

Sustainable **Growth**

เติบโตอย่างยั่งยืน



Form 56-1 (One Report) Annual Report 2021

บริษัท ดูโฮม จำกัด (มหาชน)

Dohome Public Company Limited





ติดตามข่าวสารข้อมูลได้ที่
www.dohome.co.th



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Message from the Chairman

Dear Shareholders,

Nowadays, it cannot deny that ‘technology’ and ‘data’ are key factors behind the success of many leading retailers, particularly maintaining a close relationship with customers through the omni channel and various application platforms towards the new digital retail concept. With daily competition to win customers, the most important question for the executives is how to make our employees understand the new digital retail concept and ready to deliver what customers and consumers need, while operating a profitable business at the same time.

Today, Dohome has adapted itself to the new retail concept by fostering a technology-oriented culture within the organization. In doing so, a budget is specially allocated to develop the infrastructure of system, network and software for smooth internal usability, while the existing system is improved not to be out-of-date. A long-term strategy to foster the corporate culture has been designed, however a new culture cannot occur in a short period of time. It is necessary to continuously create motivation and incentive for employees to open to and adopt the technology to their daily works. Undergoing a successful digital transformation into the new retail concept is not easy; it needs a determination and cooperation from the entire organization.

Amidst the COVID-19 pandemic that has lasted for the past two years, the Company has mainly focused on the safety of all customers and employees. Stringent preventive measures have been implemented to control the spread of COVID-19; for examples, providing all necessary tools and equipment, purchasing COVID-19 vaccine for every employees, and encouraging working from home, etc.

Moreover, the Company commits to adhere to the principle of good corporate governance with a responsibility towards the community, society and environment. Last year, the Group has declared its intention to join Thailand’s Private Sector Collective Action Against Corruption (CAC).

On behalf of the Board of Directors, I would like to thank our customers, employees, shareholders, partners, business allies, financial institutions and all stakeholders for their confidence and continued support which is a vital part for the strong and sustainable growth of Dohome Public Company Limited.

With Best Wishes



(Mr. Chatrchai Tuongratanaphan)

Chairman of the Board of Directors



Message from Chairman of Executive Committee

Dear Shareholders,

In the year 2021, there was the pandemics of new variants of coronavirus with a large number of infected people, causing the economic impacts in Thailand and worldwide. The Group was also directly and indirectly affected by this situation; however, thanks to our strategy of preparedness the Group was able to adapt well to changes and handle things promptly for its highest returns.

Although the COVID-10 pandemic has affected the Group, a change in customer behavior caused by a temporary close of retail businesses and stay-at-home policy has created more demand for home improvement and decoration; meanwhile the internet has played a key role in determining a new purchasing behavior of customers. Consequently, the Group has quickly adapted to a new business model by managing its work system to rapidly and thoroughly serve customers for better service.

Notwithstanding the expansive economic impact caused by the COVID-19 pandemic, the Group's income and net profits have grown well. In 2021, the Group had the income of 25,917.78 million baht increasing by 37.5% from the previous year, and the net profit of 1,818.06 million baht increasing by 150.2% from the previous year. In 2021, the Group has expanded 4 more large branches and 2 Dohome ToGo with a satisfied performance. The Group has a plan to continuously increase its branches in order to reach more customers, and to undertake development of more efficient management, skills and working procedure. Corporate culture and enjoyable workplace are also promoted so that everyone aims at the same goal for the greatest benefit of the Group.

The Group pays attention to employees at all levels and always encourages their creativity and potential development for higher capacity. Employees have been a crucial part in our steady growth for the past 38 years of business, and have been always a key force that saves the Group through many crises like this pandemic of COVID-19. Therefore, the Group has not laid off our important employees, but recruited more employees to help unemployed people during this crisis, to prepare sufficient working team to support customer service and business expansion, as well as to create a moral support among employees.

On behalf of the Executive Committee, I would like to thank all employees for their great efforts in strengthening the Dohome family. I would like to express my appreciation to customers, partners, shareholders, business allies, financial institutions and all supporters for their continual trust and support for the Group. I strongly believe that with the commitment, determination, devotion and collective spirit of the Executive Board, the management and all employee of Dohome family the Group would prosper steadily and sustainably, while generating values for all stakeholders by adhering to and emphasizing on the good corporate governance principle and social responsibility.

With Best Wishes



(Mr. Adisak Tangmitrphracha)

Chairman of Executive Committee

Report of the Nomination and Remuneration Committee

Dear Shareholders,

The Nomination and Remuneration Committee has performed the duties assigned by the Board of Directors according to the duties specified in the charter of the Nomination and Remuneration Committee. In 2021, the Committee had 2 meetings in total as follows:

| Name of Committee Member | Position | Meeting of the Nomination and Remuneration Committee in 2021 | |
|----------------------------------|---|--|-------------------|
| | | No. of Meeting | No. of Attendance |
| 1. Mr. Chatrchai Tuongratanaphan | Chairman of the Nomination and Remuneration Committee | 2 | 2 |
| 2. Mrs. Nataya Tangmitrphracha | Nomination and Remuneration Committee Member | 2 | 1 |
| 3. Mr. Suwait Theeravachirakul | Nomination and Remuneration Committee Member | 2 | 2 |

Key performance in 2021 can be summarized as follows :

1. Nominating and selecting a director in replacement for a director who retired by rotation were performed by considering a candidate, who possesses all appropriate qualifications in accordance with the regulations of the Office of Securities and Exchange Commission and the Stock Exchange of Thailand and have no prohibited characteristics specified by law, using the Board Skill Matrix to assess the candidate's qualifications, experiences and competency for the Group's benefits. The Group provided an opportunity for minor shareholders to nominate a qualified person to be a director during 28 October 2021 - 1 February 2022 to be proposed to the Board of Directors and the Annual General Meeting of Shareholders for 2022. However, no shareholder nominated a candidate.
2. Determining the means and criteria for paying remunerations and any other benefits to the Board of Directors and Committees.
3. Considering recommendations for adjusting salaries, welfares, bonuses and any other benefits of employees at a reasonable rate in line with the Group's performance.

4. Evaluating the performance of the Nomination and Remuneration Committee for 2021. The result was an excellent score of 93.33%. It could be concluded that the Committee has effectively performed its duties specified in the charter of the Nomination and Remuneration Committee.
5. Providing counseling on human resources management and personnel development.
6. Reviewing the charter of the Nomination and Remuneration Committee. In 2021, there was no revision to the current charter as it is already comprehensive and appropriate.

The Nomination and Remuneration Committee has performed its duties under the principle of good corporate governance taking mainly into account the highest benefits of the Group and all stakeholders.



(Mr. Chatrchai Tuongratanaphan)

Chairman of the Nomination and Remuneration Committee

Report of the Audit Committee

Dear Shareholders,

The Audit Committee of Dohome Public Company Limited comprises three independent directors appointed by the Board of Directors. Each of them is not involved in the management and is fully qualified and in line with the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. The Composition of the Audit Committee is

- | | | |
|------------------|------------------|---------------------------------|
| 1. Mr. Suvait | Theeravachirakul | Chairman of the Audit Committee |
| 2. Mr. Chatrchai | Tuongratanaphan | Audit Committee Member |
| 3. Mr. Tarin | Thaniyavarn | Audit Committee Member |

In 2021, the Audit Committee has performed the duties under the roles and responsibilities specified in the charter of the Audit Committee and as assigned by the Board. During the past year, the Audit Committee had a total of 4 meetings as follows :

| Name of Committee Member | Position | Meeting of Audit Committee in 2021 | |
|----------------------------------|---------------------------------|------------------------------------|-------------------|
| | | No. of Meeting | No. of Attendance |
| 1. Mr. Suvait Theeravachirakul | Chairman of the Audit Committee | 4 | 4 |
| 2. Mr. Chatrchai Tuongratanaphan | Audit Committee Member | 4 | 4 |
| 3. Mr. Tarin Thaniyavarn | Audit Committee Member | 4 | 1 |

Key duties performed by the Committee can be summarized as follows :

1. Review of Financial Reports

The Audit Committee has reviewed the quarterly and annual financial statements, consolidated financial statements of the Company and its subsidiaries jointly with the Auditor and the executives of finance & accounting. According to the Committee's review of the accuracy and completeness of the financial statements, it was found that the Group's financial reports are accurate and in line with the accounting standards, and the financial disclosure is sufficient, complete, reliable and beneficial to the shareholders and users. Moreover, the Committee had an exclusive meeting with the Auditor without the participation of the management in order to discuss the independence of performing duties and express opinions about the Company's financial statements during the Meeting No. 1/2564 on 17 February 2021.

2. Review of the Internal Control System

The Audit Committee reviewed the evaluation of adequacy of the Company's internal control system based on the reports of the Internal Auditor and the Auditor in order to ensure that the Company's internal control is appropriate and adequate for preventing and mitigating potential risks. The Committee opined that the Group's internal control system is adequate and effective for its business operations.

3. Risk Management

The Audit Committee reviewed and assessed the efficiency of the Group's risk management process by establishing the Risk Management Committee to consider and identify major risks, as well as propose a risk management plan and monitor the result of risk management that might affect the Group's goals and strategies.

4. Legal Compliances

The Audit Committee reviewed the Group's operations to ensure a compliance to the laws relating to the securities and exchange, regulations of the Stock Exchange, as well as laws governing business operations. The results indicates that the Group was not in breach of and was supervised to strictly followed the laws and regulations.

5. Related Party Transactions or Transactions that May Have Conflict of Interests

The Audit Committee reviewed and gave opinions about related party transactions or transactions that may have conflicts of interests. Any reports to the Committee shall be considered based on accuracy, prudence, reasonability and transparency taking into account the benefits of Group and stakeholders. Also, information disclosure must be adequate and in line with the good corporate governance policy and the SET's regulations.

6. Supervision of Internal Audit

The Audit Committee reviewed the internal audit system in order to evaluate the efficiency of the Internal Audit Unit based on auditing principles. In doing so, the Committee emphasized on the level of business risks, the annual internal audit plan, the information from the internal audit reports, monitoring of corrections as specified in the reports and examination in key issues. The Committee also gave recommendations on how to improve the internal audit process to be efficient and effective, as well as evaluated annual performance of the Internal Audit Unit. The Committee viewed that the Company's internal audit had independence, appropriateness and effectiveness that would contribute to good internal control, risk management and good corporate governance.

7. Review of Anti-Corruption

The Audit Committee reviewed the anti-corruption examination, including reviewing preventive anti-corruption measures and approaches in systems

of work. Procedures for receiving complaints and whistleblowing and protection of whistleblowers were determined, with which persons involved in investigation were required to fully comply.

8. Selection and Appointment of the Auditor for the Year 2021

The Audit Committee selected and considered the remuneration of the Auditor from EY Office Company Limited based on qualifications, competence, experiences, reliability, independence under the regulations of the SET and other relating agencies, and the quality of auditing in the past year. Viewing that the Auditor very well understood the nature of Company's business, the Committee proposed to the Annual General Meeting of Shareholders to approve the appointment of EY Office Company Limited to be the Group's Auditor for 2021.

The Audit Committee has carried out its duties assigned by the Board of Directors under the charter of the Audit Committee using competence, prudence and independence to give straightforward opinions according to the good corporate governance principle. The Committee opined that for the accounting period ended 31 December 2021 the Company has accurately prepared its financial statements under the financial reporting standards, and has sufficiently disclosed information; and that the Company's business operations has in place appropriate internal control and risk management systems consistent with the business environment, as well as compliance to relating laws and regulation.



(Mr. Suvait Theeravachirakul)

Chairman of the Audit Committee

Report of the Risk Management Committee

Dear Shareholders,

The Risk Committee has performed the duties assigned by the Board of Directors according to the duties specified in the charter of the Risk Committee in order to support the Board's supervision to ensure that the Group has a sufficient and appropriate risk management system that would enable the Group to achieve its objectives efficiently and effectively, as well as to control its overall risks at an acceptable level.

In 2021, the Committee had a total of 4 meetings of which the details of attendance are as follows :

| Name of Committee Member | Position | Meeting of Risk Management Committee in 2021 | |
|-------------------------------|---|--|-------------------|
| | | No. of Meeting | No. of Attendance |
| 1. Mr.Tarin Thaniyavarn | Chairman of the Risk Management Committee | 4 | 1 |
| 2. Mr.Adisak Tangmitrphracha | Risk Management Committee Member | 4 | 4 |
| 3. Mr.Suvait Theeravachirakul | Risk Management Committee Member | 4 | 4 |

Details of key performance in 2021 can be summarized as follows:

1. Reviewing the charter of the Risk Management Committee and risk factors, including risk levels at an enterprise level, considering changes in various aspects such as economy, society, climate that affect the business operations and customer behaviors, as well as a competition in the same industry.
2. Determining a risk management plan and reviewing key risks in 4 areas i.e. strategic risk, operational risk, financial risk and compliance risk; as well as identifying risk indicators, risk levels, impacts on business, response to risks, and existing risk control, monitoring and evaluating thoroughly.

3. Acknowledging risk reports to jointly assess key risks at an enterprise level that may have an significant impact on the Company's operational goals, as well as finding a method to control potential risks in order to reduce any impacts that possibly affect the Group's operations.

The Risk Management Committee has performed its duties under the principle of good corporate governance and continuously reported its works to the Board of Directors. The Committee also commits to encourage the Group to have a universal risk management system so that shareholders and stakeholders can be confident in the Group's business operations taking into account the highest benefits of the Group and all stakeholders.



(Mr. Tarin Thaniyavarn)

Chairman of the Risk Management Committee

Executives Committee



1 Mr. Adisak Tangmitrphracha

Vice Chairman of the Board of Directors / Chairman of Executive Committee / Member of Risk Management Committee / Managing Director / Authorized Director to sign on behalf of the Company as stipulated in the Company Certificate

2 Mrs. Nattaya Tangmitrphracha

Director / Deputy Executive Committee / Member of Nomination and Remuneration Committee / Deputy Managing Director / Authorized Director to sign on behalf of the Company as stipulated in the Company Certificate

3 Ms. Ariya Tangmitrphracha

Director / Member of Executive Committee / Deputy Managing Director - Operations and Procurement / Assistant Managing Director - Procurement / Authorized Director to sign on behalf of the Company as stipulated in the Company Certificate

4 Mrs. Salitip Ruangsuttipap

Director / Member of Executive Director / Deputy Managing Director - Accounting, Finance and Organization Support / Authorized Director to sign on behalf of the Company as stipulated in the Company Certificate

5 Mr. Maruay Tangmitrphracha

Director / Member of Executive Committee / Deputy Managing Director - information technology and E-commerce / Authorized Director to sign on behalf of the Company as stipulated in the Company Certificate

Board Of Directors



**Mr. Chatrchai
Tuongratanaphan**

- ▶ Chairman of the Board of Directors
- ▶ Independent Director
- ▶ Member of Audit Committee
- ▶ Chairman of Nomination and Remuneration Committee



**Mr. Adisak
Tangmitrphracha**

- ▶ Vice Chairman of the Board of Directors
- ▶ Chairman of Executive Committee
- ▶ Member of Risk Management Committee
- ▶ Managing Director
- ▶ Authorized Director to sign on behalf of the Company as stipulated in the Company Certificate



**Mrs. Nattaya
Tangmitrphracha**

- ▶ Director
- ▶ Deputy Executive Committee
- ▶ Member of Nomination and Remuneration Committee
- ▶ Deputy Managing Director
- ▶ Authorized Director to sign on behalf of the Company as stipulated in the Company Certificate



**Ms. Ariya
Tangmitrphracha**

- ▶ Director
- ▶ Member of Executive Committee
- ▶ Deputy Managing Director - Operations and Procurement
- ▶ Assistant Managing Director - Procurement
- ▶ Authorized Director to sign on behalf of the Company as stipulated in the Company Certificate



**Mrs. Salitip
Ruangsuttipap**

- ▶ Director
- ▶ Member of Executive Director
- ▶ Deputy Managing Director - Accounting, Finance and Organization Support
- ▶ Authorized Director to sign on behalf of the Company as stipulated in the Company Certificate



**Mr. Maruay
Tangmitrphracha**

- ▶ Director
- ▶ Member of Executive Committee
- ▶ Deputy Managing Director - information technology and E-commerce
- ▶ Authorized Director to sign on behalf of the Company as stipulated in the Company Certificate



**Mr. Suvait
Theeravachirakul**

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



**Mr. Tarin
Thaniyavarn**

- ▶ Director, Independent Director
- ▶ Independent Director
- ▶ Member of Audit Committee
- ▶ Chairman on Risk Management Committee

Vision



Dohome Public Company Limited (the "Company" or "DOHOME")

Vision in doing business is to be the hub in providing the **complete, cheap and best** products and services relating to construction materials and home decoration products to all groups of customers.

