,938	33,864	6,297	31,950
Deferred tax expense (revenue)	1,581	3,794	(21,244)	-
Used tax benefit from previously unrecognised deferred tax assets	(36,162)	(72,527)	(30,897)	(54,545)
Minimum corporate income tax	167	-	-	-
Tax charge (credit)	84,542	24,364	(16,030)	-

**29 Earnings per share**

Basic earnings per share attributable to shareholders of the parent is calculated by dividing net earnings attributable to shareholders of the parent by the weighted average number of paid-up ordinary shares in issue during the year.

The diluted earnings per share attributable to shareholders of the parent is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

The Company has issued and offered warrants to directors and employees (AS-WB) of the Company and its subsidiaries. The warrants have no offered price and their terms do not exceed 3 years from the issued date (the issued date is 14 August 2020) at a maximum of 20,493,850 units. The exercise price is at Baht 0.86 per share. The exercise ratio is one warrant to one ordinary share. The warrants can be exercised on every 6 months, which will be on 16 - 20 March and 16 - 20 September throughout the term of warrants. The first exercise date will be on 16 - 20 September 2020.

The outstanding warrants as at 31 December 2021 which consist of warrant issued and offered to directors and employees of the Company and its subsidiaries (AS-WB) and warrants to the Company's existing shareholders (AS-W2) affect the diluted earnings per share since the exercise price of the outstanding warrants is lower than the average market price of the Company's shares during the period ended 31 December 2021.

## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

## For the year ended 31 December 2021

## 29 Earnings per share (cont'd)

The basic earnings per share are calculated as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Earnings attributable to ordinary				
shareholders of the Company (Thousand Baht)	479,228	307,044	420,258	209,081
Weighted average number of ordinary				
shares outstanding (Thousand shares)	422,389	411,148	422,389	411,148
Basic earnings per share (Baht per share)	1.13	0.75	1.00	0.51

The diluted earnings per share are calculated as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Earnings attributable to ordinary				
shareholders of the Company (Thousand Baht)	479,228	307,044	420,258	209,081
Weighted average number of ordinary				
shares outstanding (Thousand shares)	459,842	414,486	459,842	414,486
Diluted earnings per share (Baht per share)	1.04	0.74	0.91	0.50

## 30 Dividends

At the Annual General Meeting of the Shareholders for the year 2021 which was held on 23 April 2021. The shareholders passed a resolution to approve dividends payment in respect of the operating results of the fiscal year 2020 from retained earnings in cash at Baht 0.30 per share, totalling Baht 124.34 million. The dividends were for the shareholders listed in the register on 12 March 2021 and were distributed on 7 May 2021.

At the Board of Directors Meeting no.3/2021 which was held on 13 August 2021, the Board passed a resolution to approve interim dividends payment in respect of the operation results for the period from January to June 2021 at Baht 0.40 per share, totalling Baht 169.90 million. The dividends were for the shareholders listed in the register on 27 August 2021 and were distributed on 10 September 2021.

## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

**31 Commitments****License agreements**

The Group has entered into software license agreements, agreements licensing it to provide online game services and distribution rights agreements with several local and overseas companies. Under the agreements, the Company and subsidiaries are committed to pay initial license fees, minimum guarantee based on agreements and royalty fees based on revenue as stated in the agreements. The minimum guarantee payment are due according to the payment terms in the agreements.

As at 31 December 2021 and 2020, the Group are committed to pay initial license fees and minimum guarantee as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Initial license fees	37,782	12,143	7,760	9,273
Minimum guarantee	56,268	40,719	15,117	19,272

**32 Related party transactions**

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

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

The Company's shares are held by Mr. Pramoth Sudjitporn in the proportion of 43%. The remaining of 57% are widely held.

The significant investments in subsidiaries and associates are set out in Note 14.

## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

## 32 Related party transactions (cont'd)

The following significant transactions were carried out with related parties:

## (a) Sales of goods and services and others

For the years ended 31 December	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Revenues from license fees and services</b>				
Subsidiaries	-	-	63,335	27,798
Related parties	-	-	-	-
	-	-	63,335	27,798
<b>Revenues from selling card</b>				
Subsidiaries	-	-	350	669
Related parties	-	429	-	428
	-	429	350	1,097
<b>Interest income</b>				
Subsidiaries	-	-	-	24
	-	-	-	24
<b>Other income</b>				
Related parties	-	3,316	-	3,316
	-	3,316	-	3,316
<b>Dividend income</b>				
Subsidiaries	-	-	86,021	-
	-	-	86,021	-

## (b) Purchases of goods and services and others

For the years ended 31 December	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>License fees and management fee</b>				
Subsidiaries	-	-	35,205	23,040
	-	-	35,205	23,040
<b>Cost from selling card</b>				
Subsidiaries	-	-	472	686
	-	-	472	686

## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

## 32 Related party transactions (cont'd)

The following significant transactions were carried out with related parties: (cont'd)

## (c) Outstanding balances arising from sales/purchases of goods/services and others

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Trade accounts receivable</b>				
Subsidiaries	-	-	808	29
Related parties	-	19,401	-	19,400
Total	-	19,401	808	19,429
<u>Less</u> Expected credit losses	-	(19,400)	-	(19,400)
	-	1	808	29
<b>Amounts due from and</b>				
<b>accrued interest from related parties</b>				
Subsidiaries - other receivables	-	189	15,881	54,754
- accrued interest	-	-	-	-
Total	-	189	15,881	54,754
<u>Less</u> Expected credit losses	-	-	-	-
	-	189	15,881	54,754
<b>Trade and other payables</b>				
Subsidiaries	-	-	13,548	1,588
Related parties	-	-	-	-
	-	-	13,548	1,588



## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

## 32 Related party transactions (cont'd)

The following significant transactions were carried out with related parties: (cont'd)

## (e) Short-term loan from director

	Consolidated	
	financial statements	
	2021	2020
	Thousand Baht	Thousand Baht
<b>Short-term loan from director</b>		
Key management	478	478
	478	478

Short-term loans to director are loans without collateral, repayable within one year and carry interest at rate 1.10% per annum.

## (f) Key management's compensations

Key management includes directors (executive and non-executive), members of the Executive Committee, and the Company Secretary. The compensation paid or payable to key management for employee services is shown below:

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Short-term employee benefits	25,416	25,207	16,466	14,053
Retirement benefits	1,209	1,661	745	631
	26,625	26,868	17,211	14,684

## Asiasoft Corporation Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

## 33 Financial assets and liabilities denominated in foreign currencies

The significant outstanding balances of the Company and its subsidiaries' financial assets and liabilities denominated in foreign currencies are as follows:

Consolidated financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	2021	2020	2021	2020	2021	2020
	Thousand	Thousand	Thousand	Thousand	Baht	Baht
					Baht per 1 unit of foreign currency	
USD	5,406	913	2,015	852	33.4199	30.0371
EUR	-	-	14	11	37.8948	36.8764
MYR	7,368	10,003	60	88	8.0143	7.4357
SGD	6,772	4,194	43	19	24.7357	22.6632
PHP	-	-	11,176	-	0.6550	0.6261
IDR	1,181,577	2,588,248	-	1,960,268	0.0023	0.0021

Separate financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	2021	2020	2021	2020	2021	2020
	Thousand	Thousand	Thousand	Thousand	Baht	Baht
					Baht per 1 unit of foreign currency	
USD	2,816	405	600	475	33.4199	30.0371
EUR	-	-	9	11	37.8948	36.8764
MYR	-	-	-	-	8.0143	7.4357
SGD	14	2,000	87	66	24.7357	22.6632
PHP	-	-	-	-	0.6550	0.6261
IDR	-	-	-	-	0.0023	0.0021

**Asiasoft Corporation Public Company Limited****Notes to the Consolidated and Separate Financial Statements****For the year ended 31 December 2021**

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**34 Events occurring after the reporting date**

At the Board of Directors Meeting no.1/2022 held on 25 February 2022, the Board agreed to propose the shareholders to consider and approve the follows:

- Passed a resolution to pay the dividend payment for the operating results of the fiscal year 2021 in the amount of Baht 420.26 million by allocating from retained earnings to the legal reserve Baht 19.47 million in cash at the rate of 0.70 Baht per share or total approximately amount of Baht 306.82 million representing approximately 76.50% of the Company's retained earnings (according to the separate financial statement) after deduction corporate income tax, legal reserve, and other related reserves in accordance with the Company's dividend payment policy.

However, at the Board of Directors Meeting no.3/2021 which was held on 13 August 2021, the Board passed a resolution to approve and distributed to the shareholders listed in the register on 10 September 2021. The interim dividends payment at Baht 0.40 per share, totalling Baht 169.90 million, and the remaining dividends is Baht 0.30 per share, in approximately Baht 149.58 million. The dividends payment will be passed a solution from the Annual General Meeting for the year 2022. The Company has specified the name list of shareholders who are eligible to receive dividends (Record Date) on 14 March 2022 and the dividend payment to shareholders on 9 May 2022.

- Passed a resolution for signing the Memorandum of Understanding (MoU) with Bitkub Capital Group Holding Co., Ltd to starts a new Joint venture company. This Joint Venture has proposed to develop a full ecosystem of blockchain Gaming platforms to transform the conventional game model into a new game model which is Hybrid GameFi. This MoU has not considered as a joint venture agreement yet.
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# PART 4 ENCLOSURES

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ASIASOFT ANNUAL REPORT 2021

# BOARD OF DIRECTORS



**1. Mr. Pramoth Sudjitporn**

Vice Chairman and Acting Chairman

**2. Mr. Kittipong Prucksa-aroon**

Director and Managing Director

**3. Mr. Chalermphong Jitkuntivong**

Independent Director and Chairman of the Audit Committee

**4. Mrs. Monluedee Sookpantarat**

Independent Director and Audit Committee Member

**5. Pol.Col. Yanaphon Youngyuen**

Independent Director and Audit Committee Member



# MANAGEMENT



**1. Mr. Ung Chek Wai, Gerry**

Chief Financial Officer

**2. Mr. Quach Dong Quang**

Chief Operation Officer

## BOARD OF DIRECTORS AND MANAGEMENT'S PROFILE

Full Name	Mr. Pramoth Sudjitporn		
Age	47		
Position	Vice Chairman and Acting Chairman		
Appointment Date	17 May 2007		
Number of Company Shares as of 31 December 2021	<ul style="list-style-type: none"> <li>• Shares 161,439,690</li> <li>• Warrants 33,837,554</li> </ul>		
Number of Company Shares of Spouse as of 31 December 2021	<ul style="list-style-type: none"> <li>• Shares 41,397,656</li> <li>• Warrants 0</li> </ul>		
Illegal Record in Past 10 Years	None		
Educational Background	<ul style="list-style-type: none"> <li>• Bachelor of Business Administration, Bangkok University</li> </ul>		
Training Program	<u>Training Program Organized by Thai Institute of Directors Association (IOD)</u> <ul style="list-style-type: none"> <li>• Director Accreditation Program (DAP 50/2006)</li> </ul>		
Work Experiences (Listed Company)	17 May 2007 - 25 February 2022	Vice Chairman, Acting Chairman and Chief Executive Officer	Asiasoft Corporation Public Company Limited

Work Experiences (Listed Company)	13 August 2008 - Present	Director	A Capital Company Limited
	20 July 2004 - Present	Director	Playpark Company Limited (former name Funbox Company Limited)
	17 October 2001 - Present	Liquidator	Asiasoft International Company Limited
	6 October 2017 - Present	Director	Skynet Systems Company Limited
	6 May 2004 - Present	Director	Asia Asset Company Limited
Expertise	Business Management, Information Technology, Games Industry Knowledge		

Full Name	Mr. Kittipong Prucksara-roon		
Age	53		
Position	Director and Managing Director		
Appointment Date	23 April 2020		
Number of Company Shares as of 31 December 2021	<ul style="list-style-type: none"> <li>• Shares 61,324</li> <li>• Warrants 0</li> </ul>		
Number of Company Shares of Spouse as of 31 December 2021	<ul style="list-style-type: none"> <li>• Share 0</li> <li>• Warrants 0</li> </ul>		
Illegal Record in Past 10 Years	None		
Educational Background	• BBA, Assumption University		
Training Program	<u>Training Program Organized by Thai Institute of Directors Association (IOD)</u> <ul style="list-style-type: none"> <li>• Successful Formulation &amp; Execution of Strategy (Class 13/2011)</li> <li>• Directors Accreditation Program (DAP) Class 170</li> </ul>		
Work Experiences (Listed Company)	2020 - Present	Director, and Managing Director	Asiasoft Corporation Public Company Limited
	2017 - Present	Director	Skynet Systems Company Limited
	2016 - Present	Director	Thaiware Communication Company Limited
Expertise	Business Administration		

Full Name	Mr. Chalermphong Jitkuntivong		
Age	61		
Position	Independent Director and Chairman of the Audit Committee		
Appointment Date	17 May 2007		
Number of Company Shares as of 31 December 2021	<ul style="list-style-type: none"> <li>• Shares 505,700</li> <li>• Warrants 0</li> </ul>		
Number of Company Shares of Spouse as of 31 December 2021	<ul style="list-style-type: none"> <li>• Share 0</li> <li>• Warrants 0</li> </ul>		

Illegal Record in Past 10 Years	None		
Educational Background	<ul style="list-style-type: none"> <li>• Master of Laws, Cornell University, USA</li> <li>• Barrister at laws (Thai Bar)</li> <li>• Bachelor of Laws (Hons.), Chulalongkorn University</li> <li>• Graduate Diploma in Business Laws, Thammasat University</li> </ul>		
Training Program	<u>Training Program Organized by Thai Institute of Directors Association (IOD)</u> <ul style="list-style-type: none"> <li>• Director Accreditation Program (DAP 53/2006)</li> <li>• Understanding the Fundamental of Financial Statements (UFS 9/2007)</li> </ul>		
Work Experiences (Listed Company)	17 May 2007 - Present	Independent Director and Chairman of the Audit Committee	Asiasoft Corporation Public Company Limited
Work Experiences (Non-listed Company)	4 May 1987 - Present	Lawyer	Domnern Somgiat & Boonma Law Office Limited
Expertise	Law		

Full Name	Mrs. Monluedee Sookpantararat		
Age	57		
Position	Independent Director and Audit Committee Member		
Appointment Date	23 November 2007		
Number of Company Shares as of 31 December 2021	<ul style="list-style-type: none"> <li>• Shares 60,000</li> <li>• Warrants 0</li> </ul>		
Number of Company Shares of Spouse as of 31 December 2021	<ul style="list-style-type: none"> <li>• Share 0</li> <li>• Warrants 0</li> </ul>		
Illegal Record in Past 10 Years	None		
Educational Background	<ul style="list-style-type: none"> <li>• Master's Degree in Accounting, Thammasat University</li> <li>• Graduate Diploma in Auditing, Thammasat University</li> <li>• Bachelor's Degree in Accounting with 2nd class honors, and Major in Accounting, Thammasat University</li> <li>• Certified Public Accountant, Thailand License No.4020</li> <li>• Arbitrator, Thailand Arbitration Center : THAC</li> <li>• Arbitrator, Thai Arbitration Institute : TAI , Court of Justice</li> <li>• ASEAN Chartered Professional Accountant</li> </ul>		
Training Program	<u>Training Program Organized by Thai Institute of Directors Association (IOD)</u> <ul style="list-style-type: none"> <li>• Director Certification Program (DCP 31/2003)</li> <li>• Director Diploma Award (Fellow Member) (Class 11/2003)</li> <li>• Director Accreditation Program (DAP 34/2005)</li> <li>• Audit Committee Program (ACP 23/2008)</li> <li>• Ethical Leadership Program (ELP 23/2021)</li> <li>• Anti-Corruption the Practical Guide (ACPG 57/2021)</li> </ul> <u>Others</u> <ul style="list-style-type: none"> <li>• KPMG Webinar I Debt restructuring during COVID-19: Views from KPMG &amp; the Bank of Thailand, KPMG Phoomchai Audit Ltd.</li> <li>• PwC Consulting Thailand's webex webinar : "How to Respond to Emerging Fraud Issues in 2021", PricewaterhouseCoopers ABAS Ltd.</li> <li>• Fitch Ratings Thailand Corporate Credit Outlook Webinar, Thailand's views on Thailand's key corporate sectors and global ESG. Trends, FITCH RATINGS (THAILAND) LIMITED.</li> </ul>		



Training Program	<ul style="list-style-type: none"> <li>• Live Event Seminar of Capital Market Business Division, Kasikorn Bank, titled “currency direction and interest rates in the global financial market volatility “, Kasikorn Bank</li> <li>• KPMG live webinar on working capital optimization: Tips on how to release cash from your balance sheet to support your liquidity needs., KPMG Phoomchai Audit Ltd</li> <li>• Fitch Ratings Thailand webinar on “Thailand Sovereign and Bank Outlook”. FITCH RATINGS (THAILAND) LIMITED.</li> <li>• KPMG live webinar on One report, sustainability disclosure requirement: The challenges ahead. , KPMG Phoomchai Audit Ltd</li> <li>• “Trends, directions of making M&amp;A, important issues to consider and strategies for making M&amp;A successful”, The Stock Exchange of Thailand</li> </ul>		
Work Experiences (Listed Company)	23 November 2007 - Present	Independent Director and Audit Committee Member	Asiasoft Corporation Public Company Limited
	2013 - Present	Independent Director, Audit Committee, Chairman of the Risk Management Com- mittee and Member of the Nomination and Remuneration Committee	Plan B Media Public Company Limited
	2015 - Present	Vice Chairman, Independent Director and Chairman of the Audit Committee	ASN Broker Public Company Limited
	2016 - Present	Independent Director, Chairman of the Audit Committee and Risk Management Committee	Silicon Craft Technology Public Company Limited
Work Experiences (Non-listed Company)	1993 - Present	Visiting Lecturer, Faculty of Commerce and Accountancy	Thammasat University
	2002 - Present	Visiting Lecturer, Faculty of Accountancy	Bangkok University
	2014 - 2021	Deputy Managing Director of Accounting and Finance	Nava Nakorn Public Company Limited
	2002 - 2011	Director and Director of Central Accounting and Finance	Group of Wave Entertainment Public Company Limited
	1987 - 1996	Audit Manager	EY Office Limited
Expertise	Finance and Accounting		

Full Name	Pol.Col. Yanaphon Youngyuen		
Age	68		
Position	Independent Director and Audit Committee Member		
Appointment Date	13 November 2017		
Number of Company Shares as of 31 December 2021	<ul style="list-style-type: none"> <li>• Shares 50,000</li> <li>• Warrants 0</li> </ul>		
Number of Company Shares of Spouse as of 31 December 2021	<ul style="list-style-type: none"> <li>• Share 0</li> <li>• Warrants 0</li> </ul>		
Illegal Record in Past 10 Years	None		
Educational Background	<ul style="list-style-type: none"> <li>• Bachelor of Public Administration Science; Police Cadet Academy Class 28</li> <li>• Master of Urban Planning; Faculty of Architecture, Chulalongkorn University</li> <li>• Master of Science Program in Computer Science; Department of Computer Engineering, Faculty of Engineering, Chulalongkorn University</li> <li>• Chief Information Officer (CIO 16)</li> <li>• Senior Executives Development Program : Visionary Leadership Class 46</li> <li>• Capital Market Academy (CMA 7)</li> <li>• National Security Management for Senior Executives (NSM 3)</li> <li>• Management for Senior Executives Program 2 Class 3</li> <li>• Advance Political and Electoral Development Institute (APED 3)</li> <li>• Advanced Security Management Program (ASMP 4)</li> </ul>		
Training Program	<u>Training Program Organized by Thai Institute of Directors Association (IOD)</u> <ul style="list-style-type: none"> <li>• Director Accreditation Program (DAP 144/2018)</li> </ul>		
Work Experiences (Listed Company)	13 November 2017 - Present	Independent Director and Chairman of the Audit Committee	Asiasoft Corporation Public Company Limited
Work Experiences (Non-listed Company)	11 December 2019 - Present	Cyber Security Expert Commissioners on Engineering	National Cyber Security Committee
		Suppression Division : Chakawat Police Station, Prarajawang Police Station, Bangsue Police Station	Royal Thai Police
		Supporter Division : HR of Metropolitan Police Bureau, Purchasing Department, AFIS Criminal Records Division, Police Information System Center	Royal Thai Police
		Director of Hi-Tech Crime Bureau	Department of Special Investigation (DSI)
		Director of Technology and Information Bureau	Department of Special Investigation (DSI)