Mission



- ▶ The Company has a mission to achieve the customers' perception in thinking of DOHOME as the one in mind for products, price and sincere services like friends, like relatives, with an aim to allow the customers to experience the purchase of products with smiles.
- ▶ The Company is determined to develop the employees' proficiency and capability and uses the modern and innovative technology in the organization in order to allow the employees to work with happiness and efficiency in a professional manner.
- ▶ The Company will keep a good relationship with its current business alliances, including seeking for new business alliances in the future to support and retain the success of both parties.
- ▶ The Company will have responsibility and return back to the society by participating in the activities of the projects which provide benefits to the society and environment.



Goal And Strategy In Business Operations

The Company's and the subsidiaries (it hereby "the Group"), the Company is determined to best of retail and wholesale business and services relating to construction materials and home decoration products full circle under thinking of under the concept

► Complete, Cheap and Good at DOHOME ◀

by the major of strategy in business operations as follows :



Products presentation of decoration products to all groups of customers, by determined of Price leadership. **01**

Providing related full services. **02**

Increasing distribution of store sales by expanding branches in the region of Thailand **03**

Sales online development. **04**





Award of Pride



A

In 2021, the Company has got a **"VERYGOOD"** level under the Corporate Governance Report of Thai Listed Companies (CGR Report) organized by the Thai Institution of Directors (IOD) with support from the SET and the SEC.

B

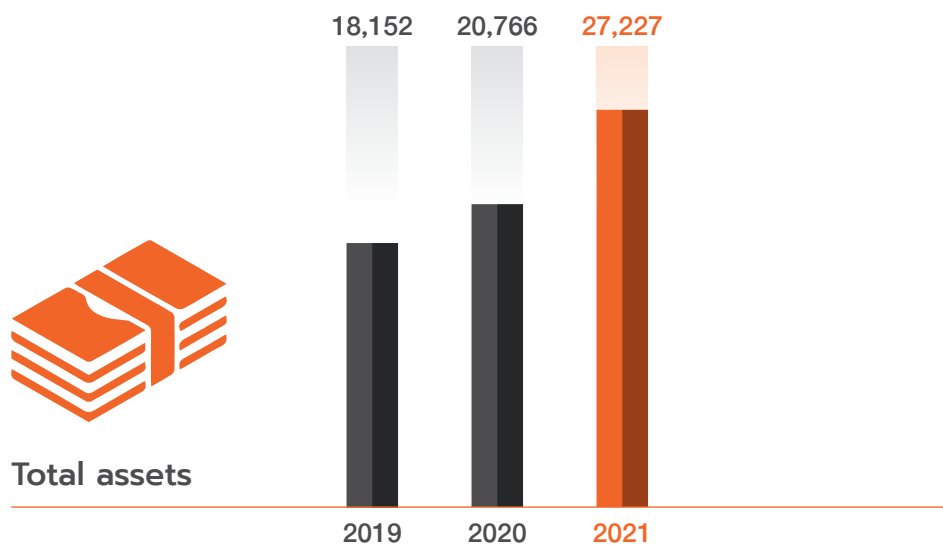
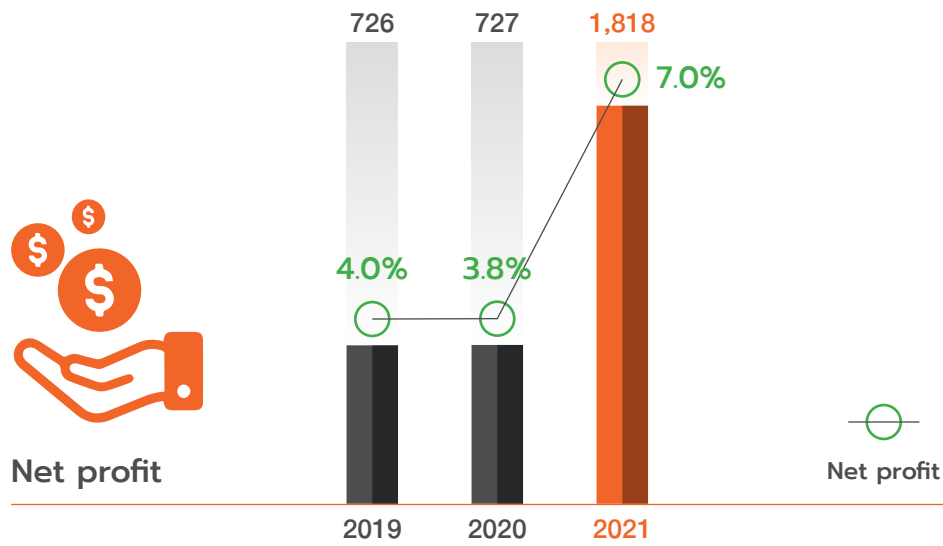
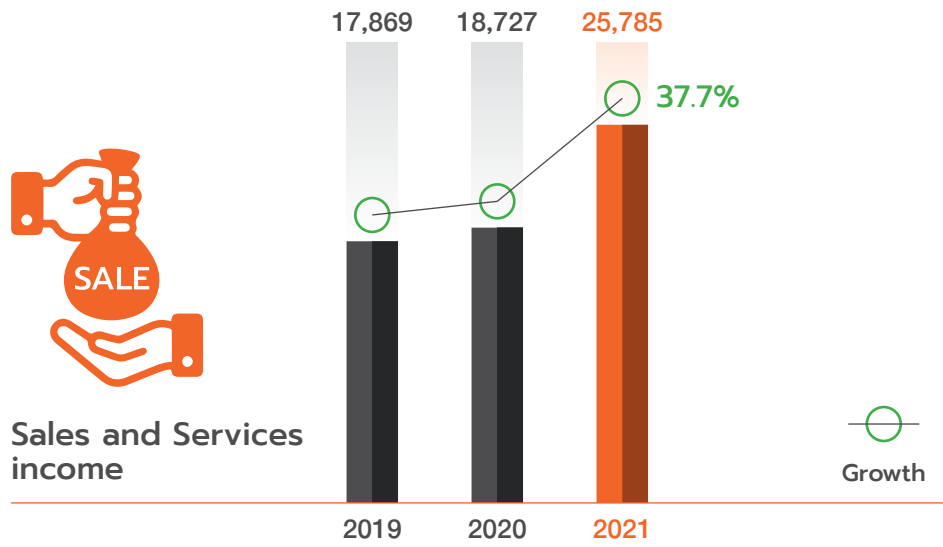
In 2021, the Group received an assessment on the quality of the Annual General Meeting (AGM) by the Thai Investors Association. **The Group received a score of 100** out of 100. being in a "very good" level.

C

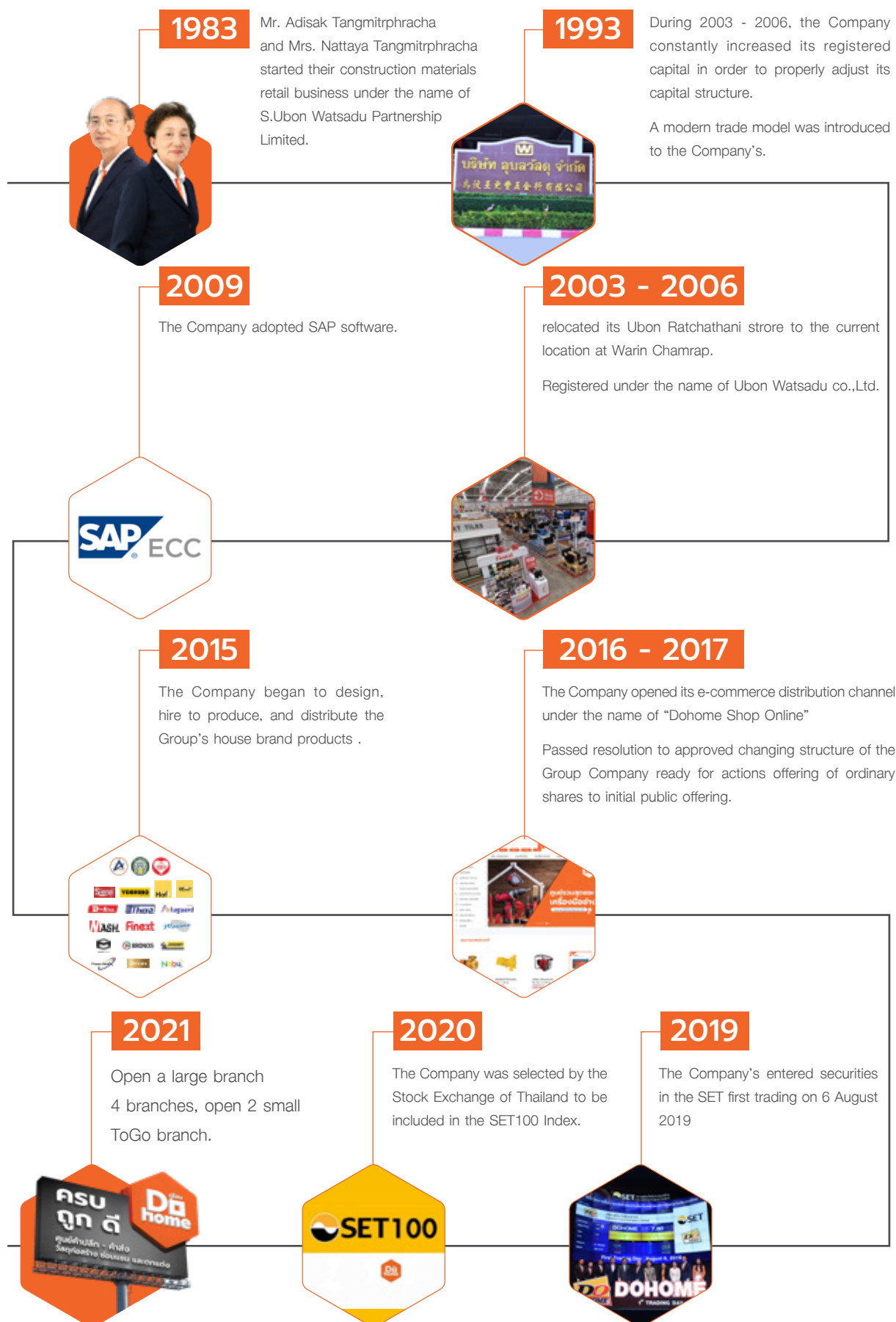
The Company was awarded the **WINNER** "Best overall investor relations (small cap)" for its investor relations at the IR Magazine South East Asia Awards 2021.

Important Financial Highlights

| Financial statement summary | Consolidated financial statements | | | Separate financial statements | | |
|---|-----------------------------------|-----------------|-----------------|-------------------------------|-----------------|-----------------|
| | 2019 | 2020 | 2021 | 2019 | 2020 | 2021 |
| Statement of Comprehensive Income | | | | | | |
| Sales and Services income | 17,868.70 | 18,726.66 | 25,784.60 | 17,868.70 | 18,726.66 | 25,784.60 |
| Total revenues | 17,971.82 | 18,852.96 | 25,917.78 | 17,979.88 | 18,854.69 | 25,919.31 |
| Gross profit | 2,957.96 | 2,989.36 | 5,206.59 | 2,958.98 | 2,991.48 | 5,210.24 |
| Profit before finance costs and income tax | 1,155.67 | 1,127.92 | 2,504.22 | 1,103.14 | 1,084.48 | 2,459.30 |
| Net profit for the year | 725.51 | 726.68 | 1,818.06 | 683.02 | 681.75 | 1,771.59 |
| Statement of Financial Position | | | | | | |
| Total assets | 18,151.71 | 20,765.17 | 27,226.51 | 18,666.96 | 21,623.44 | 28,015.49 |
| Total liabilities | 11,691.34 | 13,675.41 | 16,346.77 | 11,686.65 | 14,058.68 | 16,707.20 |
| Total equity | 6,460.37 | 7,089.76 | 10,879.74 | 6,980.31 | 7,564.77 | 11,308.29 |
| Financial ratio | | | | | | |
| Gross profit margin (%) | 16.55 | 15.96 | 20.19 | 16.56 | 15.97 | 20.21 |
| Net profit margin (%) | 4.04 | 3.85 | 7.01 | 3.80 | 3.62 | 6.84 |
| Return on equity (%) | 12.89 | 10.73 | 20.23 | 11.07 | 9.37 | 18.77 |
| Return on assets (%) | 4.17 | 3.73 | 7.58 | 3.81 | 3.50 | 7.38 |
| Debt to equity ratio (times) | 1.81 | 1.93 | 1.50 | 1.67 | 1.86 | 1.48 |
| Performance per share (Baht) | | | | | | |
| Net profit for the year | 0.46 | 0.31 | 0.76 | 0.43 | 0.29 | 0.74 |
| Book value per share | 3.48 | 3.27 | 4.49 | 3.76 | 3.49 | 4.67 |
| Number of ordinary shares (million shares) | 1,856.16 | 2,165.52 | 2,422.17 | 1,856.16 | 2,165.52 | 2,422.17 |



Major Changes and Development



Part 1



Corporate Governance Business Operations and Performance

1. Business Structure and Operation
2. Risk Management
3. Driving Business for Sustainability
4. Management Discussion and Analysis
5. General Information and Other Key Information

1. Structure and Operation of the Company

1.1 Policy and Overview of Business Operations

1.1.1 Vision and Objectives in doing Business

Vision

Vision in doing business of Dohome Public Company Limited (the “Company” or “DOHOME”) is to be the hub in providing the complete, cheap and best products and services relating to construction materials and home decoration products to all groups of customers.

Mission

- The Company has a mission to achieve the customers’ perception in thinking of DOHOME as the one in mind for products, price and sincere services like friends, like relatives, with an aim to allow the customers to experience the purchase of products with smiles.
- The Company is determined to develop the employees’ proficiency and capability and uses the modern and innovative technology in the organization in order to allow the employees to work with happiness and efficiency in a professional manner.
- The Company will keep a good relationship with its current business alliances, including seeking for new business alliances in the future to support and retain the success of both parties.
- The Company will have responsibility and return back to the society by participating in the activities of the projects which provide benefits to the society and environment.

Goal and Strategy in Business Operations

The Company’s and the subsidiaries (it hereby “the Group”), the Company is determined to best of retail and wholesale business and services relating to construction materials and home decoration products full circle under thinking of under the concept “Complete, Cheap and Good at DOHOME” by the major of strategy in business operations as follows:

- (1) Products presentation of decoration products to all groups of customers, by determined of Price leadership.
- (2) Providing related full services.
- (3) Increasing distribution of store sales by expanding branches in the region of Thailand
- (4) Sales online development.