Work Experiences (Listed Company)		Deputy Director- General of DSI	Department of Special Investigation (DSI)
Expertise	<ul style="list-style-type: none"> <li>• The Automated Fingerprint Identification System (AFIS)</li> <li>• Criminals Database Operating System (CDOS)</li> <li>• Police Information System (POLIS)</li> <li>• Command Control Communication Information Center (C3I)</li> <li>• Design and Developer Programing; Gunman System, Important Personal Information System, Lost Vehicle System, Payroll System, Crime Statistics System</li> <li>• Internet Developer for Royal Thai Police and website <a href="http://www.police.go.th">www.police.go.th</a></li> <li>• Sub-Committee for Drafting Computer Crime Law 2007 and 2017</li> <li>• President of Thai Webmaster Association <a href="http://www.webmaster.or.th">www.webmaster.or.th</a></li> <li>• Sub-Committee for Online Media Reform Steering</li> <li>• Vice President of Thai Computer Association</li> <li>• President of Thai Information Security Association (TISA)</li> <li>• President of Wat Makutkasat School Alumni Association</li> <li>• Honorary Committee of National Cyber Security Committee</li> <li>• Committee for Drafting Cybersecurity Act 2019</li> <li>• Committee for Drafting Personal Data Protection Act 2019</li> <li>• Committee for Digital Government Development Agency Lecturer in Ecology of Crime, Computer and Computer Crime</li> <li>• Police Cadet Academy, Inspector Curriculum, Superintendent and Senior Police Administration, Thammasat University, Kasetsart University, National Institute of Development Administration (NIDA)</li> <li>• Faculty of Law, Faculty of Engineering Chulalongkorn University</li> <li>• King Mongkut's University of Technology Thonburi, North Bangkok</li> <li>• Command and General Staff College</li> <li>• Faculty of Law Siam University, Bangkok University, Naresuan University, Rangsit University, Sripatum University, Silpakorn University, Mahidol University, Ramkhamhaeng University</li> <li>• Phranakhon Rajabhat University, Suan Dusit, Songkhla, Chiang Rai Academic Work</li> <li>• Ecological studies for crime prevention planning in Bangkok (Phra Nakhon side)</li> <li>• A decision-making system for the management of vehicles of the Police Department</li> </ul>		

Full Name	Mr. Ung Chek Wai, Gerry
Age	54
Position	Chief Financial Officer
Appointment Date	1 November 2017
Number of Company Shares as of 31 December 2021	<ul style="list-style-type: none"> <li>• Shares 145,482</li> <li>• Warrants 12</li> </ul>
Number of Company Shares of Spouse as of 31 December 2021	<ul style="list-style-type: none"> <li>• Share 3,300,000</li> <li>• Warrants 0</li> </ul>
Illegal Record in Past 10 Years	None
Educational Background	<ul style="list-style-type: none"> <li>• Business Administration, Middlesex University</li> <li>• Master of Science in Corporate Finance, Salford University</li> </ul>
Training Program	<u>Training Program Organized by Thai Institute of Directors Association (IOD)</u> <ul style="list-style-type: none"> <li>• Director Accreditation Program (DAP 88/2011)</li> </ul>

Work Experiences (Listed Company)	1 November 2017 - Present	Chief Financial Officer	Asiasoft Corporation Public Company Limited
Work Experiences (Non-listed Company)	2008 - Present	Director	Playpark Pte. Ltd. (former name Asiasoft Online Pte. Ltd.)
	2019 - Present	Director	Playpark Inc.
	2019 - Present	Director	PT. Asiasoft
	2020 - Present	Director	Playpark Malaysia
Expertise	Finance and Business Management		

Full Name	Mr. Quach Dong Quang		
Age	55		
Position	Chief Operation Officer		
Appointment Date	1 November 2017		
Number of Company Shares as of 31 December 2021	<ul style="list-style-type: none"> <li>• Shares 97,794</li> <li>• Warrants 0</li> </ul>		
Number of Company Shares of Spouse as of 31 December 2021	<ul style="list-style-type: none"> <li>• Share 1,100,000</li> <li>• Warrants 0</li> </ul>		
Illegal Record in Past 10 Years	None		
Educational Background	<ul style="list-style-type: none"> <li>• University of Warwick - Warwick Business School - MSc. Management Science and Operations Research</li> <li>• University of Nottingham - BA. Social Science</li> <li>• Dudley College of Technology</li> </ul>		
Training Program	None		
Work Experiences (Listed Company)	1 November 2017 - 25 February 2022	Chief Operation Officer	Asiasoft Corporation Public Company Limited
	2001 - 2004	Regional Manager - SEA	Vivendi Universal
	1998 - 2001	Regional Manager Indochina	BIC Asia
	1995 - 1998	Country Manager	Danone International Brand - Vietnam
Work Experiences (Non-listed Company)	2014 - Present	Director	Playpark Pte. Ltd. (former name Asiasoft Online Pte. Ltd.)
	2014 - 2021	Director	Playpark Inc.
	2005 - 2021	Director	Asiasoft (VN) Co., Ltd.
Expertise	Business Management and Games Industry Knowledge		

# DETAIL OF INTERNAL AUDIT COORDINATOR

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Full Name	Mr. Chawanin Tritavornyuenyong		
Age	38		
Education Qualification	Master of Science in Finance, Chulalongkorn University		
Shareholding (%)	None		
Family Relationship between Directors and Exclusives	None		
Work Experiences in the Last 5 Years	August 2020 – Present	Finance and Accounting Director	Asiasoft Corporation Public Company Limited
	June 2019 – July 2020	Chief Financial Officer	Warrik Sport Company Limited
	November 2017 – May 2019	Finance and Accounting Director	Royal Plus Company Limited
	November 2007 – October 2017	Senior Manager (Assurance services)	Pricewaterhouse Coopers ABAS, Ltd.

# CORPORATE GOVERNANCE POLICY

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The Board is aware of its role, duties, and responsibilities towards the Company and its shareholders, and has already approved written policies pertaining to supervision and monitoring of its operations. Criteria and operating guidelines have been set, in line with Principles of Good Corporate Governance of the SET to support the Good Corporate Governance in practice. Moreover, the Company must comply with the various rules and regulations prescribed by the SEC and the SET in every respect, and review its governance policies and evaluate the result pursuant to those policies at least once a year.

On 20 June 2007, the Board of Directors Meeting No.1/2007 resolved to create policies on the supervision of its operations, which will be used as guidelines. They can be divided into 5 sections, as follows :

## 1. The Rights of Shareholders

The rights of shareholders covers a variety of rights such as the right to purchase, sell, or transfer shares, the right to share in the Company's profits, the right to attend shareholder meetings, and the right to express an opinion and to participate in making important decisions in the Company. Such decisions include the selection of directors, approval of major transactions with a potential impact on the Company's direction, and revisions of the Company's Memorandum and Articles of Association.

It is the Company's policy to promote and facilitate the shareholders' exercise of their various rights, by such means as follows :

- Distribute information concerning shareholder meetings on the Company's website before sending out paper documents, and elaborating on the rights of shareholders in attending the meeting and voting.
- Where a shareholder cannot attend the meeting in person, he or she is given the opportunity to appoint an independent director or any individual as his or her proxy at the meeting by using any of the forms of proxy sent by the Company together with the convening notice for the meeting.
- Before a scheduled meeting date, shareholders are given the opportunity to send their opinions, recommendations, and questions by e-mail to the Investment Relations Officer or the Board Secretary.
- The Company will arrange an appropriate time-slot for shareholders to make their comments and recommendation or raise questions freely on any agenda item before a resolution is adopted on that item. Adequate information has already been provided to shareholders for these meetings and the Company will arrange to have available staff who are well informed in each area under question, under the Board's supervision, to respond to any questions or doubts raised from the floor.
- All directors will attend the meeting so that shareholders may ask for further details or information on any relevant issues.

## 2. Equitable Treatment of Shareholders

It is the Company's policy to treat all shareholders equally and protect their rights in the interest of strengthening equitable treatment particularly for minority shareholders. For instance :

- Shareholders will be given equal opportunities and facilities. No action will be taken that will limit, violate or diminish their rights.
- The right to vote at meetings will be determined by the number of shares held by each shareholder at the rate of one vote for one share.
- Independent directors are assigned to take care of minority shareholders who may make recommendations, comments, or complaints to them. These independent directors will give appropriate consideration to each issue. For example, in the case of complaints, they will establish the facts and decide

a suitable remedy. In the case that the independent directors consider that the recommendation has a significant impact on those with vested interests or on the Company's operations in general, that issue will then be submitted to the shareholder meeting for the shareholders' consideration.

- Shareholders will be encouraged to exercise their rights. For example, minority shareholders will be given the opportunity to add agenda items before the scheduled meeting date or to nominate directors. The agenda, however, may not be expanded without prior notice to shareholders.
- The Board has taken measures against insider trading by relevant parties including directors, executives, employees, and employees of the Company involved with that information (including the spouses and non sui juris children of those individuals).

### 3. Role towards Stakeholders

The Company takes seriously the rights of all stakeholders such as customers, suppliers, employees, or shareholders as well as the public and society overall. They will be treated by the Board in accordance with their rights, conditions, legal requirements, and various related rules and regulations. Action will also be taken for co-operation between these various stakeholders according to their roles and duties to ensure smooth operations with stability and equitable returns for all parties.

To ensure that stakeholders receive their due, the Company has established an operating guideline in its Code of Conduct for Employees. The Code of Conduct has been distributed on the Company's website and internal communications media such as the Intranet and the PR Board. The directors, executives and employees at every level must adhere closely to the Code of Conduct in their work. In addition, channels have been opened for stakeholders to communicate with, and comment or provide information to the Board through independent directors.

- Shareholders : In its determination to achieve good performance, stable growth, and competitiveness for the Company in the face of current and future risks, and to create added value for its shareholders in the long-term, it is the Company's duty to disclose information for the sake of equity and transparency such that it will endeavour to protect the Company's property and to preserve its good reputation to the best of its ability.
- The Company's Board of Directors : The Board is aware of the rights of all stakeholders and the action to be taken to treat all fairly and equitably.
- Employees : Employees are a valuable asset of the Company. Therefore the Company recruits people with the relevant skills and experience to ensure the Company's growth and satisfy its requirements. Human resource development is ongoing to ensure that staff competencies are maintained at a high level and that staff are appropriately and competitively compensated vis-a-vis leading companies. Moreover, the Company is focused on building up and reinforcing a good working culture and environment and treating its employees fairly on an equal basis. The Company looks after employees' security and welfare through its Provident Funds and its provision of loans to employees, arrangements for fire-drills, provision of safety/security systems, etc.
- Customers : The Company focuses on customer satisfaction with its workforce of quality staff and excellent service together with its readiness to meet their demands. Customers are treated respectfully and responsibly and care is taken to keep information from them confidential. Customer feedback is encouraged with staff specifically assigned to receive complaints.
- Suppliers : The Company takes care to treat its suppliers in line with commercial terms and contractual obligations. Action is taken within a framework of fair competition avoiding cheating behavior.
- Competitors : The Company functions within a framework of fair competition and has always avoided dishonest measures that try to eliminate competitors.
- Communities, Society, and the Environment : The Company fully cognizant of its role as a part of

society with a commitment for its well-being, public activities is supported in the interest of developing communities and the Environment. Our online game services are provided with a serious commitment to Society as it is the Company's policy to provide games with suitable content without violence and with appropriate warnings in its games and advertisements. Seminars are arranged to encourage players to spend their time appropriately and to play their games properly. The Company is the first online games operators in Thailand to provide an age-classification for each game in accordance with the State's age-classification policy. It also makes a Game Master available for each game in order to check and monitor gamers' various activities in the games and to ensure that no violence, gambling or other inappropriate activity is involved. Moreover, its online games services help to build gamers' computer skills and expand the internet usage and internet network infrastructure, enabling the public to easily access data and various information. In addition, online games developed by the Company have contributed to the development of Thailand's R&D in software and animation.