1.1.2 Major Changes and Development

Major Changes

The Company’s Business was founded in 1983 by Mr. Adisak Tangmitrphracha and Mrs. Nattaya Tangmitrphracha under the name of S.Ubon Watsadu Partnership Limited, originally located on Sappasit Road, Mueang District, Ubon Ratchathani to sell steel products, roofing materials, plywood and construction materials. With a business approach focusing on selling a vast variety of good quality products at cheap prices, the business had grown rapidly.

In 1993, S. Ubon Watsadu Limited Partnership moved its business premise to Warin Chamrap Sub-district, Warin Chamrap District, Ubon Ratchathani Province, which is the current location of the Ubon Ratchathani store. At the same time, the Company was incorporated under the name Ubon Watsadu

Co., Ltd. with a registered capital of 20.00 million baht in order to replace Ubon Watsadu Limited Partnership. The new company operated comprehensive retail and wholesale businesses of construction materials and home decoration items under the trade name of “Ubon Watsadu”. Later in 2003, the Company started to expand the Ubon Ratchathani store to support the extension of product groups in order to meet the demands of all customer groups. In doing so, the modern trade model was introduced to the conventional construction material store, by which the store was changed into a warehouse with separated areas for retail and wholesale, and a barcode system and a modernized inventory management system were adopted. As a result, the Company achieved steady and strong growth.

In 2007, the Company opened its second branch that was Nakhon Ratchasima store at Nong Bua Sub-district, Muang District, Nakhon Ratchasima Province. At this time, the new trade name “Dohome

under the Ubon Watsadu Company Limited” was used for the first time in order to be in line with the business vision of committedly being a center of products and services offering complete, cheap and best construction materials and home decoration items for all groups of customers.

Subsequently, the Company has been continuously opening new branches in the North, Northeastern, Bangkok and its vicinity. At present, the Company has a total of 26 stores and one Distribution Center.

At present, the Company is one of the leaders in retail, wholesale and full service of construction materials and home decoration items under the business concept of “Complete, Cheap, Good...at Dohome”, by focusing on offering a wide range of construction materials and home decoration products with good quality, cheap prices, and providing full range of related services. The Company has a plan to continually expand its investment to potential provinces in order to support the increasing purchasing power of people and urbanization.

Significant development of the group of Companies

| Year | Improvement |
|-------------|--|
| 1983 | <ul style="list-style-type: none"> Mr. Adisak Tangmitrphracha and Mrs. Nattaya Tangmitrphracha started their construction materials retail business under the name of S.Ubon Watsadu Partnership Limited located at Mueang District, Ubon Ratchathani. |
| 1993 | <ul style="list-style-type: none"> S.Ubon Watsadu Partnership Limited relocated its Ubon Ratchathani store to the current location at Warin Chamrap Sub-district, Warin Chamrap District, Ubon Ratchathani. With the area of more than 37 rai, the business transformed into a large store with sufficient parking space for customers. In order to replace S.Ubon Watsadu Limited Partnership, the Company was incorporated under the name of Ubon Watsadu Co., Ltd. with a registered capital of 20.00 million baht divided into 200,000 ordinary shares at a par value of 100.00 baht. The new company operated comprehensive retail and wholesale businesses of construction materials and home decoration items under the trade name of “Ubon Watsadu”. |
| 2003 - 2006 | <ul style="list-style-type: none"> During 2003 - 2006, the Company constantly increased its registered capital in order to properly adjust its capital structure and to generate its working capital. Details are as follows: <ul style="list-style-type: none"> In 2003, the Company increased its registered capital at 30.00 million baht divided into 300,000 ordinary shares at a par value of 100.00 baht, making the total registered capital increased to 50.00 million baht. |

| Year | Improvement |
|------|--|
| | <ul style="list-style-type: none"> • In 2004, the Company increased its registered capital at 130.00 million baht divided into 1,300,000 ordinary shares at a par value of 100.00 baht, making the total registered capital increased to 180.00 million baht. • In 2006, the Company increased its registered capital at 120.00 million baht divided into 1,200,000 ordinary shares at a par value of 100.00 baht, making the total registered capital increased to 300.00 million baht. • A modern trade model was introduced to the Company's conventional construction material store, by which the store was changed into a warehouse with separated areas for retail and wholesale storing comprehensive construction materials, home decoration items, agricultural and garden tools, and hand tools. Also, a barcode system and a modernized inventory management system were adopted. |
| 2009 | <ul style="list-style-type: none"> • The Company increased its registered capital at 100.00 million baht divided into 1,000,000 ordinary shares at a par value of 100.00 baht, making the total registered capital increased to 400.00 million baht. The purpose is to properly adjust its capital structure and generate the company's working capital. • The Company adopted SAP ECC 6.0 software which connected to the point-of-sale software in order to enhance its management, increase its business capabilities and support the organisation's key work processes such as accounting & finance and inventory management. |
| 2015 | <ul style="list-style-type: none"> • The Company began to design, hire to produce, and distribute the Group's house brand products in order to increase its profitability. • The Company set up a team to improve employee training in order to increase knowledge, skills and expertise, as well as to enhance work efficiency of employees at all levels and prepare the personnel for future business expansion. • The name of the Company was changed from Ubon Watsadu Co., Ltd to Dohome Co., Ltd. |
| 2016 | <ul style="list-style-type: none"> • The Company opened its e-commerce distribution channel under the name of "Dohome Shop Online" by which products could be searched on the Company's website at www.dohome.co.th |
| 2017 | <ul style="list-style-type: none"> • The Extra-Ordinary General Shareholders' Meeting no. 9/2017 which was held on 19 December 2017, passed resolution to approved changing structure of the Group Company ready for actions offering of ordinary shares to initial public offering and bring the Company registering the Stock Exchange of Thailand ("SET") |
| 2018 | <ul style="list-style-type: none"> • April 2018, The Company's has opened Bangna branch, to be 9th. • The Board of Directors' Meeting no. 3/2018 (before transforming to a public limited company) dated 15 May 2018 passed resolved to acknowledge the existing ordinary shares offered by Amplus Holdings Limited, the existing shareholder of the Company, Existing Ordinary Shares to the Public (IPO) in the amount of not exceeding 68,000,000 shares, with a par value 1.00 Baht. • The Extra-Ordinary General of Shareholders' Meeting No. 1/2018 (before transforming to a public limited company) which was held on 22 May 2018 passed resolved as follows: |

| Year | Improvement |
|------|--|
| | <ul style="list-style-type: none"> • Approved the transforming the Limited Company to the Public Limited Company and changing the name as a Dohome Public Limited Company. Therefore, the Company has been transformed Limited Company to a Public Limited Company on 24 May 2018. • Changed the Company's par value from Baht 100.00 per share to Baht 1.00 per share which resulted in the increase in number of the Company's ordinary shares from 14.00 million shares to 1.40 billion shares; • Increased the registered capital of not exceeding Baht 400.00 million by issuing newly-issued ordinary shares of not exceeding 400.00 million shares with a par value of Baht 1.00 per share for initial public offering (IPO). • In June 2018, The Company's opened a Distribution Center (Distribution Center) in Pathumthani Province for increase the efficiency of warehouse management. • The Extra-Ordinary General of Shareholders' Meeting No. 1/2018 (After transforming to a public limited company) which was held on 5 July 2018 passed a resolution to an increase of registered capital and share allotment as follows: <ul style="list-style-type: none"> • To increase the registered capital of not exceeding Baht 456.16 million resulting in increased registered of capital an amount Baht 1,400 million in consisting of Baht 1,856.16 million by issuing newly-issued ordinary shares 456.16 million shares with a par value of Baht 1.00 per share for IPO and (2) the allotment ordinary share of capital increase not exceeding Baht 56.10 million with a par value 1 Baht per share for share overallotment. • In July 2018, the Company registered the establishment Dohome Energy Co., Ltd. ("Dohome Energy") with registered capital from Baht 5.00 million ordinary shares of 50,000 shares at par value of Baht 100.00 each, with the Company is 100.0% to the business of production and distribution of solar energy from the roof (Solar Rooftop) to the group. • In November 2018, Dohome Energy increased the registered capital of baht 55.00 million issuing newly-share of 550,000 shares, a par value of baht 100.00 per share, Dohome Energy has increased its registered capital to 60.00 million baht. to use as an investment for solar power panels installed on the roof (Solar Rooftop). |
| 2019 | <ul style="list-style-type: none"> • The Extra-Ordinary General Shareholders' Meeting of No. 1/2019 held on 22 May 2019, resolved to amend the allocation of newly issued ordinary shares of the Company not exceeding 456,160,000 shares at par value of Baht 1.00 per share to be the first initial public offering (IPO) and to acknowledged that Amplus Holdings Limited shareholders of the Company. To bring the existing ordinary shares of not more than 56.16 million shares to cover the over-allotment option. (Overallotment) the initial public offering for the first time and the over-allotment of shares Amplus Holdings Limited to a total of 68,000,000 shares. • In July 2019, the company opened Small branches Dohome ToGo at Makro Charansanitwong branch and at Makro Sathorn branch. • The Company's entered securities in the SET first trading on 6 August 2019 • In November 2019, the Company opened Petchkasem branch as 10th branch and opened Small branches Dohome ToGo at Big C Bangplee branch. • In December 2019, the Company opened Small branches Dohome ToGo at Tesco Lotus Korat branch and opened Small branches Dohome ToGo at Pantip Plaza Ngamwongwan. |

| Year | Improvement |
|------|--|
| 2020 | <ul style="list-style-type: none"> • In January 2020, the Company launched Small branches Dohome ToGo at Tesco Lotus Bangna • In June 2020, the Company was selected by the Stock Exchange of Thailand to be included in the SET100 Index. • In June 2020, the Company launched Small branches Dohome ToGo at Cosmo Walk, Muang Thong Thani and Chatchawan Market, Khlong 7. • In July 2020, the Company opened a store at Surin as its 11th branch. • At the 2020 Annual General Meeting of Shareholders on 22 July 2020, the Meeting approved the Company's capital increase of 309,360,000 baht (Three hundred and nine million, three hundred sixty thousand baht), from 1,856,160,000 baht to 2,165,520,000 (Two billion, one hundred sixty-five million, five hundred twenty thousand baht), at a par value of 1 baht per share for stock dividend. • In September 2020, the Company opened a store at Maptaphut as its 12th branch and launched Small branches Dohome ToGo at Thai Somboon Market, Rangsit Khlong 3. • In October 2020, the Company launched Small branches Dohome ToGo at Ruaysap Market, Bang Pli. • In December 2020, the Company launched Small branches Dohome ToGo at Thai Rung Thip Market, Khlong Dan. Therefore, at the end of 2020 the Company has a total of 12 large stores, 11 Small branches Dohome ToGo stores and 1 Distribution Center |
| 2021 | <ul style="list-style-type: none"> • In February 2021, the Company launched Dohome ToGo at Tab Yao Market, Lat Krabang. • In March 2021, the Company opened a store at Laem Chabang as its 13th branch. • At the 2021 Annual General Meeting of Shareholders on 8 April 2021, the Meeting approved the Company's capital increase to 3,243,684,982.00 baht (Three billion two hundred forty-three million, six hundred eighty-four thousand, nine hundred eighty-two baht) by issuing a total of 1,078,167,016 ordinary shares at a par value of 1 baht per share for stock dividend, general mandate and Employee Stock Option Program warrants. • In June 2021, the Company opened a store at Bowin as its 14th branch. • In November 2021, the Company opened a store at Chonburi as its 15th branch. • In December 2021, the Company opened a store at Surat Thani as its 16th branch. And Dohome ToGo at Maruay Market |

1.13 Is the proceed from equity offering in line with the objectives?

- None -

1.14 Obligations declared by the Company in the Registration Statement to Offer for Sale of Securities and/or permission conditions by the SEC Office (if any) and/or conditions for listing admission by the Stock Exchange (if any)

- None -

1.15 Name Address of the head office, Type of business, Company registration No., Telephone No., Fax No., Website (if any), No. of paid-up shares of the company.**Information of Dohome Public Company Limited**

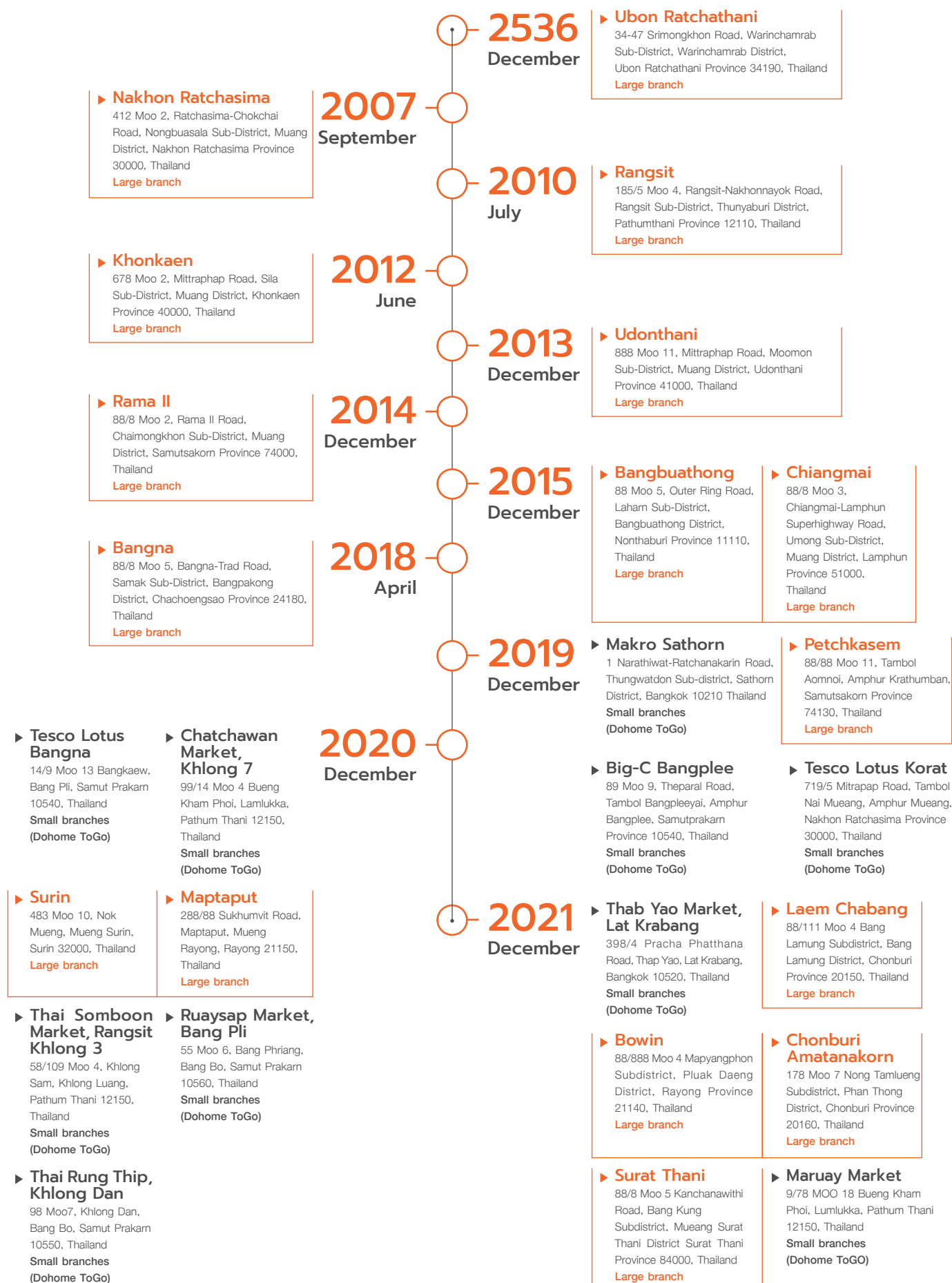
| | |
|--------------------------|--|
| Address | 37-47 Srimongkol Road, Warinchamrab Sub-district, Warinchamrab District, Ubon Ratchathani 34190 |
| Telephone no. | 045-959-888 |
| Website | www.dohome.co.th |
| Type of business | Comprehensive retail and wholesale business of construction materials and home decoration items under the concept of “Complete, Cheap, Good...at Dohome” |
| Company registration no. | 0107561000196 |
| No. of registered shares | 3,243,684,982 ordinary shares of 1 baht each |
| No. of paid-up shares | 2,422,170,022 ordinary shares |
| Name of the market | The Stock Exchange of Thailand |
| Symbol | DOHOME |

1.2 Business Operations**1.2.1 Income structure**

The Group operates retail, wholesale and service of construction materials and home decoration products including related services under the trade name “DOHOME” with a One-stop Home Products Destination, which is a large distribution building with service areas consisting of sales areas and

warehouses, approximately 22,000 - 65,000 square meters and parking space. As of 31 December 2021, the Group has 26 branches in operation which are divided into area large 16 branches and 10 small branches Dohome ToGo with the following details:

The details of branches in operation as of 31 December 2021



The Group is determined to sales products the best quality from supplier manufacture both of domestic and overseas, the product category cover of construction materials, product category of repair materials and product category of decoration

materials with a total of stock keeping units (SKUs) of more than 150,000 SKUs, as of 31 December 2021, the products of the group can be divided into 3 main group i.e. product category of construction materials

Revenue Structure of the Group

| Revenue Structure | For the fiscal year ended 31 December | | | | | |
|--|---------------------------------------|--------------|------------------|--------------|------------------|---------------|
| | 2019 | | 2020 | | 2021 | |
| | Million Baht | Percentage | Million Baht | Percentage | Million Baht | Percentage |
| Sales and Services Income ⁽¹⁾ | 17,868.70 | 99.4 | 18,726.66 | 99.3 | 25,784.60 | 99.5 |
| Other Income | 103.12 | 0.6 | 126.30 | 0.7 | 133.18 | 0.5 |
| Total Revenues | 17,971.82 | 100.0 | 18,852.96 | 100.0 | 25,917.78 | 100.00 |

Remarks : ⁽¹⁾ Percentage of total revenues mainly from delivery service.

The revenues of the Group are mainly from the sales and services. During the year 2019-2021, the Group's revenues from sales and services could be divided by product categories as follows: (1) Product category of construction materials at approximately 42.0% - 46.0% of the revenues from sales and services; (2) Product category of repair materials at approximately 35.0% - 38.0% of the revenues from sales and services; and (3) Product category of decoration materials at approximately 18.0% - 20.0% of the revenues from sales and services respectively

Furthermore, the revenues from the sales and services income, the Group provides a space for rent within the branch(es) such as setting up a maintenance & repair tools service center by a third-party service provider having foods and beverage, design shop by a third-party service provider gold mall etc. As the Group mainly provides rental service in consisting facilitates the customers. In the future, the Group's may consider adjusting the retail spaces and rental space proportion as appropriate for maximum benefit to the group of companies.

Design shop



Gold Mall



1.2.2 Product Information

(1) Nature of Products and Services and Develop Innovation

Business information classifying

Products of the Group can be divided into 3 main groups which are construction material product, category of repair materials product and category of decoration material products by product categories and example product list with details as follows:



1 Construction material product

Steel sections, steel bars, paints and chemicals, wood, cement, stainless steel wire and other infrastructure products.



2 Repair materials product

Hardware, tools agriculture, gardening - plumbing equipment, flooring - wall electrical equipment, Knobs - hinges, water pump, sanitary equipment, Kitchenware - Sink, sanitary ware, door-window.



3 Decoration material products

Electrical appliances, home furniture appliances, printing stationery, decorative lamps, consumer goods, bedding, gift shops, and home decorations.

Source : Company's data

In addition, the Group's offers a wide range of House Brand products including; construction material product group, repair & maintenance materials product group, and decoration product group. House Brand products are designed and/or made from the factory which exclusively sold for the Group. As a result, the Group is able to sell the

House Brand product with competitive price as compared to the Non House Brand products which such price highly encourages the customer to buy House Brand products.

Examples of House Brand Products



The Group's has working tram which are the products designed and/or ordered for manufacturing from the factory for the purpose of selling at the branches of the Group. This allows the Company to set the selling price of the House Brand products of the [Company/Group] in a manner being able to compete with other Non-house Brand products and working well in motivating the purchase by the customers.

As at 31 December 2021, the Group has more than 24,000 SKUs of the House Brand products such as tools agriculture, Hardware, door-window, printing stationery, gardening - plumbing equipment, sanitary ware, furniture etc. the Group has permission from Thai Industrial Standards Institute ("TIST") to approval letter more than 65, for products under the house brand of the Group (House Brand)

Revenue from sales and services fee by products type.

| Revenue structure of sales and services | For the year ended 31 December | | |
|---|--------------------------------|---------------------------|---------------------------|
| | 2019 | 2020 | 2021 |
| | Percentage ⁽¹⁾ | Percentage ⁽¹⁾ | Percentage ⁽¹⁾ |
| | | | |
| Non-house brand products | 84.0 | 83.5 | 84.5 |
| House brand products | 16.0 | 16.5 | 15.5 |
| Total sales and service income | 100.0 | 100.0 | 100.0 |

Remarks : ⁽¹⁾ Percentage of total revenues mainly from sale and service.

In 2019-2021, the Group's revenue ratio from the sales and services income from the House Brand products of the Group was 16.0%. In 2019 as percentage 16.5 in 2020 as percentage 15.5 in 2021, This was due to the Group's revenue growing by 37.7 percent for products under the House Brand brand, which has continued to grow. But the growth

of products under other brands (Non-house Brand) has a higher growth rate. As a result, the proportion of income may be reduced. However, The Group set targets to increase the revenue ratio from the sales and services income from the House Brand products of the Group in the future to 20.0% of the revenue from the sales and services in come 2022.

Services

The Group is determined to improve the quality of the services relating to construction, renovation and decoration of home in a complete range and with good quality, comprising of:



Delivery Service

The Group provides a delivery service to the customers by delivering the products to the destination by the Group's transport vehicles and the co-transport vehicles from a third party, with an aim to deliver the products to the customers in a fast and punctual manner to achieve the customers' utmost satisfaction.



Design Center (Providing Consultation and Design)

The Group provides a design center which has product consultants, design team and specialists to provide consultation about the products in detail to the customers and to provide consultation on design concurrently with product price assessment in order to allow the customers to select the products which are the most suitable and met the customers' requirements.



Special Order

The Group provides a special order service to meet the different and diversified needs of the customers, for example, product category of decoration materials on curtain, bathroom partition and kitchen table to which the customers will need to select the style, color and size before making an order, etc. In this regard, the Group will charge a service fee for special products according to the product type and order quantity.



Maintenance and Repair Service

The Group provides a space for rent within the branch(es) for setting up a maintenance and repair service center by a third-party service provider having good quality and standard of service and the Group also facilitates the customers by delivering the tools and equipment from the maintenance and repair service center to the branch not having a maintenance and repair service center to provide service to the customers.



Home Service (Assembly & Installation)

The Group provides the home service for assembly and installation of products in the categories of electric appliances, sanitary fittings and furniture. After completing the payment of products, the customers can contact for the use of home service and make appointment at the branch for the date and time for assembly and installation. Moreover, the Group provides assembly and installation out of payment of services, the customers fully conditions for sale promotion and sales stimulate in time periods.

Policy on Research and Development in Various Areas and Innovations in Products and/or Services

The Group has a policy to do market research in all respects to be aware of relevant changes in the industry and to acquire in-depth information about consumers so that it clearly understand expectations and problems. As a result, it will be able to plan for developing innovations and create products and/or services that meet consumers' needs in order to differentiate itself and build up a strong and sustainable business.

Market research is a process of evaluating consumers in order to identify the products demanded or expected by consumers, as well as their purchasing channel for products and/or services. Collecting information directly from consumers, the Group is able to see an opportunity to create innovations that will increase business efficiency and effectiveness in the future.

To have more in-depth information in terms of both qualitative and quantitative researches, the Group also gathers information from public sources. The qualitative research concerns public opinions and consumers' perception towards products available in the market; while the quantitative research concerns data and relating trends.

Therefore, the Group has a plan to survey customer satisfaction and conduct market research as such research will enable the Group to recognize consumers' needs or opinions, leading to the development and improvement of products and/or services.

Research and Development Expenses in the Past Year

The Group has conducted a customer satisfaction survey (CSAT) to score customer satisfaction during important interactions such as when using products for the first time, customer services, when making

a purchase, etc. The survey shows the satisfaction levels towards services, products or company's response, and can evaluate the customer satisfaction and services extended to customers.

Marketing and Competition

(a) Marketing for Key Products and Services

Marketing Policy in the Past Year

Although the COVID-19 pandemic in Thailand and worldwide during the past two years has changed the consumer behavior, the Group has prepared a plan which is constantly revised to be up-to-date. The Group has also developed new sales channels to accommodate the changing customer behavior such as e-commerce, as well as providing promotions to customers. As a result, the Group can maintain existing customers while continuously increase its sales. The marketing policy still focuses on both retail and wholesale.

The Group intends to become a leader in retail and wholesale business providing complete, cheap and best construction materials, home repairs and decorations for all customer groups in order to meet customer's needs. The Group focuses on well-organized management using modern and efficient technology such as an automatic storage and retrieval system (AS/RS). To maintain competitiveness, the Group emphasizes on providing full services and branch expansion so as to better serve and reach every customer group.

The Group pays attention to relationships with customers, leading to a rapid increase in customer number with customer loyalty (Loyalty Member) and a continuous high number of customers with high purchase (Active Member). The Customer Experience Management Team is established and customer satisfaction is evaluated in order to analyze, design, improve and develop customer experiences and impression which will lead to more repeat purchases.

(1) Product Variety

The Group has been continuously developing and searching for new products and services in order to add variety to its products, whether in terms of (1) the quantity to meet customers' demand of products and the vast variety product, whether it be product depth with several SKUs for each product e.g. various designs and brands especially product assortment in order to provide a one-stop service that meet all customers' demand.

With more than 37 years of experiences in retail and wholesale of construction materials and home decoration items, the Group understands customers' needs; and by analyzing customers' purchasing behaviours enables the Group to even better understands customers' needs. The Group also pays attention to the selection of products for sale. At present, the Group markets and distributes both house brand and non-house brand products.

- **House brand products:** A specific team of staffs has been set up to seek manufacturers, develop and/or design house brand products with an aim to provide modern and nice products with equivalent quality to other non-house brand products. At the same time, a price strategy is used to promote house brand products as their marketing budget is not so high and their pricing can be set to generate target profits while providing the highest value to customers.
- **Non-house Brand:** The Group selects famous branded product from both domestic and international manufacturers in order to meet the demand of all customer groups.

(2) Price Competitiveness

The Group's pricing policy focuses on worthiness for customers and competitive advantage for the Group. Efficient cost management has enabled the Group to sell products with competitive prices. The Group's pricing policy based on product categories is as follows:

- **Fast Moving Products** are in general popular products with high turnover rate such as branded products known among customers and generally available like paints, hand tools and electric appliances. The Group will determine competition-based pricing of these products by regularly checking their market prices so as to ensure price competitiveness that is attractive to customers and increase sales.
- **House Brand Products** The Group will determine competition-based pricing for the same products of non-house brand in order to offer an option for customers who consider price, quality and functional property that are equivalent to the same products available in the market.
- **Steel** is a commodity of which the price varies according to the global market. It is the Group's policy to adjust the steel price according to the market-based pricing and the product's target gross profit margin in order to ensure competitiveness.
- **Others** are other products such as lamps, furniture and home decoration items. Cost-plus pricing is used for this product category, while taking into consideration the target gross profit margin under the Group's policy

(3) One-Stop Service

The Group commits to provide comprehensive and quality services relating to construction, extension and interior decoration through (1) acquiring knowledge and profound understanding of products for sale by organizing employee training regularly and continuously and developing digital learning media in forms of VDO and product leaflets which enable employees to learn anywhere and anytime without restriction and; (2) making employees attentively service customers so as to create service differentiation that thus improve the customer service standard.

Currently, the services provided by the Group can be divided into 3 parts i.e.

- **Provision of pre-purchase information:** Product consultants with knowledge of and familiarity with a particular brand or product group are made available to give an insight about such product, as well as advices and suggestions on how to choose a right product that meet customers' need. Additionally, designers and skilled staffs are also available to advise customers on house design, home renovation and decoration.
- **Delivery and installation services:** Nationwide delivery service is available for customers who make both offline and online purchases, emphasizing on fast and on time delivery for the highest customer satisfaction. Moreover, the Group also provides skilled mechanics to assemble and install electric equipment and furniture.
- **Maintenance and repair services:** Maintenance service centers with skilled staffs are established by the Group. Customers can have their equipment or hand tools repaired directly at such service center or can contact a store if there is no service center at that branch for more convenience.

Sale and Marketing

(1) Marketing Activities

The Group has planned and prepared its annual marketing and public relations plan by researching into the target group's behaviours based on which marketing and public relations activities, schemes and media are determined for a particular time of the year in consistent with such target group's buying behaviours based on seasons or other factors such as a harvesting season, or a government measure or policy to boost consumption. Giving the fact that

nowadays the marketing strategies are continually changed and adjusted, continual marketing activities are therefore important in terms of promoting products and services and increasing a sale revenue. In this sense, organizing activities that are interesting for and being talked about amongst the target group and the public are an approach of an event marketing which gains in popularity.

The Group's marketing activities can be grouped into:

- Promotion activities to promote sale in seasons in accordance with consumption behavior; for examples, the Home Decoration Fair, the Mechanic Work Fair, the Agricultural Farm and Water Supply Fair, the Annual Grand Sale Fair, and the Dohome Online Festival for the online channel. Promotions for best-selling product groups are made available in accordance with such particular period of time.
- Marketing events at fairs to attract the target group to come to stores; for examples, Holy days, Chinese New Year, Valentine's festival, Songkran festival etc. At these festivals, marketing events are organized in accordance with the Group's promotion in order to promote it among customers.
- Participation in local activities of each area as a sponsor in order to create the Company's brand awareness and recognition; for example, being one of sponsors for Songkran festival and Candle festival.

In doing so, media formats and campaign will be prepared in line with the abovementioned marketing activities, using various marketing and public relations channels that cover all customer groups including:

- Conventional advertising like as print media, newspapers, magazines, pamphlets;
- Outdoor advertising like billboards and/or advertising signages on main roads;
- Digital advertising and social media like Facebook, Instagram, Line and the Group's website to more easily connect between customers and the Group. Through such online media, product information and promotions will be presented, making customers wish to visit stores more to make a purchase;
- Marketing effort at stores by cooperating with manufacturers and/or distributors; for example, advertisement, product display, product recommendation by product consultants representing each particular brand, in order to persuade customers visiting stores to make a purchase;

Furthermore, the Group has a membership scheme to earn points for every purchase and redeem them for gifts under conditions. Special discounts at various occasions are available for members, motivating them to make a purchase. Moreover, the Group can use the member purchasing record to analyze a purchasing behavior at each period of time, thus allowing the Group to better make a marketing plan and select appropriate products to sell that would better meet each customer's need.