#### **4. Disclosure and Transparency**

Besides making complete and timely financial disclosure or disclosure of other information to the public via various channels in strict compliance with the law, the Company shall also make the following disclosures to show the transparency of its operations :

- Disclosure of information concerning performance by various sub-committees such as the frequency of their meetings.
- Disclosure of guidelines in recruiting directors, relevant evaluation guidelines and evaluation of the Board's performance.
- Disclosure of remuneration policies for directors and high-level executives as well as the form, manner, and amount of remuneration received by each member of the various sub-committees.
- Disclosure of policies created for protection of the environment and in support of society, and the results of their implementation.
- Report on policies of corporate governance and their implementation.
- Opportunity for the public to raise any concern/query via the Investment Relations Officer.

#### **5. Responsibilities of the Board, its Structure and Various Sub-committees**

##### The Board's Structure

The vision outlined by the Company is that : "We are determined to maintain our leadership in Online Entertainment Services involving online games in the Southeast Asian region, with a focus on providing efficient services, developing our personnel to support the services and expanding investment to other high potential countries in the region, under a transparent and accountable management pursuant to the principles of Good Corporate Governance". To realize this vision, the Board strives to maintain the highest ethical standards within the framework of the law, the Company's objectives, and its Charter as well as resolutions adopted at shareholder meetings with commitment, honesty, integrity, and prudence in line with good operating practice so as to deliver highest economic value to the Company and maximum stability to shareholders.

The Company's Board of Directors comprises of people who have knowledge, skills, and experience drawn from a variety of professions in the areas of PC games, online business, finance, marketing, law, management, IT, and other fields beneficial to the Company's work. The Board is free to decide in the best interests of the Company and its shareholders overall. This Board has played a part in determining (or approving) the Company's Vision, Mission, Strategies, Targets, Business Plans, and Budgets as well as supervising the performance of its management to ensure effective implementation of the Business Plans and Budgets for the greatest economic benefit for the Company and maximum stability for the shareholders. Action has also been taken to ensure that there is a process for regular evaluation of the adequacy of internal control, internal audit, risk management, financial reporting, and follow-up of performance.



Currently, the Company's Board of Directors comprises of 5 members, 2 of whom are executive and 3 are non-executive. Three members of the Board are independent directors which, therefore, exceeds one-third of the Board thereby giving an appropriate balance vis-a-vis executive directors. The Board has set up 2 sub-committees to help supervise operations of the Company, i.e. the Executive Committee and the Audit Committee which consists of 3 independent directors with a term of office of up to 3 years. The duties and responsibilities of those Committees have been expressly defined at previous shareholder meetings.

The Company has clearly separated the duties and responsibilities of its Board and senior executives. While the Board's duty is to establish policies and supervise the performance of high-level executives pursuant to those policies, it is the duty of high-level executives to administer the Company's affairs in various areas to ensure that these policies are implemented appropriately. The Chairman of the Board and the Chief Executive Officer must be two different individuals to ensure that there is a clear separation between the determining of supervisory policies and the administration of regular affairs. However, both of them will be representatives of majority shareholder groups, albeit different groups, which together constitute the Company's founders.

#### Remuneration for Directors and Executives

The Company has a policy of determining remuneration for its directors, both in monetary and non-monetary terms, openly and transparently. The remuneration shall be submitted for approval to the annual general meeting of shareholders. Criteria governing remuneration of directors are as follows :

- Appropriate and commensurate with the duties and responsibilities of each director.
- At a level capable of attracting and retaining quality directors with suitable ability and knowledge.
- Clear, transparent and easily comprehensible.
- Comparable to the remuneration of directors in the same or similar industry(ies).

The remuneration for executives will be determined by the Board, both in monetary and non-monetary terms, in line with the Company's performance and each executive's performance. They will be set at such rates as are adequately attractive to retain quality senior executives and shall be comparable to rates of other companies in the same grade or operating in the same line of business.

#### Board Meetings

Board meetings will be convened and conducted pursuant to the Company's Charter, the laws governing public companies, and the rules and regulations of the SET with special meetings to be convened, where necessary. The Chairman of the Board, as chairman of the meeting, will support the exercise of prudent discretion and will allow enough time for the meeting to ensure that major problems may be submitted and discussed by management with due diligence. An invitation to the meeting, together with the agenda items and supporting documents, will be sent to the Board at least 7 days before the meeting. All directors will be required to attend every Board meeting except in the case of an emergency. Minutes of the meeting will be properly and correctly recorded by the Company and will be accessible by shareholders for verification.

#### Report from the Board of Directors

The Board will be responsible for preparing the Company's financial statements including the Consolidated Financial Statements for the Company and its subsidiaries and the Financial Information to be presented in the Annual Report. Those financial statements will be prepared pursuant to the accounting standard generally accepted in Thailand based on appropriate, acceptable and consistent accounting policies. Discretion and care will be exercised to ensure that the Notes to the Financial Statements disclose adequate vital information.

#### Self-evaluation by the Board/Committee Members

To enhance the efficiency of performance by its various Committees, arrangements are made by the Company to have members of each Committee evaluate their own overall performance so that they can together appraise and look at their performance and problems. Following this evaluation, the Board will analyse their

performance and determine measures which will improve the Committees' efficacy.

#### Development of Directors and Executives

The Company will support the attendance of its Board and senior executives at training courses which will be beneficial to their performance and will enable them to exchange opinions, on a regular basis, with Board members and senior executives of other organisations. Such courses include those arranged by the Company's employee training unit, units under the State's jurisdiction, and independent entities such as Thai Institution of Directors. It is an SEC requirement that directors of listed companies attend at least one of these courses, e.g. Director Certification Program (DCP), Director Accreditation Program (DAP) and Audit Committee Program (ACP) so that knowledge and experience gained can be used for the Company's further development.

#### Investor Relations

The Board takes care that adequate information is disclosed to its shareholders, investors, and other relevant parties. That disclosure must be correct, complete, transparent, comprehensive, and on-time pursuant to Good Corporate Governance principles. It must include financial reports, operating results, and other related information as well as information which may have an impact on the pricing of its securities. Information and various newsletters will be distributed, through channels set up by the SET and the SEC including the Company's own website (www.asiasoft.net), and will help ensure that investors, shareholders, and related parties can use the information in their investment decisions. The Company plans to set up an Investor Relations Unit to monitor and provide information and newsletters, and to answer queries raised by shareholders, investors, analysts, and the public in general.

#### Recruitment of Directors and Top Executives

Currently, the Company has no Nominating Committee for selecting directors. This matter is therefore left to the Board, which will select individuals and propose them to the shareholders based on a variety of factors such as their educational background, competencies, and business experience. They must also be qualified under the Public Limited Companies Act, B.E. 2535, Notification of the SEC and other relevant laws. Director selection will be made by majority vote at shareholder meetings in accordance with the following criteria and procedure :

1. A shareholder will be entitled to one vote for each share.
2. The vote to select directors will be done on an individual basis.
3. The person with the most votes will be selected as a director. If there is more than one vacancy, the persons with the most votes in descending order will be selected as directors. Where there is a tie, the Chair of the shareholder meeting has a casting vote.

Directors will be in office for a term of 3 years. At each Annual General Shareholders Meeting, one-third of the Board will retire with those who have been longest in office retiring first. A retiring director may be reappointed for another term.

For selection of Top Executives, the Board will consider and nominate the Top Executives by considering based on a variety of factors such as their educational background, competencies, business experience, and their work responsibilities.

#### Subsidiaries and Affiliates Governance

The Company has sent the representatives to be director in subsidiaries and affiliates according to the proportion of shareholding of the Company. Such representatives have the rights to control the material transaction that is any material agreement or contract of subsidiaries or affiliates shall be signed by the director who is the representative of the Company. The representative of the Company who is nominated to be directors of subsidiaries or affiliates has the duty to do for the best benefit of such subsidiaries or affiliates.

In addition, in case is the subsidiaries, the representatives of the Company who is nominated to be

director of subsidiaries shall manage subsidiaries to keep the information and accounting records in order to the Company can verify and collecting such information to prepare the consolidated financial statements in time.

#### Monitoring the Use of Inside Information

The Company has introduced a policy and measures to prevent the use of inside information which has not yet been disclosed to the public, for personal gain and securities trading :

1. Directors, executives, employees, and workers within the Company must keep Company information and other inside information confidential.

2. Directors, executives, employees, and employees within the Company may not disclose any confidential information or other inside information about the Company, or use it for their own gains or those of others, whether directly or indirectly, and whether or not it is for compensation.

3. Directors, executives, employees, and workers within the Company may not buy or sell, transfer or accept the transfer of the Company's securities through the use of confidential or inside information about the Company, or take any other action using that confidential or inside information which would cause the Company to suffer a loss, whether directly or indirectly.

Directors, executives, employees, and workers of the Company who work in a unit which has acquired inside information should avoid buying or selling the Company's securities for 1 month before disclosure of its financial statements to the public. This provision includes the spouses and non sui juris children of directors, employees and workers of the Company. It is a serious offence to breach this provision.

4. Directors and executives are required to report to the SEC any change in their holding of securities or that of their spouses and non sui juris children.

The Company will take disciplinary action against any of its directors, executives, employees, and workers who breaches or fails to comply with the Company policy. The disciplinary action begins with a written notice and is followed by salary cut(s), unpaid temporary suspension from work, and dismissal from employment, depending on the severity of the offence and the provisions in the Company's Charter informing all directors, executives, employees, and workers of the disciplinary action.

Moreover, each director and executive has acknowledged in writing his or her duty to report his or her holding of the Company's securities and those held by his or her spouses and non sui juris children and to report any change in such holdings to the SEC and the SET pursuant to section 59 and the penalty prescribed by section 275 of the Securities and Exchange Act, B.E. 2535.

On the subject of providing supporting data to its affiliates, the Company has prescribed procedures to prevent information leaking, such as requesting a signed Confidentiality Agreement and a ban against photocopying of documents without authorization.

#### Anti-Corruption

Asiasoft Corporation Public Company Limited ("the Company") realized the importance of doing business under governance by adhering to business activities with honesty, integrity, transparency, fairness, responsibility, and be cautious under the laws, regulations, rules, and relevant standards of Thailand. To show the spirit and determination against corruption in all forms, the Company, therefore, signed a declaration of intent joining "Thai Private Sector Coalition Against Corruption."

As a guideline and practice for directors, executives, and employees, the Board of Directors Meeting No.2/2021, on 14 May, 2021 resolved to set up the anti-corruption policy defining responsibilities, practices, and rules for appropriate actions. To prevent corruption in all business activities and to prevent the risk of corruption, the Company has provided the "Anti-Corruption Policy" in written form as a clear guideline in business operations and to drive the Company toward corporate goals in a sustainable manner.

# CODE OF CONDUCT

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## Introduction

This Code of Conduct defines the ethical principles relating to work performance of all directors and employees of Asiasoft Corporation Public Company Limited. The Code addresses the Company's principles, values, ethics and accountability to multiple stakeholders in for the purpose of standardizing work performance of its directors and employees based on honesty, integrity, and fairness. To ensure the success of business operations and good corporate governance while maintaining the Company's good reputation is of paramount importance. Stakeholders' expectations have increased along with changes in the business environment that result from expansion to international markets and increased competition. Ultimately, the Company intends to implement its business policies to achieve success in accordance with applicable laws and regulations and with the highest ethical standards.

This Code of Conduct does not detail every specific situation or define rules for all the questions that arise. It serves as an ethical guideline for employees that can help them to make a right and appropriate decision for each situation.

The Board of Directors has given its approval to this Code of Conduct for employees on 20 June 2007. The Company requires the cooperation from all supervisors and employees to study, understand and use it as a guideline for their work performance.

## 1. Vision and Mission

<b>Vision</b>	The Virtual World for Passionate Gaming.
<b>Mission</b>	To Inspire Endless Moments of FUN and Excitement through Virtual and Live Experiences.

## 2. Core Values

The Company is determined to implement strategies that are in line with the Company mission, with a goal to produce quality products and services that meet the consumers' requirements, under the business operation policies that are implemented with consideration given to environment conservation and social responsibility. Over the years, the Company's core values have been the key drivers towards achieving the Company's common goal and play an important role in motivating and retaining employees towards achieving performance excellence, building and maintaining customers 'confidence and satisfaction, creating value for shareholders, and providing support for society. These core values are defined as follows.

- **Integrity "The Company is Committed to Doing the Right Thing."** : The Company always performs its duty and makes decisions with honesty, discipline, and morality under the law enforcement and the Company's core values, including recognizing risks.
- **Trust "The Company Respects the Employees, Customers, Shareholders and Stakeholders."** : The Company respects the employees, customers, shareholders and regulators and treats each of them appropriately. The Company has confidence in each other's capabilities and intentions and believes that people work best when there is a foundation of trust in order to bring whole benefits to the organization.
- **People "The Company Believes that its Employees are Always the Most Important Asset."** : The Company recognizes the importance of recruiting people with ability and experience that meet its needs. It also realizes the importance of rewarding employees based on the performance outcome.
- **Leadership "The Company is a Leader in Creating Excellent Products and Services."** : The

Company is committed to being a leader in creating new products and services. It also focuses its resources to achieve leadership objectives with a full devotion of its executives and staff in order to deliver its strategies and eliminate organizational barriers.

- **Ownership “The Company Takes Responsibility for the Consequences of the Actions of the Company.” :** Employees take a shared responsibility in driving the Company to meet the business goals and to improve their effectiveness. They all act like owners, treating the Company’s assets as their own and behaving with the Company’s long-term success in mind.
- **Compliance with Laws and Regulations “The Company will Comply with all Relevant Laws and Regulations.” :** The Company is committed to conducting business in accordance with the relevant laws and regulations, including employee’s actions and operations with integrity and ethical behavior.

### 3. Compliance with Laws and Regulations

The Company is committed to ensuring that all employees comply with applicable laws and regulations and the Code of Conduct. The pressure from business competitors, the competitive environment, or the market demands shall not be an excuse to violate the law.

The Company is determined to maintain a good relationship with regulators through open and transparent contact and coordination. The Company is ready to provide cooperation as requested by the regulator in order to foster mutual trust.

### 4. Dealing with the Stakeholders

The Company places great emphasis on the regulatory stakeholder groups such as customers, suppliers, employees, shareholders, and the public and society as a whole. The Commission will treat these groups of people based on the conditions of the relevant laws and regulations. The Company must treat all groups of stakeholders with great care and practice. This includes the establishment of the collaboration between the various stakeholders according to their roles and duties in order to ensure the Company stability and continuous growth for providing appropriate profits to all parties concerned. To ensure that all stakeholders have received proper rights, the Company has established a written compliance-based Code of Conduct, which has been published through the Company’s website, electronic media and social media within the Company, and the Company’s information board so that the directors, executives and all employees shall adhere strictly.

#### Receipt of Complaint

The Company places great emphasis on the regulatory stakeholder groups such as customers, suppliers, employees, shareholders, and the public and society as a whole. The Commission will treat these groups of people based on the conditions of the relevant laws and regulations. The Company must treat all groups of stakeholders with great care and practice. This includes the establishment of the collaboration between the various stakeholders according to their roles and duties in order to ensure the Company stability and continuous growth for providing appropriate profits to all parties concerned. To ensure that all stakeholders have received proper rights, the Company has established a written compliance-based Code of Conduct, which has been published through the Company’s website, electronic media and social media within the Company, and the Company’s information board so that the directors, executives and all employees shall adhere strictly.

- Mail specify the envelope to one of the following clue recipients :
  - Chairman of the Audit Committee (Independent Director)
  - Company secretary
  - Human Resources Department

By sending to the headquarters of the Company

Asiasoft Corporation Public Company Limited

51 Major Tower Rama 9 – Ramkhamhaeng, 18th Floor, Room 3-8 Rama 9 Road, Hua Mak, Bangkapi,

Bangkok Thailand 10240

- Email : auditcom@asiasoft.net
- Telephone : 66 2769 8888 / Fax : 66 2717 4250

In order to protect rights of a complainant or a person giving information who acts in good faith, the Company will keep confidential the name, address or any information indicative of the complainant or the person giving information as well as the information provided by the complainant or the person giving information. Access to the said information will be limited to only those responsible for investigating complaints. Any employee complaints will be protected and shall not be affected by work status. Whosoever acts of retaliation or threat to the clue is being implemented appropriately according to legal proceedings.

#### Dealing with Shareholders

- **Equal Treatment of Shareholders** : The Company is committed to conducting business with good performance, stable growth, and competitiveness under the current and future risks. To achieve added value for our shareholders over the long term. The Company places importance on the disclosure of information with transparency and equality in order to ensure the full protection of the Company's property and uphold the reputation of the Company. The Board of Directors recognizes its rights and ,therefore, treats all stakeholders of the Company equitably and fairly.
- **The Reliability of Financial Reports** : The Company's financial records shall be accurate and appropriate, in accordance with generally accepted accounting standards and applicable laws and regulations. Employees are prohibited from making a deliberate concealment of information as it may lead to discrepancies of recorded items or error in actual financial non-financial outcomes. There should be an immediate report from the employees for any actions that may lead to inappropriate use of influence, threats, or anything that may lead to a suspension about the auditor's or internal auditor's freedom regarding matters relating to financial reports, processes or internal control. This also includes reporting any suspension about the presentation of financial operations and performance. Employees shall promptly report to the management when finding any violation of the Company's copyrights.

#### Dealing with Employees – General

- **Equitability and Respect for the Individual Right and Freedoms** : Employees are considered the most valuable resource. A decision to hire employees is based on required skills, with consideration given to the qualifications and experience of each candidate and other work requirement. The employees' efficiency is continuously developed for their optimal progress in order to obtain appropriate compensation which is compatible to other leading companies. In addition, the Company is committed to cultivating positive working culture and atmosphere. The employees are treated with equality and fairness. They are free of any discrimination and abuse of individual liberty, both directly and indirectly. Hiring decisions are based on the fundamental working skills, characteristics and experience of each individual. The Company sets priority on the employees' benefits and welfare in various aspects such as the establishment of provident fund, the annual health check, group insurance, the employee loans, the fire evacuation drill, and the establishment of a disaster prevention system.
- **Violence, Threats and Weapons** : Employees are prohibited from instigating violence or intentionally causing harm to a person or other person's property. Employees are also prohibited from possessing, concealing, or using any weapon in the business premises.
- **Drugs and Alcohol** : Employees are prohibited from using, buying, selling, having in procession or distributing drugs and alcohol in the business premise.
- **Safety and Occupational Health** : The Company emphasizes on safe working environment and

occupational health as well as adheres to the applicable Safety and Occupational Health laws and will continue to develop SOH systems and practices. The Company aims to have zero. The Company hopes that no one will suffer from any harm throughout the maneuver. All employees should adhere to the safety rules and regulations while performing their work and employees should immediately report any work related incident or potential hazardous incident to the management.

- **Employees' Data** : The Company respects the dignity and privacy of all employees and only collects the personal information of the employees only in the case that it is necessary to the effective work performance or for legitimate business proposes. All information will be in confidentiality. The use of employee's personal information is limited to authorized parties only. Disclosure of this information would be allowed only when involving parties with legal rights and only on the need to know basis.
- **Employee Development** : The Company seeks itself to become a learning company. It sees the value in all employees and provides an opportunity for all employees to develop their professionalism so they could fully maximize their efficiency . The Company also encourages all employees to work as a team.

#### Dealing with Employees - Conflicts of Interest

Employees shall not seek personal interests that are contradictory to the interests of the Company and its customers. Business decisions making and operation must be based on the utmost benefits of the Company. All employees must report and disclose information on conflicts of interest that occur or might occur to the management immediately.

- **Use of Insider Information and Disclosure of Information to Third Parties** : The use of insider information for securities trading is against the law and in breach of professional ethics. The employees are ineligible to take advantage and use the existing insider information, which has not been publicly disclosed in the stock trading. This includes information of the related company or the business partners. In addition, the employees should not forward to or supply information for third parties who are likely to use such information for investment decision making.
- **External Events and Business Risks** : Employees shall not work for the Company's competitors or customers or receive compensation for work performed for such competitors without permissions from the executive. Receiving such benefit must not be in conflict with efficient work performance for the Company, nor shall it be disadvantageous to the Company's business. This includes not taking the property and services in the ownership of the Company to perform work other than that of the Company.
- **Involvement in External Activities** : Involvement in external activities such as holding directorship, serving as consultants, or representing other companies requires prior approval of the management. Such activities must not be detrimental to the Company's business and reputation, nor shall they affect the employee's efficiency in working of the Company.
- **Anti-Corruption Practices** : Honesty and integrity are core values of the Company. The offender shall be investigated and prosecuted. All employees have the duty to report any suspected wrongdoer and corruption in the organization. The reports will be investigated and operated in an appropriate action.
- **Business Contact with Government agencies or Government officials** : Employees must realize that activities considered appropriate by private entities may not be appropriate, or may violate the law, when it comes to dealing with government agencies or government officials. Henceforth, valuable items should not be given to government officials or politician to persuade them to exploit their authority in our favor.
- **Gifts and Entertainment** : Employees may accept or give inexpensive gifts or reasonable treats if they are in accordance with traditional practices or festive seasons. Such accepting or giving must



comply with the Company's rules and regulations or have been approved by the management. Employees shall not accept gifts, cash or cash equivalents that may lead them to the misconduct or the violation of the regulations of the Company or to the inappropriate waving of some business requirements.