(2) Promotional Activities

The Group has done various promotions through distribution channels in order to boost sale and product turnover all year round as follows:

- Price-off promotion
- Premium promotion
- Buy more save more promotion
- Sampling promotion
- Redeem offer promotion

Target Customers

The Group emphasizes on providing services to various customer groups including.

- (1) Retail customers are customers buying for personal use
- (2) Resellers are customers who purchase the Group's products for reselling at their retail stores. These retail stores therefore gain an advantage over the Group's stores in areas where the Group's business does not exist.
- (3) Contractors and Construction Projects are customers who operate businesses in construction, extension and decoration, both minor and major contractors, including owners of construction projects such as housing projects, hotels, resorts and apartments. The Group will sell construction materials and decoration items to real estate developers or contractors under the conditions and requirements of each project.
- (4) Government Agencies and State Enterprises are customers who make a purchase for work relating to a government agency and state enterprise such as schools. Such customers will choose products according to their purpose and budget.

For the years ended 31 December 2019, 2020 and 2021, there was no sales by one particular customer that exceeded 5.0 percent of the income from sale of goods. The Group always pays attention to building strong business relationships with all customer groups. In order to increase the Group's sales volume, specialist teams were set up to support marketing and sales specifically for each type of customer in order to deliver a thorough, fast and accurate services with more convenience in making a purchase.

Moreover, thank to the locations of some stores that are on main roads connecting to neighboring countries, the Group can directly sell their products to foreign markets e.g. the Lao People's Democratic Republic PDR, and can indirectly sell products to foreign markets through resellers.

The Group has two types of payment terms and conditions i.e.

- (1) Cash payment including payment by money transfer, check, credit card, and cash on delivery;
- (2) It is the Group's policy to grant a trade credit to each customer under a trade credit limit and term determined by evaluating their creditworthiness based on financial status and supporting documents from a commercial bank, a collateral value, a legal dispute, and a record of past payment. The credit term can be from 30 - 60 days, but mostly 30 days in average. In case that customers wish to adjust their credit term the Group will consider on a case-by-case basis which usually takes 45 - 60 days.

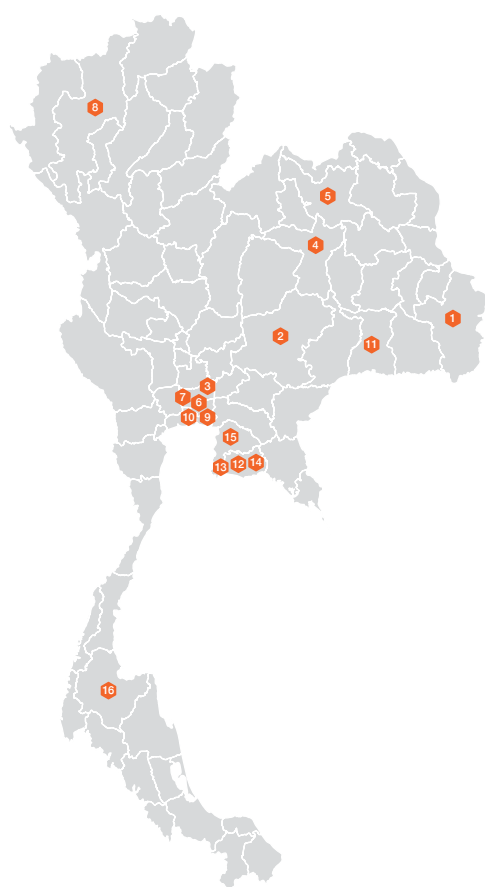
Distribution Channels

At present, the Group sells its products through (1) Dohome Product Centers (2) e-commerce channel and (3) other distribution channels. Details are as follows:

(1) Dohome Product Centers

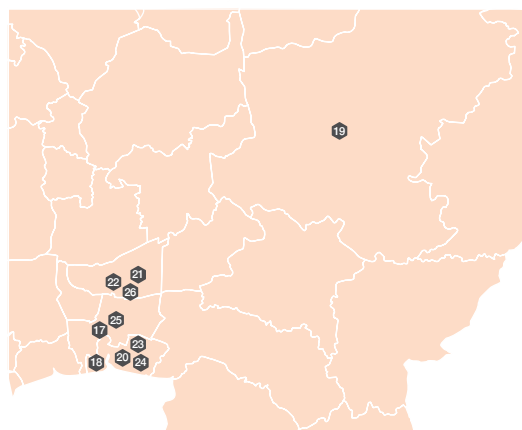
The One-stop Home Products Destination, or also known as "The Great Empire of Home Products" is the main distribution channel of the Group. As of 31 December 2021, there are a total of 16 large stores and 10 Dohome ToGo store in operation.

Figure showing Large branch and Small branch (Dohome ToGo) in operation as of 31 December 2021



Large branch

- 1. Ubon Ratchathani**
Warinchamrab, Warinchamrab, Ubon Ratchathani
Population Density : 118.6 people per sq.km
Average household income : 18,397.9 baht per month
- 2. Nakhon Ratchasima**
Nong Bua Sala, Mueang District, Nakhon Ratchasima
Population Density : 128.5 people per sq.km
Average household income : 25,735.9 baht per month
- 3. Rangsit**
Rangsit, Thanyaburi, Pathum Thani Population
Population Density : 771.0 people per sq.km
Average household income : 46,977.7 baht per month
- 4. Khon Kaen**
Sila Sub-district, Mueang District, Khon Kaen
Population Density : 164.8 people per sq.km
Average household income : 19,252.5 baht per month
- 5. Udon Thani**
Moo Mon, Mueang District, Udon Thani
Population Density : 133.7 people per sq.km
Average household income : 25,766.5 baht per month
- 6. Rama 2**
Chaimongkol, Mueang District, Samut Sakhon
Population Density : 672.0 people per sq.km
Average household income : 23,442.8 baht per month
- 7. Bang Bua Thong**
Laham, Bang Bua Thong, Nonthaburi
Population Density : 2,051.6 people per sq.km
Average household income : 37,502.2 baht per month
- 8. Chiang Mai**
Umong, Mueang District, Lamphun
Population Density : 88.7 people per sq.km
Average household income : 20,443.2 baht per month
- 9. Bang Na**
Bang Samak, Bang Pakong, Chachoengsao
Population Density : 134.7 people per sq.km
Average household income : 22,875.3 baht per month
- 10. Phetkasem**
Omnoi, Krathum Baen, Samut Sakhon
Population Density : 672.0 people per sq.km
Average household income : 23,442.8 baht per month
- 11. Surin**
Nok Mueng, Mueng Surin, Surin
Population Density : 169.6 people per sq.km
Average household income : 20,238.2 baht per month
- 12. Maptaput**
Maptaput, Mueng Rayong, Rayong
Population Density : 208.8 people per sq.km
Average household income : 20,299.1 baht per month
- 13. Laem Chabang**
Bang Lamung, Bang Lamung, Chonburi
Population Density : 359.1 people per sq.km
Average household income : 28,705.9 baht per month
- 14. Bowin**
Mapyangphon, Pluak Daeng, Rayong
Population Density : 208.8 people per sq.km
Average household income : 24,299.1 baht per month
- 15. Chonburi**
Nong Tamlueng, Phan Thong, Chonburi
Population Density : 359.1 people per sq.km
Average household income : 28,705.9 baht per month
- 16. Surat Thani**
Bang Kung, Mueang Surat Thani, Surat Thani
Population Density : 82.8 people per sq.km
Average household income : 32,014.0 baht per month



Small branch (Dohome ToGo)

- 17. Makro Sathorn**
1 Narathiwat-Ratchanakarin Sathorn District, Bangkok
Population Density : 1,346.0 people per sq.km
Average household income : 24,729.4 baht per month
- 18. Big C Bang Phli**
Bang Phil Yai, Bang Phil, Samut Prakan
Population Density : 1,346.0 people per sq.km
Average household income : 24,729.4 baht per month
- 19. Tesco Lotus Korat**
Nai Mueang, Mueang District, Nakhon Ratchasima
Population Density : 128.5 people per sq.km
Average household income : 25,735.9 baht per month
- 20. Tesco Lotus Bangna**
Bangkaew, Bang Pli, Samut Prakan
Population Density : 1,346.0 people per sq.km
Average household income : 24,729.4 baht per month
- 21. Chatchawan Market, Khlong 7**
Bueng Kham Phoi, Lam Lukka, Pathum Thani
Population Density : 771.0 people per sq.km
Average household income : 46,977.7 baht per month
- 22. Thai Somboon Market, Rangsit Khlong 3**
Khlong Sam, Khlong Luang, Pathum Thani
Population Density : 771.0 people per sq.km
Average household income : 46,977.7 baht per month
- 23. Ruaysap Market, Bang Pli**
Bang Phiang, Bang Bo, Samut Prakan
Population Density : 1,346.0 people per sq.km
Average household income : 24,729.4 baht per month
- 24. Thai Rung Thip, Khlong Dan**
Khlong Dan, Bang Bo, Samut Prakan
Population Density : 1,346.0 people per sq.km
Average household income : 24,729.4 baht per month
- 25. Thab Yao Market, Lat Krabang**
Thap Yao, Lat Krabang, Bangkok
Population Density : 3,562.2 people per sq.km
Average household income : 39,459.4 baht per month
- 26. Maruay Market**
Bueng Kham Phoi, Lam Lukka, Pathum Thani
Population Density : 771.0 people per sq.km
Average household income : 46,977.7 baht per month

Note : Data of population density per square kilometer is as of 2020 and data of average monthly household income is as of 2019

Source : National Statistical Office, <http://statbbi.nso.go.th/staticreport/page/sector/th/index.aspx>

The Group has a plan to expand its customer base to cover nationwide in which new stores, both large stores and Dohome ToGO, will be opened. However, such branch expansion is carefully considered taking into account various factors such as the average household income and residential

population density. Moreover, the Group also plans to renovate its existing stores in order to provide better customer experiences and maintain existing customers.

The area of each existing store is divided into a store area and a warehouse area as follows:

- **Store area** includes an indoor area where products are displayed for customers to choose and buy. Products are placed by categories of construction, repair and decoration. Layout of store area and indoor walkways are designed focusing on convenience, cleanliness and

orderliness; as well as to create a friendly, accessible atmosphere for shopping as a good Store area includes an indoor area where products are displayed for customers to choose shopping experience is another key factor for repeat customers.

Store Area



At the front area of a store, product consultants are standby in the store area in order to facilitate customers in a friendly way and give advices on products, particularly those that require technical knowledge and skills like hand tools, kitchen hoods

and water pump. Moreover, showroom space is set up and staffs will give advices about room decoration like bathroom, kitchen, etc. in order to motivate customers to make a purchase.

Showroom Area



The Group has store salesperson and product consultants who are employees of manufacturers and/or dealers, and the Group's employees. Training on products by relevant manufacturers and/or

dealers is regularly organized for product consultants in order to ensure that the Group's service standard is maintained.

- **Warehouse area** includes the back of indoor area used to provide service to customers who make a purchase with the Group's salespersons. Such area is used to store steel products and large and/or heavy structural materials, as well as used as a pick-up point where customers can park and load their purchases. To support

product management for customers, tools and equipment are provided in this area such as forklifts and cranes. Moreover, the Group has introduced an automated storage and retrieval system to increase work efficiency, making the inventory management and delivery become faster and more accurate.

Warehouse



(2) E-Commerce Channel

In 2016, the Group introduced a new distribution channel through a website at www.dohome.co.th. While enabling customers to shop construction materials and decoration items online at 24/7, this website also conforms to a new trend of electronic-

oriented lifestyle under the concept of "Fast, Easy At Fingertips". Furthermore, a customer service team is also available at the Group's call center, including Facebook and Line account to serve the customers' demand. The Group believes that the online distribution channel has a potential growth in the future.

Taking orders via phone



The Group's website



(3) Other Distribution Channels

Currently, the Group has set up teams to support resellers, contractors and construction projects in areas nearby each store. Such teams comprising (1) a selling team and (2) a sale representative team are responsible for contacting and presenting products to target customers directly. Working together with the selling team, the sale representative team will contact customers to give advice about and details of products, take purchase orders, and provide delivery service. Then, the Group's selling team will closely and continuously provide services to customers, enabling the Group to effectively reach and understand customers, and therefore well respond to their needs in terms of products, prices and services.

Competition, Industry Trend and Future Competition

The overall trend of retail business of construction materials and home decoration items is better. Despite the incident of COVID-19, residence construction or purchasing power still continue and even increase. Therefore, the Group has swiftly adapted to respond to the changing customer needs in the digital era by, for instances, developing systems, software and distribution channels.

In the future, the retail business of construction materials and home decoration items still has a high potential growth, from both government projects and extended urbanization. And the demand for construction materials and home decoration items has increased. Also, an increasing number of entrepreneurs in this business will expedite a change in customer behavior to welcome modern trade outlets, enabling major entrepreneurs to continuously expand their business to provincial areas. On the other hand, local entrepreneurs have modernized their stores, leading to higher competition.

To maintain its competitiveness, the Group has improved and adapted to changes in terms of management, strategies, operating procedures, expertise and corporate culture. Furthermore, it also focuses on providing a vast variety of quality products to fulfil customer needs, covering all product categories from construction, repair to decoration. Competitors

Competitors in the business of construction materials and home decoration items can be grouped as follows:

Homecenter business group including:

1. HomePro : Managed by Home Product Center Public Company Limited, operating a retail business in home and building construction, extension and improvement as a one-stop shopping home center. Currently, there are 114 stores.
2. Thai Watsadu : Managed by CRC Thai Watsadu Company Limited under Central Retail Corporation. selling a complete range of materials for home improvement with a selling point "Complete, Cheap, Good at Thai Watsadu". The business was established in 2010 and now has 60 stores.
3. GLOBAL HOUSE : Managed by Siam Global House Public Company Limited, has been operating a retail business in construction, home improvement, tools for home and garden decoration for more than 13 years. Currently, there are 75 stores in operation.
4. Home HUB : Managed by Mr. Ong-ard Tangmitrphracha, selling home construction and decoration materials under a slogan: "Home HUB, Fast, Easy, As You Wish". They now have 5 stores, of which 3 stores located in Ubon Ratchathani, 1 stores located in Khon Kaen, and 1 stores located in Udon Thani.

5. MEGA HOME : Managed by Mega Home Center Company Limited, is a product center for construction materials and tools. Its major shareholder is Home Product Center Public Company Limited (HomePro). It was established in 2013 and now has 14 store.
6. baan & BEYOND : Managed by CRC Thai Watsadu Company Limited under Central Retail Corporation. It is a department store for home segment, established in 2013 and now has 7 stores.

Procurement of Products and Services

The Group has paid attention to the procurement of products and services in accordance with its business vision and mission that commit to be a center of complete, cheap and best construction and decoration materials for all customers. To ensure that products are of good quality, sold at competitive prices and always available, the Group has a policy to procure and purchase products from various well-known and reliable, both domestic and international, manufacturers and/or dealers with whom the Group has had a long-standing relationship. On the other hand, the Group has also sought for new manufacturers that are able to manufacture enough products for consumer demand, whether innovative products, construction materials, home decoration items and repair materials. Also, the Group has jointly developed some products with manufacturers and distributors in order to differentiate such products from others available in the market and to reduce a risk from relying on one manufacturer and/or dealer, thus creating the Group's bargaining power in price negotiation in a long term. In addition, the Group has periodically discussed with key manufacturers and/or dealers to plan product procurement and purchase in advance, as well as to jointly determine selling strategies, marketing activities and promotions.