#### Dealing with Customers

- **Quality and Safety of Products** : The Company is committed to giving customer satisfaction by providing excellent services and products for the customers with the readiness to respond to customer needs. The customers shall be given an opportunity to share their opinion and there will be the persons who are responsible for receiving customer complaints.
- **Customers' Data** : The relationship with customers is based on honesty and mutual trust. The Company respects the rights and data of the customers by keeping customer information confidentially as if it were the Company's own information. Henceforth, the Company shall not use or disclose confidential information relating to customers without permission and such information shall be used or disclosed only if required by law.
- **Marketing and Advertising** : The Employees shall always treat customers with attentive care and aim at building a long-term relationship with customers, in accordance with the laws and business ethical standards. Marketing media, advertisement and work performed on behalf of the Company shall be accurate, honest, and in compliance with relevant laws and regulations. The Company shall not allow intentional use of misleading statement. The Company shall not allow any intentional misleading statements, omission of vital information, or provision of inaccurate information on competitor's propositions. The business negotiations shall be conducted professionally and fairly. Employees shall not become involved in contracts to buy and to sell that have not been properly approved.

#### Dealing with Suppliers

- **Equitability and Respect** : The Company shall treat all suppliers with equitability and fairness base on contractual negotiations. Competitive rules and regulations shall be observed with the avoidance of untruthful practice. Suppliers shall be respected and treated as one of the Company's trade partners.
- **Selection of Vendors, Contractors and Consultants** : Selection must be based on the Company's optimal benefit. The selection process must be conducted unbiasedly, with contracts that clearly explain products and services as well as terms of payments and relevant fees; all contracts must properly approved by the involved authority. Employees are prohibited from accepting any benefit from the prospective vendors, contractors or consultants of the Company, which may lead to prejudice in decision making.
- **Confidentiality** : Employees must not disclose supplier's confidential information to other parties. Such information shall only be used for the business purposes or as otherwise required by law.

#### Dealing with Competitors

- **Competitors' Information** : The Company shall behave according to competition laws and regulations. No illegal, deceptive or dishonest methods shall be used to obliterate competitors or attain their confidential information.
- **Fair Competition** : Employees shall engage in fair competition and observe the freedom in decision -making in sale and marketing activities. Employees must not engage in any discussions or enter into any agreements with the competitors with respect to the Company's business, financial and law information. Employees must not make improper, false, or misleading statements about competitors, including comments on the issue of competition business, finance or law.

#### Dealing with Society and the Environment

- **Activities for Society and Community** : The Company has a consciousness and awareness as part



of society, responsible for social setting, supporting the community activities and assisting the society at any available appropriate opportunity, as well as improving the urban environment and society for better life. The Company takes its high social responsibilities by providing the game service with appropriate and non-violence content and is the first online game provider in Thailand, which classified the players by age for each game to restrict young people's access to inappropriate content. Moreover, the administrator teams (Game Master) have been established to monitor the game event and players activities for preventing violence, gambling and improper activities. Moreover, the Company's online gaming service can improve players' computer skills and has contributed to the growth of the Internet networks and usages, that providing easier access to the information and knowledge. In addition, the development of the game by the Company also contributes to the promoting of research and development of software and animation in Thailand. For society, the Company has contributed financial support to IT education, supported educational and health activities to the players, and made charitable contributions on a regular basis.

- **Human Rights** : The Company is committed to treating its employees equally and fairly, adheres to the employment law and respects the conditions of employment.
- **Environment** : The Company is committed to protecting the environment by placing great importance to pollution prevention and waste reduction that could may impact or be the cause of the environmental degradation.
- **Political Activities and Employees Participation** : The Company has a duty to encourage the employees to have the right and freedom to support political parties. This is considered to be each employee's personal matter. However, employees are not allowed to give political support on behalf of the Company without the management's approval.

#### Dealing with Company's Assets

- **Safeguarding Company's Assets** : The Company's policy requires the employees to be responsible for the use of the Company's assets for maximum benefits and shall not use them for personal benefit. Sources of technological data are the Company's assets and are given to employees to be used for the Company's business only. Employees are prohibited from using them inappropriately or for matters that have nothing to do with the Company's business.

### **5. Monitoring Compliance with the Law and the Code of Conduct**

#### Reporting the Violations of the Law and the Code of Conduct

In the case of a violation or a suspicion that there is a violation of the Code of Conduct or any inappropriate act took place in the Company, employees must report such an issue to the management or to the designated person(s) immediately. Such issue shall be in attention of line manager or other supervisors. All employees shall be treated with respect and shall not violently retaliated, threatened, or abused as a result of disclosing issues relating to violations of the laws, Code of Conduct, or other regulations in good faith.

The management or the designated persons are responsible for monitoring employee's compliance with this Code of Conduct, evaluating information on, and investigating employee's acts that are in breach of the Code of Conduct, and reporting them to the Audit Committee and the Board of Directors for further action.

#### Disciplinary Actions

To ensure that employees adhere to the applicable laws and the Code of Conduct, the Company shall take serious action against those who violate this Code of Conduct, which may result in disciplinary proceedings including warning, work suspension, demotion, salary reduction, termination of employment, and other actions as appropriate.

## 6. Monitoring of the Use of Inside Information

The Company has a policy and ethical commitment in conducting business with customers, suppliers and shareholders based on the Code of Conduct as a guideline for the executives and employees at all levels. The case which the executives and/or the employees disclose the information of the Company or use the information for their own or conduct any actions leading to the conflicts of interest is considered a serious offense and may be subjected to disciplinary proceedings.

The Code of Conduct has a policy and practices to control the exploitation of inside information by the directors and executives for their personal benefit, including securities trading :

1. The directors, executives and employees of the Company are required to maintain the confidentiality and / or information within the Company.

2. The directors, executives and employees of the Company are forbidden from exploitation of confidential and/or inside information for their own benefit or other's whether direct or indirect and whether or not rewarded.

3. The directors, executives and employees of Asiasoft must not trade, transfer or be transferred of securities by using confidential and / or internal information of the Company and / or any other legal transaction by using confidential and / or information within the Company, causing damage to Asiasoft whether directly or indirectly.

The directors, executives and employees in the unit where inside information is available must refrain from the Company's stock trading for one month prior to the date of announcement of operation results and financial statement until such information is declared to the public.

The directors and executives of the Company shall report ownership of all securities issued by the Company, pertaining to themselves, spouses and/or minor children to The Office of the Securities and Exchange Commission (SEC).

The directors, executives or employees who fail to comply with the Company's regulations of inside information must be subject to penalties according to the Company's disciplinary action including written warning, deduction of payment and temporary suspension without pay or termination of employment. The level of disciplinary action shall depend on the degree of the violation. This policy and practices have been noticeably announced to the directors, executives and employees in general.

The Company has informed all executives and management of each division about their duties to report the number of shares or securities of the Company that are held by them, their spouse and minor children as well as every change of securities holding occurring as a result of any purchase, sale, transfer or acknowledgement of transfer of securities to the Securities and Exchange Commission according to Clause 59 and Clause 275 of the Securities and the Stock Exchange Act B.E. 2535.

# REPORT OF THE AUDIT COMMITTEE

The Audit Committee of Asiasoft Corporation Public Company Limited consists solely of three independent directors with the qualifications set forth by the Securities and Exchange Commission i.e. Mr. Chalermphong Jitkuntivong as Chairman of the Audit Committee, Mrs. Monluedee Sookpantarat and Pol.Col. Yanaphon Youngyuen, as Audit Committee Member.

The Audit Committee has always performed its work in accordance with duties and responsibilities that assigned by the Board of Directors and under the charter of the Audit Committee that comply with the best practice guidelines for audit committee, relative Rules and Regulations of the Stock Exchange of Thailand. In addition, the Audit Committee has also promoted and encouraged the Company to join Thai Private Sector Collective Action Against Corruption (CAC) project as well.

During the year 2021, the Audit Committee met totally 5 times together with the Management, the Account and Finance Department, Outsourced Internal Audit and the external auditors every quarter depending on the relevant agenda which can be concluded as follows :

## **1. Ensure Accurate and Adequate Financial Reports.**

To review the quarterly and yearly Company's financial statements together with the external auditors and the Management by questioning, discussing and advising on certain issues and matters relating to the Company's financial reports. In addition, the Audit Committee held the meeting with external auditors without management 1 time, in order to grant external auditors the opportunity to express any problems and recommendations.

The Audit Committee is of the opinion that the financial statements of the Company and its subsidiaries were prepared in accordance with generally accepted accounting standards and were presented accurately and fairly with adequate information disclosure.

## **2. Ensure Suitable and Efficient Internal Control and Internal Audit Systems as well as to Review the Independence of the Internal Audit Office.**

To review internal audit systems, approve the structure of the internal audit plans, acknowledge the result of auditing including the evaluation of the adequacy of the Company's internal control system together with Outsourced Internal Audit.

The Audit Committee is of the opinion that the Company has appropriate and adequate internal control and audit systems.

## **3. Consider, Elect and Nominate the Company's Outsourced Internal Audit for the Year 2022.**

The Audit Committee is in the process of considering, electing and nominating the outsourced internal auditor to perform internal audit for Playpark Malaysia Sdn. Bhd., Malaysia for the year 2022.

## **4. Ensure Compliance with Laws Pertaining to Securities and the Stock Exchange, Regulations of the Stock Exchange of Thailand, Securities and Exchange Commission and Laws Concerning Company Business.**

The Audit Committee is of the opinion that the Company has complied with relevant rules and regulations that concerning Company business.

**5. Consider, Elect and Nominate the Company's Auditors.**

To present the Board of Directors to propose to the shareholders' meeting on the consideration of appointing Mazars Limited as the Company's external auditor for 2021. Mazars Limited has assigned Mr. Sompop Pholprasarn, Certified Public Accountant (Thailand) No. 6941 or Ms. Wannawat Hemachayart, Certified Public Accountant (Thailand) No. 7049 or Ms. Tippawan Pumbansao, Certified Public Accountant (Thailand) No. 9552 to be the Project Leader and responsible for the performing of the Company's external audit of the Company, because he is an independent auditor who has knowledge, ability and experience providing external auditing with the authority, duties, and responsibilities set forth by the Securities and Exchange Commission.

**6. Consider the Transactions with Related Parties and Transactions with Conflict of Interest in Line with Relevant Legislation and Regulations.**

To review process, practice, regulations and articles of association of the Company in order that the approved transactions and disclosure comply with the rules or notification of the Stock Exchange of Thailand as accurate and complete.

The Audit Committee is of the opinion that the transactions to be in order and are in the best interest of the Company with adequate information disclosure.

**7. Self-Assessment.**

The Audit Committee conducted collective self-assessment in order to guide whether the performance of the Audit Committee is in accordance with the entire scope of responsibilities or not. The Self-Assessment showed that the Audit Committee performed mainly of their duties in accordance with the entire scope of responsibilities.