Products are procured differently based on product category and how they are acquired; the details of which are as follows:

Selecting Dealers and Service Providers

This is a process to select dealers with capabilities to deliver products and develop a business together.

Dealers can be divided into 2 categories as follows:

- (1) Dealers are assessed by 5 criteria i.e. business assessment, product manufacturing and quality assessment, delivery assessment, assessment on industrial standards including standards on environment, safety and occupational health, and service assessment.
- (2) Service Provider/Contractor are assessed by 4 criteria i.e. business assessment, assessment on preparedness in providing services, assessment on industrial standards, and service assessment.

Procurement Methods

(1) House Brand Products

The Group procures house brand products from both domestic and overseas manufacturers. To ensure that house brand products are in accordance with a quality standard, the selected manufacturers must be accredited with a production standard, open for factory visits to see production process, have random quality inspection in place, and have appropriate product delivery time. The Group quality inspection will be conducted (1) before delivery at a factory or an origin port by a quality inspector according to a checklist specified by the Group. In case of defect, damage or wrong specification, such products will be changed or returned before delivery; and (2) upon arrival at stores the products will be randomly inspected by checking external packaging and will be counted again before being received into warehouse. In case of defect or damage, the Group will return such defective or damaged products to manufacturers for refund or change.

The Group also has a policy to examine patents and/or copyrights in outsourcing production of house brand products in order to reduce any risks arising from patent and copyright infringement.

(2) Non-house Brand Products

The Group purchases non-house brand products from both domestic and overseas manufacturers and dealers listed on the Approved Vendor List, but mostly from domestic ones.

For non-house brand products, the Group will plan to purchase each product category and each brand in advance so that they are purchased at a particular time in accordance with the business plan. Statistical data of sales at each store will be regularly analyzed to find consumer demand.

For warehouse receiving process, the Group has a policy to randomly inspect products by checking external packaging, and to count the number before receiving into warehouse. In case of defect or damage, the Group will return such defective or damaged products to manufacturers and/or dealers, and then confirm the actual number of products received with them.

Inventory Management

Regarding inventory management, it is the Group's policy to set a safety stock to maintain the level of inventory that is sufficient for sale which is one of the Group's key strategies. The level of inventory will be analyzed and used in purchase planning for products with a high turnover. The Purchasing Department will be informed to make a purchase in order to prevent the stock product from falling below the safety stock level. Moreover, a random inventory count is conducted daily.

In June 2018, the Group launched the Distribution Center with a warehouse area of 41,580 square meters at Pathum Thani as a center for receiving,

picking and dispatching goods to consumers and stores. At present, the Group is in a process of install an automated storage and retrieval system (ASRS). The second phases which will allow the Group to have more vertical storage space while saving horizontal storage space. The Group strongly believed that with the Distribution Center and the ASRS its inventory management will be optimized, the number of employees in warehouse can be reduced, and the cost of storage and delivery will decrease in the future.

In addition, the Group of Companies has established rules and regulations About random counting of daily products. as a guideline to prevent lost products or potential fraud by the company group Paying attention to item counting. It is slow moving, has high value, or has been lost frequently.

Quality Control

To ensure that manufacturers and dealers on the Approved Vender List can maintain their product quality and delivery process under the standard set by the Group, assessments of the Approved Vendor List is set out annually including a business assessment, a product quality assessment, a transportation assessment and a service assessment. The Group also set a guideline for deteriorated and slow-moving goods management; in which such goods are purchased at the amount sufficient for selling; a marketing effort is put in to boost their sales volume according to the marketing and public relations plan; and an agreement on returning and changing slow-moving and damaged products is made with manufacturers and dealers on the Approved Vender List. All of these measures are for preventing selling substandard products to consumers, reducing any expenses arising from deteriorated, expired, defective and damaged products, and optimizing the storage and inventory management.

Environmental Impacts

The Group strictly observes laws governing the environment and promote a business vision for environmental responsibility which is a key factor in designing building structure and determining operational energy-saving; for examples, using energy-saving light bulbs, using stairs instead of an elevator and using email instead of papers. Also, the Group pays attention to providing eco-friendly products such as fabric bags, bagasse tableware and solar powered products.

Procurement of new products

The Group realizes the importance of choosing and selecting products relating to its business by operating a business with public and environmental responsibilities.

The Group properly complies to standards in order to prevent any impacts on the public and environment, as well as increasingly supports and promotes activities. In doing so, the following definitions and tools are used to communicate with consumers.

(1) Eco Products refer to products that are environmental-friendly, energy-saving and protect the environment which meet the following criteria:

- Products and services whose production process does less harm to the environment, or causes less pollution, or does not emit any pollutants,
- Products and services whose usage does less harm to the environment, or causes less pollution, or does not emit any pollutants,
- The above-mentioned production process or usage may be resulted from one of the following actions :
 - A change in production method such as reducing the engine operation time;
 - A change in product and service utilization by changing the product appearance such as packaging made from easily decomposed agricultural materials, energy-efficient home or office design;
 - Manufacturers with environmental conscience such as factories with garbage management or wastewater treatment before discharging to public sources
 - Investment in new production technology that reduces energy consumption or emit lower pollutants, or uses less materials or raw materials (sometimes referred to as clean technology or environmentally-sound technologies)

(2) **Aging Products** refer to products that respond to the needs and lifestyles of the elderly. Adjusting the production process to be in line with the elderly's specific demands and penetrating this niche market can be achieved by adjusting the design to be user friendly, simple, written with large font size, or universal design. In addition, the elderly mostly buy quality, refined products making a decision based on reasons not sentiments, while concentrating mainly on satisfaction. Aging products can be marketed by either properly adjusting existing products to expand the customer base or creating brand new products specifically designed for the elderly which would add values to the products and services and differentiate from competitors. A showroom of "Elderly Bathroom" has been created to present customers with actual products they can buy.



convenience of life, including conceptual product development, new practices or inventions that have never been in use before, or the modernization or improvement of existing products. With such innovative products, work efficiency and effectiveness would be higher with less working time leading to better and happier life.

Innovative products are selected for customers' everyday life, for examples, solar cell products and smart home solution.

(3) **Hi-Tech Products** refer to products produced with new innovations for the comfort and



Assets Used in Business Operation

Investment in Subsidiaries

The Group operates the retail and wholesale business operation. According to the separate business of complete home products, including financial statements as at 31 December 2021, the investing in companies that support the Group's Group has invested in two subsidiaries as follows:

| Subsidiary | Nature of Business | Shareholding Proportion (Percentage) | Investment Value at Acquisition Cost as at 31 Dec 2021 (Million Baht) | Type of Investment |
|---------------|--|--------------------------------------|---|--------------------|
| DHG | Owning lands that the Group uses in its operation | 100.0 | 1,054.66 | Subsidiary |
| Dohome Energy | Producing and selling electric power generated from solar rooftops to the Group ⁽¹⁾ | 100.0 | 60.00 | Subsidiary |

Notes : ⁽¹⁾ At present, Dohome Energy is granted the investment promotion certificate (BOI), being eligible to the exemption of corporate income tax on the net profit of business operation for 8 years, as well as other incentives set forth in the certificate.

Fixed Assets

As at 31 December 2021, the net book value of fixed assets used in business operation, after impairments, as appear on the consolidated financial statements equals to 12,345.65 million baht. The Details are as follows:

| Items | Net Book Value as at 31 Dec 2020 (Million Baht) | Type of Ownership | Indebtedness |
|--|---|-------------------|---------------------------------|
| 1. Lands and land improvements | 4,131.35 | Owner | Partial mortgage ⁽¹⁾ |
| 2. Buildings and building improvements | 5,914.21 | Owner | Partial mortgage ⁽¹⁾ |
| 3. Machinery and equipment | 409.42 | Owner | Partial mortgage ⁽¹⁾ |
| 4. Equipment and computers | 57.54 | Owner | None |
| 5. Vehicle | 10.32 | Owner | None |
| 6. Furniture and office equipment | 771.49 | Owner | None |
| 7. Assets under construction | 1,051.32 | Owner | None |
| Total | 12,345.65 | | |

Notes : ⁽¹⁾ Part of lands and land improvements, buildings and building improvements, and assets under construction are under mortgage are pledged as collateral to financial institutions.

A Right-of-use Asset

As at 31 December 2021, the net book value of A Right-of-use Asset used in business operation, after accumulated depreciation and allowance for impairments, as appear on the consolidated financial statements equals to 793.78 million baht. The details are as follows:

| Items | Net Book Value as at 31 Dec 2021 (Million Baht) |
|--|---|
| 1. A Right-of-use Lands | 701.96 |
| 2. A Right-of-use Buildings | 49.49 |
| 3. A Right-of-use Machinery and equipment | 33.83 |
| 4. A Right-of-use Vehicle | 8.50 |
| Total | 793.78 |




Trademarks and Service Marks

As at 31 December 2021, the number of key trademarks and service marks owned by or under registration process by the Group for its business in Thailand is 158. Registration status of such trademarks and service marks is as follows:

| Status | Number |
|---|------------|
| Registered | 133 |
| Under consideration of the Department of Intellectual Property ⁽¹⁾ | 25 |
| Pending ownership transfer from connected party | 0 |
| Total | 158 |

Notes : ¹⁾ The duration of trademark registration is 16 months from the date the Trademark Office, Ministry of Commerce receives the registration application. (Source: Public Handbook on Registration of Trademark by the Trademark Office, Ministry of Commerce)

Examples of key trademarks and service marks and examples of registered products and services are as follows:

| Image of Trademark/ Service Mark | Trademark/ Service Mark | Example of Product/ Service Category |
|---|----------------------------|--|
|  | Dohome | <ul style="list-style-type: none"> Retail and wholesale business |
|  | Dohome | <ul style="list-style-type: none"> Selling construction materials |
|  | A STAR | <ul style="list-style-type: none"> Plumbing products |



| Image of Trademark/ Service Mark | Trademark/ Service Mark | Example of Product/ Service Category |
|---|----------------------------|--|
|  | Aluguard | <ul style="list-style-type: none"> Semi-finished plastic sheets Plastic sheets for furniture Aluminum sheets for construction |
|  | Finext | <ul style="list-style-type: none"> Wooden flooring materials |
|  | หัวเลื้อ | <ul style="list-style-type: none"> Galvanized sheet Screw Hoe, Spade, Spill, Rake |
|  | PowerMaxQ | <ul style="list-style-type: none"> Automatic Electric Cutting Machine Electric Control Power Strip |
|  | Oppa | <ul style="list-style-type: none"> Rice cookers Electric irons Juice blenders |
|  | Siena | <ul style="list-style-type: none"> Storage racks Faucets Shower heads Bathtubs |
|  | NASH | <ul style="list-style-type: none"> Hand Tools Safety Equipment, Safety Shoes, Safety Helmet |
|  | HEAP | <ul style="list-style-type: none"> Furniture products, sofas, tables, chairs |
|  | BRONOS | <ul style="list-style-type: none"> Kitchenware products, sink, gas stove |

Investment Policy in Subsidiaries and Associated Companies

In order to strengthen its business or build business synergy, the Group has a policy to invest in subsidiaries and associated companies that conform with the Group's objectives, visions and strategic growth plan, which will enhance its business performance or profits. In this connection, the Company, the subsidiaries and/or associated companies may invest in other businesses that have potential growth, help expand their business, or are beneficial to the Group's business by yielding good return on investment. Prior to investing in any projects, the Group will take into account the investment proportion, expected profits, potential risks, its financial status, and investment feasibility analysis and its potentials. Such investment must be considered and approved by the Board of Director's meeting and/or the shareholders' meeting

depending on the specified level of authorization. Request for investment approval must also be in line with the regulations and criteria of Thai Capital Market Supervisory Board, the SEC Office and the Stock Exchange of Thailand, as well as criteria on acquisition or disposal of assets, connected transactions and disclosure.

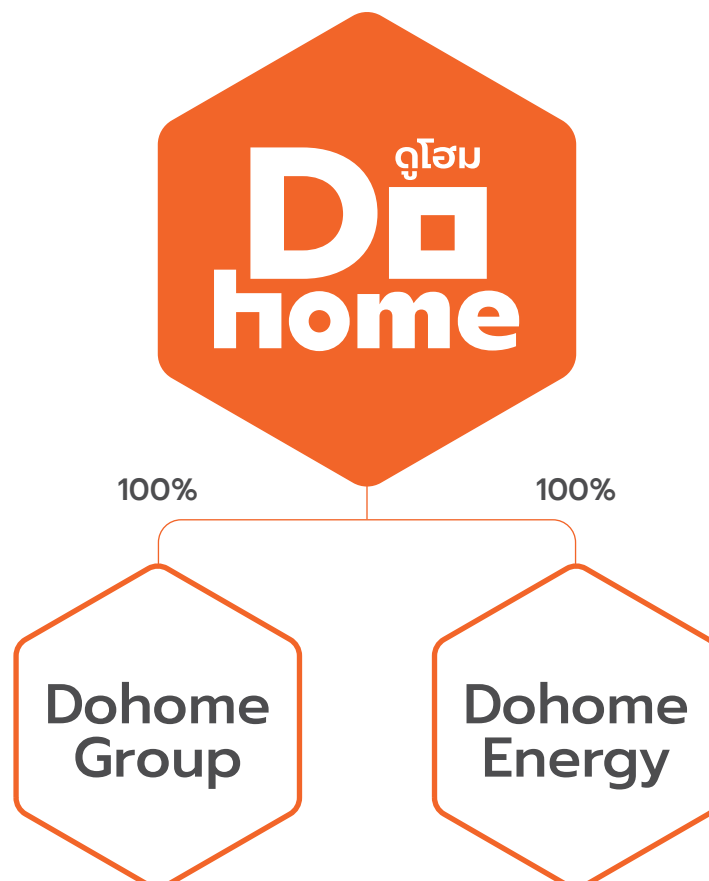
Work that has not been yet done

- None -

1.3 Shareholding Structure of the Group

1.3.1 Shareholding Structure of the Group

In the present, the Company has 2 Subsidiaries and the shareholding structure of the Group is as follows:



| Company's name | The business objectives | Registered Capital Paid up (Million Baht) | Proportion of Direct Shareholding (Percentage) | Proportion of Indirect Shareholding (Percentage) |
|------------------|--|---|--|--|
| 1. Dohome Group | Land holding of the Company's Group | 400.00 | 99.99 | - |
| 2. Dohome Energy | Manufacturing and distribution electronic form solar energy (Solar Rooftop) installed, for the Company's Group | 60.00 | 99.99 | - |

Information of companies in which Dohome Public Company Limited holds at least 10% of issued shares

1. Dohome Group Company Limited

| | |
|--------------------------|---|
| Address | 37-47 Srimongkol Road, Warinchamrab Sub-district, Warinchamrab District, Ubon Ratchathani 34190 |
| Telephone no. | 0 4595 9888 |
| Type of business | Buying and selling of on own account of non-residential buildings |
| No. of registered shares | 4,000,000 shares of 10 baht each |
| No. of shares held | 3,999,998 shares (99.99 percent) |

2. Dohome Energy Company Limited

| | |
|--------------------------|--|
| Address | 37 Srimongkol Road, Warinchamrab Sub-district, Warinchamrab District, Ubon Ratchathani |
| Telephone no. | 0 4595 9888 |
| Type of business | Electric power generation and transmission |
| No. of registered shares | 600,000 shares of 100 baht each |
| No. of shares held | 599,997 shares (99.99 percent) |

1.3.2 Shareholder

Shareholding Structure

At the book closing date as at 30 December 2021, the Company's registered capital was 3,243,684,982 shares, of which 2,422,170,022 shares had been paid up. The top 10 shareholders are listed below:

| Name of Shareholder | Number of Share | Shareholding (%) |
|--|-----------------|------------------|
| 1. Dohome Holding Company Limited | 682,500,000 | 28.2 |
| 2. Mr. Adisak Tangmitrphracha | 273,000,000 | 11.3 |
| 3. Mrs. Nattaya Tangmitrphracha | 204,749,999 | 8.5 |
| 4. Ms. Ariya Tangmitrphracha | 136,500,000 | 5.6 |
| 5. Mr. Maruay Tangmitrphracha | 136,500,000 | 5.6 |
| 6. Mr. Pongsak Thammathataree | 132,138,575 | 5.5 |
| 7. AMPLUS HOLDINGS LIMITED | 130,129,998 | 5.4 |
| 8. Mrs. Salitip Ruangsuttipap | 76,500,000 | 3.2 |
| 9. Mr. Jeeradaj Jongwattanasinkul | 62,944,200 | 2.6 |
| 10. CREDIT SUISSE AG, SINGAPORE BRANCH | 60,000,000 | 2.5 |

Notes : • As of 30 December 2021, the Company's free float is at 26.8 percent approximately and the shareholding of institutional investors is at 12.6 percent approximately.

- The (1) shareholder, Dohome Holding Company Limited, has the following major shareholders : Mr. Adisak Tangmitrphracha holding shares at 35.0 percent, and Mrs. Nattaya Tangmitrphracha holding shares at 35.0 percent of the total shares sold and purchased (as of 3 December 2020).
- The (7) shareholder, AMPLUS HOLDINGS LIMITED, has the following major shareholders : Mr. Adisak Tangmitrphracha holding shares at 35.0 percent, and Mrs. Nattaya Tangmitrphracha holding shares at 35.0 percent of the total shares sold and purchased (as of April 2020).
- The (10) Shareholder, Mrs. Salitip Ruangsuttipap holding shares through Custodian, totaling 60,000,000 shares.

1.4 The Company Registered capital and Paid-up Capital

1.4.1 Registered Capital / Paid-up Capital / Number of Shares

As at 31 December 2021

- **Registered Capital :**
3,243,684,982 ordinary shares with a par value of Baht 1 per share
- **Paid-up Capital :**
2,422,170,022 ordinary shares with a par value of Baht 1 per share
- **Name of the Market :**
The Stock Exchange of Thailand

- **Symbol :** DOHOME

According to the information on ordinary shareholders, the number of Company's shares held by Thai NVDR Company Limited (Thai NVDR) as at 30 December 2021 is 26,232,429 shares, equivalent to 1.1 percent of the total number of shares sold and purchased. NVDR holders does not have a voting right in the shareholders' meeting, except voting with respect to delisting. Therefore, the number of shares with a voting right is decreased, while making the voting right of other shareholders increased. Shareholders and investors can check the number of shares held by Thai NVDR at the SET's website for the benefit of their voting right.

1.4.2 Other Types of Shares with Different Rights or Conditions from Common Shares

- None -

1.4.3 Foreign Limit

Foreign shareholders can hold shares and have their names appear in the Company's shareholder register at a maximum of 30 percent of paid-up shares in total. As of 30 December 2021, the number of Company's shares held by foreigners is at approximately 10.1 percent.

1.5 Issuance of Other Securities

- None -

1.6 Dividend Policy of the Company

1. Dividend policy of Dohome public Company Limited

Ratio of stock dividend payout (existing share : stock dividend)
 Stock dividend per share
 Cash dividend per share (unit : baht/share)
 Total dividend payout (unit : baht/share)
 Ratio of dividend to net profit

The Company's dividend policy is to pay out dividends at a rate of not less than 30.0 (Thirty) percent of the net profit reported in the separate financial statements after corporate income tax and all reserves required by law and the company regulation.

Such dividend payment may be changed upon other factors the Board of Directors considers necessary and appropriate, for instances, the performance, liquidity, cash flow, financial position, working capital for business management and expansion, economic condition and other necessities in the future.

Payout of dividend must be approved by the shareholders' meeting except the interim dividend which may be approved by the Board of Directors from time to time if the Company's profit deems sufficient to do so and such dividend payment shall be reported in the next shareholders' meeting.

Record of Dividends Payout for the Past 2 years
 Result of Operations

| | 2019 | 2020 |
|--|----------------|----------------|
| Ratio of stock dividend payout (existing share : stock dividend) | (6 : 1) | (12 : 1) |
| Stock dividend per share | 0.166666666667 | 0.083333333333 |
| Cash dividend per share (unit : baht/share) | 0.018518518519 | 0.0092592593 |
| Total dividend payout (unit : baht/share) | 0.185185185186 | 0.0925925926 |
| Ratio of dividend to net profit | 52.98% | 30.96% |

2. Dividend Policy of the Subsidiaries

The dividend payment of the subsidiaries subject to the approval of the Board of Directors and/or the shareholder meeting of each subsidiary taking into consideration the business performance, liquidity, cash flow, financial status, requirement for working capital for business management and expansion, economic conditions and other factors deemed appropriate by the respective Board of Directors and/or the shareholder meeting.

In order for the subsidiaries' payout of dividend to be in compliance with the corporate governance principle, be transparent and be able to verify, when it is paid, the director, who is the Company's representative in each subsidiary, shall report on such dividend payment to the next Company's Board of Directors' meeting.



2. Risk Management

Apart from significant risk factors that may adversely affect the Group and its share values specified herein, there may be other risks unknown to the Group at this time or risks considered by the Group as currently insignificant but may become significant in the future. Such risks may significantly impact the business, income, profit, performance, cash flow, financial status, asset, liquidity, source of fund and business opportunity of the Group.

2.1 Risk Management Policy and Plan

The Company realizes the importance of effective risk management in driving forward the organization and expanding the business with stability, strong financial status and ability to generate appropriate return for shareholders. Risk management also supports the good corporate governance principle and the check and balance amidst a changing business competition, caused by external or internal factors, that may affect the Company's ability to attain its goals and main missions. Initially, the Risk Management Committee is delegated to formulate a risk management policy throughout the organization and arrange a proper risk management system or procedure to mitigate an impact on the Company's business.

Definition of Risks and Risk Management

Risks refer to "uncertain possibilities / situations or things that make a current work plan or action not reach the objective / goal as planned by causing a negative impact on the organization in terms of money, image or reputation".

Risk management refers to "a process taken by the Board, executives and all personnel within the organization to determine strategies and actions. A risk management process is designed to identify potential incidents that may affect the organization and control the risks at an acceptable level in pursuit of objectives".

Objectives of Risk Management

1. To adopt a risk management system that meets a universal standard throughout the organization, and make a risk management a part of decision making, formulation of strategies and work plans, and business operation.
2. To determine a measure and approach to keep remaining risks at the level acceptable to the organization by examining a measure that will effectively reduce a possibility and/or impact of potential risks, leading to the attainment of objectives both at organizational and unit levels.
3. To identify unexpected risks or crisis and to respond properly and promptly to minimize loss or damage.
4. To make the Risk Management Committee and the Board of Directors aware of key risks, risk trends and overall risks in order to efficiently and effectively handle the risks.
5. To assign all work units to identify, assess and manage key risks on a regular basis, including events, activities, procedure and/or projects that are important or have never been implemented, or material changes within the organization. In doing so, a risk appetite and practicability with a proper cost shall be taken into consideration.

6. To regularly communicate and spread knowledge of risk management to employees and to motivate them to understand, become aware of risk ownership and jointly manage the risks under their responsibility.
7. To comply with the good corporate governance principle and the check and balance. The Company has separated a duty of risk management from a business unit. And to handle the risk management efficiently, it is deemed appropriate to establish the Risk Management Committee that is delegated by the Board of Directors to monitor and tackle risks in a proper and timely manner.

Risk Appetite

Risk appetite is the highest level of risks that is acceptable to the organization. It is determined by the executives under the supervision of the Risk Management Committee and is used for assessing and managing risks. In case that any risk is analyzed and assessed that it may impact the Company beyond the risk appetite, a unit responsible for that risk shall prepare a risk management working plan and report to the Risk Management Committee.

Risk Management Policy

The Company recognizes the importance and necessity of adopting a risk management system that meets a universal standard. With an intention to create customer satisfaction, positive company image and uniform practices throughout the organization, the Company has determined the following risk management policy.

1. The Risk Management Committee has a duty to formulate a comprehensive policy on managing external and internal risks in line with the business strategies and directions. The policy must cover at least the following four risks:
 - (a) Financial risk
 - (b) Operational risk
 - (c) Strategic risk
 - (d) Compliance risk
2. It is responsibility of employees at all levels to recognize operational risks in their units and organization. Risk management shall be handled systematically under the internal control at a adequate and appropriate level.
3. To have in place a standard organizational risk management process according to universal practices so that risks that may impact the Company's operation are managed efficiently, and risk management throughout the organization is implemented in the same direction. The risk management system shall become a part of decision making, formulation of strategies and work plans, and business operation, including an effort to attain the objectives, goals, vision, missions and strategies, in order to create work excellency and confidence among people concerned.
4. Prevention and mitigation of operational risks are determined to avoid potential loss or damage. And risk management shall be monitored and evaluated on a regular basis.
5. Promote an introduction of modern information technology system into the Company's risk management process. All employees shall be encouraged to fully access information about risk management. And a risk management reporting system shall be arranged to ensure an efficient report to the Risk Management Committee.

This Risk Management Policy is effective from 26 March 2018.

This Risk Management Policy has been considered and reviewed by the Board of Directors' Meeting No. 1/2564 on 17 February 2021.

2.2 Business Risks Relating to the Group

2.2.1 Risk from competition and economic environment

The Group operates a business of selling and providing services of construction materials and home decoration items. This industry has a fierce competition both from increasing new entrepreneurs and existing entrepreneurs who are trying to expand their branches to reach more consumers and increase their market share. Moreover, there is a change in customer behavior in which online purchasing is continuously increased. The impact of disease outbreaks like COVID-19 is also a key factor that may impact the market share and make the Group's business performance not be as expected.

However, the market of construction materials and home decoration items still has a potential growth thank to the government investment in infrastructure and urbanization. However, the Group realizes the risks of competition and economic fluctuation and thus has closely monitor. Moreover, the Group has also focused on continually raising an awareness of the commercial names "Dohome" and "Dohome ToGo" by adhering to the vision of being a center for construction materials and home decoration products and services that are complete, cheap and best for all customers. In this regard, the Group focuses on offering a variety of products to comprehensively respond the customer needs, including house brand products which have been developed to differentiate from competitors. Also, services have been enhanced and home service is added to provide all-inclusive services.

Additionally, an omni channel marketing which links a store offline distribution channel and an online channel together has been adopted to respond to

changing consumer behavior. Work processes and information system relating to online business have been improved, while the customer database are set up to make the omni channel marketing more efficient to support the Company's steady growth in the future.

The Group has closely monitored the economic environment so that it can adjust its working plan appropriately and timely according to a changing situation.

2.2.2 Risk from the ability to procure/supply products

The Group's competitive strategy is to select comprehensive quality products that meet customer needs at competitive prices, notwithstanding cost fluctuations in construction, repair and decoration materials that have more intense competition due to an economic environment, demand and supply, transportation cost, etc. As a result, the Group has to face a challenge of supplying and ordering products to meet customer demands. Therefore, it is necessary to order at proper and enough quantities for selling and fulfilling customer demands, while managing the inventory not to be overstocked in order to reduce storage costs. In case that the Group is not able to procure quality products at the required price and quantities, this may pose an adverse effect to the Group's business, performance, and financial status.

Recognizing such risk, the Group has established a specific team to manage procurement by searching and selecting new manufacturers and/or dealers, both domestic and overseas, in order to mitigate a risk from relying on a few manufacturers and/or dealers and to create a negotiation power in a long run. Moreover, the Group has regularly evaluated the standard and capacity of manufacturer in order to ensure procurement of quality and standardized products.

Furthermore, for products with high price fluctuations like steel products, the Group has closely monitored the price change, analyzed the price trend and estimated future sales to make a purchase at appropriate quantity for selling. Also, the selling price is adjusted based on the market-based pricing, and the target gross profit margin is determined.

2.2.3 Risk from inventory management

As the Group operates a business of retail, wholesale and services of construction and decoration materials and plans to expand its business to every potential province, it has to manage the inventory more carefully to support a future growth and new branches.

Moreover, some products may be popular only for a certain period and may pose a risk of reduction in inventory value from the allowance for deterioration and obsolete inventory. As the popularity changes, obsolete inventory may not be able to sale as expected and must be sale at discount; while there are a cost of management or suck cost in goods and other damages that may affect the business liquidity.

Realizing such risk, the Group continuously puts an effort to mitigate the risk by reducing the average selling period, increasing distribution channels and online channel, improving services of salespersons, improving a product arrangement, adopting information technology to the inventory management, establishing the distribution centers, and negotiating with manufacturers and/or dealers to change some old model products into a new model.

The Group has introduced an inventory replenishment system which enables a better inventory management and a shorter average selling period.

2.2.4 Risk from damage and loss of goods

The Group realizes that the risk from damage and loss of good can impact its business operation. Such risk can occur due to several causes including damage or loss during transportation, and damage or loss in warehouse, frauds by employees or a third party, employees' carelessness, insufficient inventory space, as well as flaws in internal control system and goods handling. If the Group fails to control this risk at a proper level, this may affect its performance and financial status.

To tackle the risk, the Group has the Loss Prevention teams in place at each store in order to plan and impose preventive measures against damage and loss of goods. Such teams are responsible for liaising with relevant internal units to find a preventive measure to control the damage the lowest level. For the inventory, the Group has introduced a system for more efficiency and formulated a policy to regularly check the amount and location of goods and prepare a special storage space for goods that require special care in order to reduce damages to the lowest level.

2.2.5 Risk from reliance on rented lands and buildings for its business

At present, the Group has made lease agreements for key lands and building for its operation. In case that a request of the Group is refused by a landlord due to incomplete terms and conditions, or the lease agreement is terminated, or the Group cannot renew the agreements under the similar terms and conditions, the Group then cannot use such lands and buildings for its business operation, or may have to pay for demolition or transport of properties out of the buildings, or may not be able to utilize buildings and/or invested building/land improvements as planned. This can pose a negative impact on the Group's business, performance and financial status, as well as causing higher investment expenses.

The Group has planned to mitigate such risk as follows:

- 1) Building a good relationship with the landlords and setting up a monitoring team to ensure that the Group has strictly complied with the lease agreements.
- 2) Negotiating for a long-term lease over 30 years for large stores. If such negotiation is not successful, the Group will negotiate on the longest term for large-scale construction projects.
- 3) Conducting a financial feasibility study before investing, taking into account the returns in case that the Group cannot renew the land and building lease agreement.

2.2.6 Risk from product liability claims

Since the Group sources products from several manufacturers and/or dealers, as well as sells and markets its own house brand products, it may face product liability claims arising from several causes as follows:

- 1) Product safety issue;
- 2) Product inefficiency;
- 3) Product defect;
- 4) insufficient or incorrect or misleading product label and warning statements; and
- 5) infringement of copyright, patent and brand.

Whole or partial product recall or product withdrawal resulted from the above incident may cause damage to the Group due to costs of product recall.