**8. Anti-Corruption Compliance.**

Consider and set up the policy guidelines for the implementation of the Anti-Corruption policy, as well as conducting a risk assessment related to internal and external corruption. The Company is certified as a Thai Private Sector Collective Action against Corruption, in which the Audit Committee assures that the Company has adequate measures to combat and detect fraud and corruption effectively.

**9. Risk Management.**

Supervise the risk management systematically by providing recommendations, improvements, and perspectives on both short-term and long-term risks.

**10. Others.**

10.1 Reviewing the information disclosed to the Stock Exchange of Thailand and the Securities and Exchange Commission, as disclosed in the Company's annual report year 2021 and in the annual information disclosure form as at 31 December 2021 (Form 56-1).

10.2 Reporting the Audit Committee's activities to the Board of Directors periodically.

10.3 Reviewing the Charter of Audit Committee for ensuring the Charter of Audit Committee is updated and suitable for the Organization Environment.

10.4 The record of attendance of the Audit Committee members is summarized as follows :

Name	Position	At the Meeting During 2021
1. Mr. Chalermphong Jitkuntivong	Independent Director and Chairman of the Audit Committee	5/5
2. Mrs. Monluedee Sookpantararat	Independent Director and the Audit Committee Member	5/5
3. Pol.Col. Yanaphon Youngyuen	Independent Director and the Audit Committee Member	5/5

On behalf of the Audit Committee



(Mr. Chalermphong Jitkuntivong)

Chairman of the Audit Committee

16 December 2021

# STATEMENT OF THE BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL REPORTING

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The Board of Directors of Asiasoft Corporation Public Company Limited has managed to prepare consolidated and separate financial statements to present the financial positions and operating results of the Company and its subsidiaries, as well as financial information contained in the Company's Annual Report of 2021, which are true and reasonable in accordance with all relevant regulations and legislations.

Directors have their accountability and responsibility on behalf of directors of listed companies for governance and ensuring that the Company's financial reporting present fairly, accuracy, completely, transparency and sufficiency for maintaining the Company's assets and for determining the weak points and material issues. There will also be sufficient disclosures of significant information in notes to financial statements, complied with proper and consistency of accounting policies, as well as reasonable and prudent judgment and estimation in accordance with generally accepted accounting standards.

In order for the governance of financial reporting to be efficient, the Company's Board of Directors have set up the Audit Committee, with three independent directors who do not hold any positions on the Executive Board, responsible for supervising the quality of financial reporting and the internal control systems. The Audit Committee is also in charge with overseeing preparations for the mandated adoption of International Financial Reporting Standards (IFRS). The opinions on the aforementioned matters are detailed in the Company's Annual Report.

The Company's Board of Directors' opinion, the consolidated financial statements and the separate financial statements of Asiasoft Corporation Public Company Limited and its subsidiaries of Asiasoft Corporation Public Company Limited, which the Audit Committee has reviewed jointly with the Company's executives and external auditors, Mazars Ltd., present fairly in all material respects and operational results in accordance with generally accepted accounting standards, proper and consistency of accounting policies, sufficient information disclosures and compliance with relevant legislations and regulations, along with prudent and cautious considerations.



Mr. Pramoth Sudjitporn

Acting Chairman

On behalf of the Board of Directors



# HIGHLIGHT EVENTS OF 2021

Thailand January



Audition PC Thailand championed its new year campaign of “Everyone Can Dance” to build family relationships. Gamers and their families could play Audition together with adorable permanent items given to all the new players from 15 January to 15 February.

Thailand March



PlayPark Thailand launched the “PlayPark Friend ID” campaign on 16 March - 16 June 2021. This PlayPark’s newest loyalty program allows PlayPark players from different games to do missions together and get special items and limited game premiums. It strengthens the unity among the players. There are already around 20,000 ID participants from 5 games.



Tales Runner PC Thailand let gamers “Run More” to kick-off 2021. With 6 famous casters in the lead, Tales Runner remains the number 1 running game in Thailand. New year activities were plenty for new players with items and characters for free.



On 25 March 2021, MU Online SEA released the Season 15 Part 1 update entitled “Scorched Battlefield” that adds the Class “Slayer”, new weapons and equipment, the Map “Scorched Canyon” and opens the higher levels for players up to Max Level 1,200.

Thailand April



Annual General Meeting of Shareholders year 2021 on 23 April 2021 at 2.00 p.m., at Space Bar room, Asiasoft Corporation Public Company Limited.





In April, TS Online Mobile game was rebranded to “TS Online Mobile 2.0”. This rebranding was related to the major update to version 2.0 with the new server “Sho-pa-ong” which increased 43% of monthly active users and 100% of organic downloads when compared with March.



MU Online celebrated its 1st anniversary with the grand update of 15.1. The campaign was headlined by “Cosplay Slayer by Jasper Z”, a renowned cosplay streamer with 51,700 followers, who presented the Slayer cosplay album and streamed live. Along with many activities and promotions, this resulted in an increase in monthly active users and new players by 20% from March.

Thailand May



Tales Runner Thailand celebrated its 14th anniversary in the theme “Run More Story” in which 4 famous KOLs with more than 3.5 million followers invited their followers to play the game via live streams. The game also had many special activities to get free items throughout May. During the campaign period, monthly active users increased 40% and new ID increased 31% when compared with April.



To celebrate its 2nd anniversary in May, TS Online Mobile held many activities to retain players i.e. promotion to get Samsung Galaxy s20 and Galaxy Fit, Daily Login, Special quest in-game to redeem rewards, etc.

Thailand June



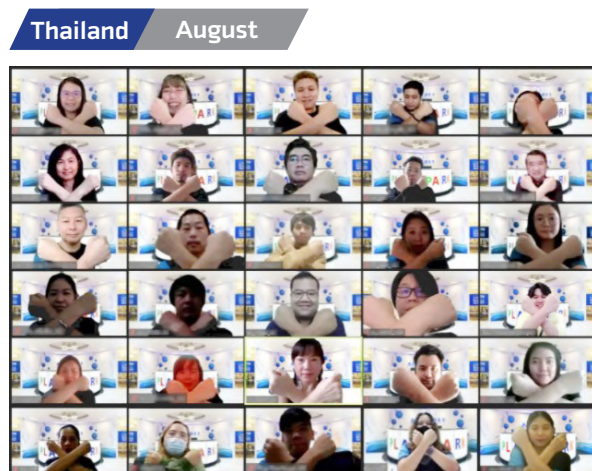
Swordsmen Online celebrated its 2nd anniversary with more activities, gifts, and unleashing the level 115. This all came along with giveaways throughout June.



In June - July 2021, Audition PC Thailand entertained fans all over the country with 2 big campaigns focused on both fun and competition. The efforts resulted in record awareness numbers on the official channels – for the website (+137% pageview, +107% new users), and for Facebook (the highest engagement since January 2020).



- Featuring the unique play style of Audition PC, the “Octopus Finger” campaign was joined by 9 famous KOLs and TikTok creators with a total of 13.7 million followers. Viral videos of more than 1.1 million views spawned from the campaign as players took the challenge to create their own clips.
- Audition PC hosted the “Dance All Around over Thailand” competition for players across the 4 regions of Thailand. Joined by excited fans, Audition PC proved itself a truly popular game in the country. The competition showcased in-depth community insight at the region level, and was accompanied by local dialect live streaming.



Asiasoft Corporation Public Company Limited declared its intention to join the “Thai Private Sector Collective Action Against Corruption”. To start with, the Company hosted an online training for the Board of Directors, executives, and employees to build an understanding of anti-corruption policies and to be able to comply with these policies strictly.

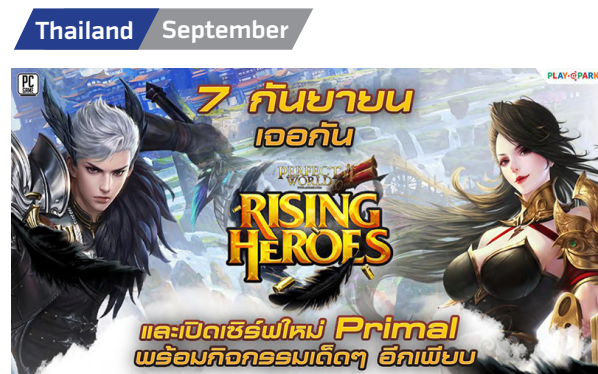


“Real Yulgang Mobile”, a mobile version of the Yulgang game, amazed fans by opening a limited Closed Beta testing period in Thailand for 3 days on 31 August - 2 September 2021. The 3-day event was packed with nearly 200,000 players excited to play the game. Promoted through various media outlets and KOLs,

totaling 49 channels and over 7.2 million followers, the CBT reached millions of eager fans.



TS Online Mobile launched exciting game content for a whole new level of fun, starting with a tournament across the server and various competitive events. All the hardworking gamers also have 3x3, get rewards for completing missions, and continuing adventures on the newest server “Red Hare”.



Perfect World updated a big patch entitled “Rising Heroes” on 7 September 2021 that makes playing the game easier and the graphics are more beautiful than ever before. In addition, the patch includes a new server “Primal”, with 2 additional classes - “Technician” and “Edgerunner”, challenging dungeons, lethal bosses “War Soul Suit”, and the exciting features Mentor system and Couple system. The launch was highlighted by 3 celebrated idols and 10 KOLs with a total of over 2 million followers.



“Real Yulgang Mobile”, a mobile version of the Yulgang IP, amazed Thai fans with its Open Beta on 28 September 2021. The game achieved the No.1 ranking in Downloads for RPG category in the App Store and Google Play within 2 days. In the first month of launch, there were over 440,000 game installs and 2.7 million unique IDs created. This game was promoted through various marketing tools to build awareness and call to action.

- KOLs : totaling 90 channels and over 21 million followers, with 1.1 million views.
- Out of Home : with over 450 screens, expanding media coverage in Bangkok and major provinces of Thailand in shopping malls, billboards, and digital signs on the streets.
- Ad Network : bombard various digital media platforms to reach the target audience.

#### Thailand October



In October - November 2021, Tales Runner updated a new big patch “Underworld” that has 5 new maps, including one based on the hit series “Squid Game” and also a new character “Bloody Vera”. With the interesting new content and promotion by 2 cosplayers, it resulted in an increase of new players by 81% compared to the previous month.

#### Thailand November



Real Yulgang Mobile released a new class “Ninja” and the new game features “Awakening Constellations”, which also saw the expansion of dungeons with 1000 levels, provision of free buffs, and many activities for its players. Besides, 2 new servers were added, server 15 “Harin Battle” and server 16 “Cloud Madness”. This patch was promoted by 25 famous casters who have 11 million followers. As a result, the number of new players in November increased by over 200% from October.



Audition Thailand has finally stepped into esports. Thai’s player “Mr. Chatpong Pongsupamongkon (Guide)” won the “Esports World Championship 2021” which was held by IESF on 16 November 2021 at Eilat, Israel. Following the competition, Audition Thailand continued the esports trend by kicking off the “Audition School Tournament” on 16 – 17 December 2021 at Sirindhorn School, Surin Province. During the event, the champion also shared his experience in participating in a global competition.





Yulgang Online Thailand celebrated its 17th anniversary with the theme of “Once in Memory”. To thank players who have shared moments and been with the game over the years, Yulgang Online held a special event with many free items given out throughout the month. This was promoted by 9 famous casters who have a total of 2.8 million followers.

#### Thailand December



PlayPark Thailand was happy to be part of the online fair of the “Thai Red Cross Fair 2021” on 14 - 21 December 2021. Participants stood a chance to get free items by playing 2 mini-games, in addition to the sale of items where the profits collected 101,357 Baht to be donated to the Thai Red Cross.



“Legend of Condor Heroes”, a Turn-Based RPG mobile was available in Closed Beta in Thailand from 22 - 26 December 2021. The game was promoted by 13 KOLs who have a total of 4.5 million followers and generated 92k views (3 days), and 974k reach. For the main Digital media platforms i.e. Facebook, Google, and TikTok generated over 1 million shares of voice from each platform.

#### Singapore February



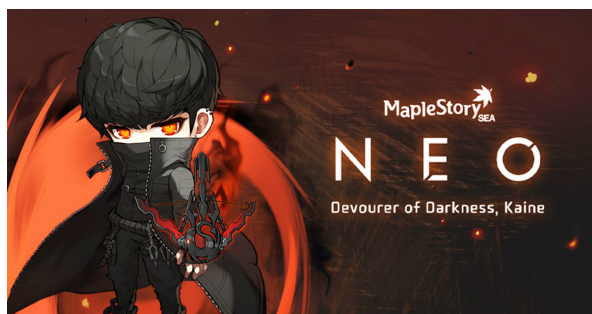
MapleStorySEA dropped a big game update in February to revamp MapleStory world. Showcasing improved player experience, skill updates to balance gameplay, and a series of seasonal events, MapleStory keeps players engaged with in-game missions and mini games. Completing the update are amazing seasonal rewards for the community.

#### Singapore March



Club Audition Mobile introduced a new seasonal story mode in March called “Mizdat Memory”. Complete the story to gain medals and items that aid game progression. To keep up with the trends, 15 of the latest hit songs were added to the playlist. Since July 2020, Club Audition Mobile has maintained a solid 4.5 rating on Google Play Store.

## Singapore May



MapleStorySEA received the biggest update of the year “NEO” on 26 May 2021, with the biggest highlight being the new nova class release – “Kaine, Devourer of Darkness”. With NEO beginning with the return of a “Tera Burning Leveling” event and the release of a new region “Cernium”, there were other changes such as increase in Character Max Level, Damage Cap and Meso Cap limit as well. Special prizes were also prepared for NEO launch activities, where players stood a chance to win limited edition physical merchandise.

## Singapore June



MapleStorySEA commemorated its 16th Anniversary on 23 June 2021 with a lineup of exciting activities held in-game and on their Facebook Page. “Celebrity Cuts”, one of the noteworthy events, invited players to submit their greetings eventually posted as a video montage on MapleStorySEA’s platforms. By participating in other anniversary activities such as Trivia Quiz, Game-athon Madness, Anniversary Lucky Draw and Sales events, players stood a chance to win themselves Limited Edition MapleStorySEA Merchandise.

## Singapore August



In August 2021, the latest game update “Superstar”, brought back a well-received fan favorite the Dynamic Duo for the 3rd season. Here players can get bonus levels for a character while training another character. With the reintroduction of a seasonal reward system, players who log in for at least an hour a day were given a stamp, and could receive exclusive rewards by hitting certain milestones.

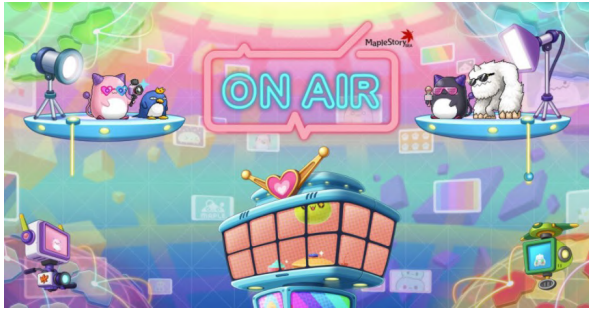
## Singapore November



On 7 November 2021, MapleStorySEA held a Patch Preview Event for its upcoming patch “On Air” amid on-going Covid-19 situation, according to SMM Rules. More than 40 MapleStorySEA players attended and received an exclusive goodie bag each. Players had a sneak peak to unreleased patch contents, including the new class release “Lara”, and were given a chance to test play the new contents. To keep players engaged, a maple knowledge quiz was held where players stood a chance to win prizes, and were also given an opportunity to provide feedback for game improvements.



## Singapore December



MapleStorySEA celebrated the end of 2021 with the launch of a brand new character “Lara”, the Charmer of Elements, on 1 Dec 2021 as part of their year end update, “On Air”. Exclusively for the media, a live press conference was held before the launch, showcasing Lara’s abilities and upcoming content. The patch first saw the return of the Tera Burning event with 2 Seasons on 17 Nov 2021, aiding the journey for new and returning players to progress faster in the game. Not forgetting existing players, plenty of in-game events such as “Maple LIVE” and SNS contests have been on-going since patch release.

## Malaysia February



Mohun continues its rise in Malaysia by opening the third new server in February 2021. Starting from a successful launch in December 2020 to a new server opening just 5 days later, Mohun already set record numbers for Active and Concurrent Users. To thank the eager community, Mohun lined up a series of rewarding and great events players will surely enjoy.

## Malaysia June



CiBmall has successfully launched the Alpha Test for “Swords of Legends (古剑奇谭) - Gujian QiTan”, an open world MMORPG made famous by the TV series of the same name in China on 3 June 2021. This alpha test lasted for 7 days and ended on 10 June 2021. Players who were lucky enough to be able to participate in the Alpha Test were mesmerized by the beauty of the game and the fascinating storyline.

## Malaysia July



“Swords of Legends” was officially launched on 8 July 2021. To reward the players for their efforts during the alpha test, all new accounts get to play for free for a limited amount of time. A permanent mount, permanent accessories and many more gifts are up for grabs. A special event was held on 6 July to allow players to start customizing their characters’ looks and get first dibs on character names.

## Philippines January



PlayPark PH raised a total of PHP 315,000 (USD 6,492) for the benefit of the victims of Typhoon Ulysses (internationally known as Vamco) through ABS CBN Foundation. Coming from the biggest gamers' Christmas Party in Asia - PlayPark Xtreme Paskuhan 2020 last 20 December, PlayPark PH continued its efforts to raise support for those devastated as a way to give back to its community.



Audition PH Season 2 opens in the Philippines complete with a fresh new look for the game. Season 2 includes a massive game update full of music, fashion, dance and features to impress both current and incoming players. The season also refreshed Audition's competitive scene with online challenges for the whole community.

## Philippines March



Perfect World PH makes a grand entrance in 2021 by partnering with Razer to launch its major update – “The Lost Ancestors”. Introducing new character classes, dungeon, next gen armors and adventure in the update, Perfect World PH added more reasons for the community to play and enjoy thanks to a host of premier gaming gears from Razer to be given away to the growing community of PW Heroes.

## Philippines June



Asiasoft and PlayPark partnered with South Korean developer, ESTgames, to bring “Cabal Mobile” to a bigger audience. The mobile version of the famed Korean game, Cabal Mobile, will open its first English service in Philippines and Vietnam this 2021. Pre-launch events are well underway to hordes of eager fans this June.



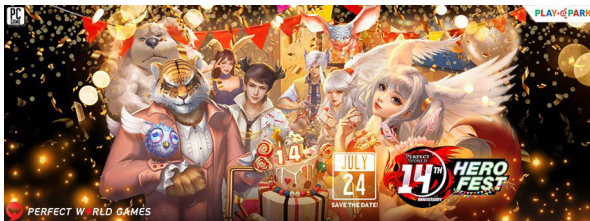
PlayPark's all-in-one wallet system, PlayMall partners with some of the Philippine's biggest corporations to open new payment channels and bring PlayPark closer to its community. Now included in PlayMall are two largest banks in the country – BPI and Metrobank – with the largest chain of supermarkets and malls in the Philippines – SM Supermalls. This further expands PlayMall's already impressive roster of partners with more coming soon.





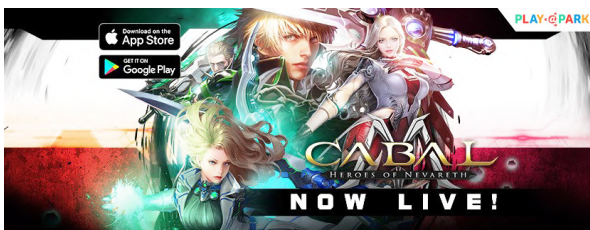
Cabal Online welcomed its 13th year in the Philippines and continues its reign as the No.1 PC MMORPG in the country. Entitled “Domination III,” the anniversary celebrations kick off with a series of virtual activities to keep the excited community safe from the persisting pandemic. All the festivities then culminated in a grand online party to be attended by famed streamers, bands and performers on 26 June 2021.

#### Philippines July



Leading MMORPG on PC, Perfect World celebrated its 14th consecutive year in the Philippines last July 2021. Mythologies and merriment mix together at the month-long celebration aptly entitled – “Hero Fest”. All the Heroes of Pan Gu enjoyed festivities both in the virtual and the real world which culminated in a one-day grand online party held on 24 July 2021.

#### Philippines August



Mere days after its official launch, “Cabal Mobile” ranked #1 in the Roleplaying category for both Google Play and Apple Store. Cabal Mobile enjoys its momentum of close to 200,000 daily active users since opening the English service in the Philippines and Vietnam. Such a positive reception from a beloved game franchise showed how gamers value the unique kind of camaraderie and sense of community that the game offers.

#### Philippines December



Cabal Mobile: Heroes of Nevareth’s “Nevareth League 2021” tournament was held in the Philippines and Vietnam. The league consists of three tournament stages, spanning five months of competition and many challenges for all contenders vying to carve a path to the PHP 2,000,000 prize pool. The Grand Champion will receive PHP 1,000,000, in-game items, bragging rights in addition to the respect and adoration of thousands of Cabal players in both countries.



To top off a successful year, PlayPark PH is going to hold its annual thanksgiving Christmas party entitled “PlayPark Xtreme Paskuhan (Christmas Party) 2021” or “PPXP 2021” this year-end. For its thriving community of gamers, PPXP 2021 boasts a month-long celebration of all the milestones achieved throughout the year, filled with giveaways and contests. Culminating in a one-day on-line party, PPXP also bands the community together in support of a chosen beneficiary to receive donations from PlayPark PH and its generous gamers.



**ASIASOFT**

ASIASOFT ANNUAL REPORT 2021  
(FORM 56-1 ONE REPORT)







**ASIASOFT**

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