Furthermore, if there is any allegation that the Group's house brand products are unsafe, even though not based on facts, it can damage the Group's reputation and image, customer confidence, leading to a negative impact on the Group's business performance and financial status.

Realizing such risk, the Group has a policy to hire an outsource team to examine the quality of products sourced from both domestic and overseas manufacturers and/or dealers, as well as puts in place strict OEM manufacturer selection criteria for its house brand products to be in line with the following standards:

- 1) Check on patents, copyrights and brands must be carried out during procurement/sourcing process;
- 2) Quality audit must be carried out for new products. And product standards must be as specified by law;
- 3) Terms and conditions for ordering must be explicitly specified in sale contracts.

In addition, the Group has set up a unit to run a random quality check on goods before receiving into the Distribution Center and do a check again before selling to ensure that products are in good conditions and meet the quality standard.

2.2.7 Risk relating to delivery

Delivery service is a significant to the Group's reputation and image, whether by in-house or outsourced delivery service. There may be risk factors like damage during transportation, as well as factors beyond control such as traffic congestions, natural disasters, accident during transportation, and poor quality of outsourced delivery service providers. These problems can possibly affect the Group's performance, reputation and image.

In this regard, the Group has imposed measures and policy to manage the risk. The amount of goods to be delivered are planned and calculated in accordance with the number of transport vehicles and then delivery routes will be determined. In addition, a Global Positioning System (GPS) has been installed to track a real-time location and

ensure that the determined routes are followed for the highest efficient service. Training on driving skills is organized for drivers and employees are also assigned to liaise and take care of customers for their highest satisfaction with the Group's delivery service.

Regarding outsourced delivery service, the Group has made the Approved Vender List for delivery service providers, by which their qualifications are thoroughly reviewed in terms of delivery time, scope of service and cost of delivery. Such list is reviewed regularly.

Furthermore, the Group has arranged an insurance covering any damages may occur from delivery; while requesting outsourced service providers to obtain an insurance as well.

2.2.8 Risk from the information technology

The Group has introduced the information technology system to enhance the efficiency of work procedures such as sales, procurement, inventory management, accounting and finance, human resources. The information technology system also plays a crucial part in the online business and omni channel marketing.

The risk from IT which may arising from malfunction or interruption, data leaks and security breaches is what the Group has to realize and focus on. Therefore, the following measures are taken to control the risk at an acceptable level and/or not affecting the business.

- Assigning permissions to access data and the information system according to the authority and responsibility of employees at each level;
- Using passwords to access information system;
- Installing a firewall and carrying out surveillance of cyber attack;
- Backing up data and supervising by IT specialists;

- Planning and testing the business continuity plan (BCP) and disaster recovery plan (DRP).

Moreover, the Group plans to continuously improve and enhance the IT capacity and security. Cloud computing is used for data storage to enhance the IT system and support more traffic as the business expands.

2.3 Financial Risks

2.3.1 Risk from loan burden with financial institutions

The Group has borrowed money from financial institutions in order to buy lands. build stores and use as working capital; therefore, the Group has a burden to pay interests and repay such loans, as well as to follow the conditions specified in the loan agreements such as maintaining a financial ratio and registering business collateral. Failure to comply with such conditions may lead to the termination of loan agreements and negative impact on the business operation.

To prevent such potential risk, the Group has regularly carried out a financial planning, financial statement analysis and performance monitoring to ensure that its cash flow is sufficient for paying interests and loan repayment, and conditions set forth in the loan agreements are observed and/or are possibly relaxed as requested.

Regarding fund management, the Group has considered utilizing money from the cash flow, operating activities, loans from financial institutions and other sources of fund. Good relationships with several financial institutions have been fostered so that the Group has sufficient funds for its operation and has appropriate financial cost management.

2.3.2 Risk from exchange rate fluctuations

The Group faced the risk of exchange rate fluctuations as it makes some payments for goods in foreign currency. As a result, exchange rate fluctuations can increase the cost of sales which affects the Group's performance.

In this regard, the Group manages this risk with a financial tool by entering into FX Forward or FX Option contract to safeguard from currency fluctuation. Currency exchange rates are monitored regularly in order to timely analyze, plan and present to the executive for entering into FX Forward or Option in time.

2.4 Risks from Business Expansion

2.4.1 Risk from securing funds and lands for branch expansion

The Group plans to expand its branches to potential provinces to reach more customers; therefore, it is necessary to secure funds and lands for this purpose. Failure to do so will directly impact the business plan and probably the performance due to inappropriate management of financial cost and higher land cost than forecasted.

Recognizing the risk, a budget for branch expansion is allocated to provide sufficient funds from appropriate sources. And the fund is monitored to be according to the budget's purpose and business plan. The Group has set up a working group responsible for liaising and searching for suitable lands according to the criteria determined by the Group. The working group is also responsible for conducting a feasibility study, reviewing law and land use regulations and/or hiring a legal advisor to check a land status. The information will be

presented to the executives for deciding whether to invest or not. This will prevent a potential risk from securing funds and lands for branch expansion.

2.4.2 Risk from expansion investment

The Group plans to continually expand new branches. However, various factors such as an epidemic like COVID-19, more intense competition in the industry, failure to comply with the follow-up work plan and a lack of feasibility study may cause the Group unable to fulfil the business plan under specified budget and/or timeframe or fail to generate target income or have higher operating costs. This will lead to lower return from such new branches than expected or loss of investment opportunities, resulting in a negative impact on its business, performance and financial status.

However, from the past experiences in opening several new stores the Group has realized such risk and therefore set up a key practice to manage the risk prior to investment. The details of the practice are as follows:

- Conduct a feasibility study of expansion and assess the investment both qualitatively and quantitatively;
- Closely monitor the expansion plan to ensure that it is in line with specified budget and timeframe;
- Monitor the branch's turnover and compared with the planned target so that the Group can properly and timely adjust its operating plan according to a changing circumstance;
- Formulate a policy of land buying and long-term leasing to prevent a termination before the agreement expires.

2.5 Risks of Management

2.5.1 Risk from the dominance of major shareholders in shareholder's meeting

As of 31 December 2021, the Tangmitrphracha Family directly and indirectly holds a total share of approximately 70.2 percent of total issued and sold shares. Although members of the family do not intend to act in concert, such shareholding proportion allows dominance over resolution of shareholder's meeting, whether on appointment of director, acquisition or disposal transaction, or other resolutions requiring the majority vote of shareholders, except issues required by law or the articles of association company regulation to have three-fourth of the votes cast. Therefore, it is a risk for other shareholders in which they are not able to gather enough votes to do checks and balances against issues raised by major shareholders in the meeting.

However, the Group has in place its business ethics, the principle of good corporate governance and the stakeholder engagement policy which will protect the right of shareholders and ensure the transparency and accountability of the Group's operations. The Company's Board of Directors consists of 8 persons, of which 3 persons are independent directors, a number greater than one-third of the total directors. An independent director also acts as the Chairperson of the Board in order to check, balance, decide and approve agenda before proposing to the shareholders' meeting in order to ensure that any actions taken by the Group are for the Group's, minor shareholders' and other stakeholders' benefits. Furthermore, the Group has also provided a mechanism to check the BOD's working. There is also a regulation on connected transactions in which such persons will not have a right to vote for that transaction approval.

The Group has also arranged a channel through which minor shareholders can propose additional meeting agenda or nominate a person to be a director prior to the shareholder's meeting date according to an approach specified by the Group.

2.5.2 Risk from staff shortage

Personnel are a vital part of the Group's success and operation, whether in terms of staffing adequacy to ensure continued operation, their knowledge, capability and understanding in the business nature, their responsibility and their experience that contribute to work efficiency and achievement of the goals set by the Group.

However, due to an intense competition and the Group's demand for more staffs to support its growth and business expansion, the Group is facing risks from staff shortage, higher resignation rate or losing capable employees to competitors which may caused by higher remunerations, incomes and welfares, or a lack of explicit practices regarding values and organizational culture that help to retain employees in a long term. Such risks negatively affect the Group's performance and financial status.

Recognizing the above risks, the Group has emphasized on personnel recruitment, motivation and retention by focusing on the improvement of personnel knowledge, capacity and responsibility as follows:

- 1) Organizing training suitable to the Group's business to develop working skills of employees at all levels to be efficient and keep up with changes in business;
- 2) Clearly defining the career path of employees at each level, and determining a competitive amount of remuneration according to each person's capability to build their confidence in the business growth;

- 3) Making a succession plan;
- 4) Surveying employee satisfaction to reduce a resignation rate;
- 5) Establishing a committee to review the consistency of key performance indicators with the Company's business plan, both in organization and unit levels, to ensure reasonableness and not to create excessive working pressure on employees at all level;
- 6) Looking after all employees' health and safety. Due to the COVID-19 pandemic, the Group has emphasized on the safety of all employees and customer, and thus has provided all necessary tools, purchasing COVID-19 vaccines for every employee, encouraged working from home, and taken other preventive measures.

2.6 Risks Relating to Laws and Regulations

2.6.1 Risks relating to laws and regulations

The Group pays attention to a full compliance with laws, rules and regulations relating to business operation, including acquiring and holding licenses required for business operations. This includes a compliance with laws, rules and regulations that will be effective in the future such as Personal Data Protection Act, B.E.2562 (2019) or PADA which will be applicable in May 2022.

Failure to comply with relevant laws, rules and regulations may lead to litigation which will negatively impact the Group's image, reputation and business operation. Therefore, the Group has determined key practices to ensure legal compliance as follows:

- Legal Department is assigned to oversee compliance to existing and future laws, rules and regulations, and to formulate a working plan in accordance with such laws, rules and regulations;
- Training is provided to responsible employees to create proper understanding of laws, rules and regulations relating to work;
- A process of quality check and selecting OEM manufacturers shall be carried out. And before selling products to customers, a quality check shall be exercised for house brand products to ensure that the products' standard, quality and safety. Intellectual property registration should be considered for house brand products in order to prevent a risk of intellectual property litigation;
- Before making a purchase order, processes of distributor selection, copyright and patent check and product quality check must be performed, for both domestic and overseas products, to prevent intellectual property infringement and to ensure a product standard as specified by law;
- Legal Department is assigned to re-examine and acquire necessary licenses for business operation, including re-examination and renewal of such licenses within a specified period to maintain the licenses;
- Prepare and revise working procedures in order to follow the provisions of Personal Data Protection Act, B.E.2562 (2019).



3. Driving Forward the Business for Sustainability

Sustainability Reporting

Dohome Public Company Limited has prepared the sustainability reporting for the first time under the GRI Standards to disclose and communicate strategies, work procedure and results of sustainable social responsibility. The Company has prepared the sustainability reporting according to Form 56-1 (One Report) and aimed at operating in accordance with the good corporate governance principle for listed companies on the Stock Exchange of Thailand and the Corporate Social Responsibility Guideline of the Office of Securities and Exchange Commission which is Thailand's first guideline on corporate social responsibility covering key economic, social and environmental issues.

Since this report is prepared for the first time, there is no comparison of significant data change. It only shows the data from 1 January 2021 to 31 December 2021.

The content of this report covers the overall policy, processes and activities for economic, social and environmental sustainability of Dohome Public Company Limited. A working group is established to link the business goals to economic, social and environmental impacts. Monitoring and assessment for the purpose of work planning are conducted and communicated to all stakeholders.

To link the business operation with the social responsibility, the Company has identified groups of persons or persons who are impacted or create impact due to the business operation or corporate activities. Stakeholders are categorized into internal stakeholders, i.e. employers, executives, employees,

and external employees, i.e. customers, business partners, public sector, creditors, shareholders, investors and communities. Responsibility of each person is determined to precisely link with the operation.

The Company provides an opportunity for all stakeholders to express their opinions about the annual sustainability report through reviewers' opinionnaires. The Company will use such opinions to improve and enhance the next sustainability report in accordance with all stakeholders' needs and expectations.

3.1 Policy and Goal of Sustainable Development

The Company emphasizes on driving its business growth under the principles of social responsibility and sustainable development by looking after all stakeholders, the economy, the society and the environment with morality, ethics and code of conduct. The Company hopes that business operation with social responsibility will generate public benefits along with the business growth. The Company has formulated its social responsibility policy divided into 8 sections as follows:



1. Fair Business Operation

The Company aims at operating its business with integrity, fairness and ethics, and commits to compete under commercial ethics, laws and fair trade competition; while rejecting any actions against fair competition for examples, acquiring confidential information of trade competitors, requesting, accepting and offering dishonest benefits. Moreover, the Company respects other persons' intellectual property rights by directing its personnel to comply with laws or provisions on intellectual property rights, for instance, using only legal computer software. Also, the Company promotes and raise awareness on social responsibility among employees at all levels.

2. Anti-Corruption

Adhering to transparent, ethical and good governance business operation, the Company treats all stakeholders based on transparency, integrity, straightforwardness and accountability under the good corporate governance principle. And to express its determination, the Company has joined "Thai Private Sector Collective Action Against Corruption" in take part in the effort to tackle corruption. The Company is against any actions involving direct and indirect bribery in order to promote a standard of transparent business operation on which a sustainable business operation is based

3. Human Rights Respect

It is the Company's policy to encourage and respect the human rights by treating stakeholders, whether employees or surrounding communities, with a respect in human values, equality and freedom, and not violating fundamental rights and discriminating based on race, nationality, religion, language, sex, age, education, physical condition or social status. The Company also oversees its business not to

involve with human rights violation such as child exploitation and sexual harassment. In order to enhance human rights protection, the Company also strengthen employees' knowledge about human rights and motivate them to follow the human rights and relevant universal principles to ensure that the entire business and all stakeholders are totally free of human rights violation. Business partners and associates are encouraged not to involve with human rights violation.

4. Fair Treatment of Workers

The Company realized that human resources development and fair treatment of workers are important factor to increase the business value and strengthen its competitiveness and sustainable growth. The Company therefore has formulated the following policy and practices:

- (1) Respect employees' rights under the human rights principle and labor laws;
- (2) Perform fair employment process with fair conditions, and determine remuneration and performance evaluation based on a merit system;
- (3) Promote personnel development by organizing training, seminar, workshop and sending personnel to participate in relevant technical training and seminar to enhance knowledge and capability and to cultivate good attitudes of morality, ethics and team work;
- (4) Provide welfares to employees as required by law such as social security and other optional welfares such as health insurance and accident insurance; as well as provide financial assistances like scholarship for employees' children and funeral allowance;
- (5) Provide annual physical check-up for all employees based on their age, sex and working environment;

- (6) Ensure safety and good health in workplace by implementing accidental prevention measures, raising awareness on safety among employees, organizing training, and encouraging good sanitation and safety in workplace;
- (7) Provide an opportunity for employees to express opinions or complaint about unfair treatment or misconduct in workplace; and provide protection to such employees.

5. Responsibility to Customers

The Company commits to develop its products and services for the greatest satisfaction and benefit of customers, and commits treat customers with responsibility and honesty as follows:

- (1) The Company concerns about the product quality and standard and service efficiency by using quality materials and standardized manufacturing, and improving service management system to deliver quality and safe products and services to customers for their satisfaction;
- (2) The Company plans to continuously develop new products and services to provide diverse, quality and standardized products and services that respond to customer needs;
- (3) The Company upholds fair marketing practices by giving accurate, true and actual information about its products and services to customers for their decisions;
- (4) The Company concerns about customer safety and aims at providing products and services that meet universal safety standards and regulations and as required by laws. The Company also constantly designs, creates and improves its products and services to ensure their quality, standard and safety;

- (5) The Company arranges the customer services system to effectively communicate with customers and receive complaints about the quality of products and services in order to quickly respond to customer needs;
- (6) The Company will keep customer information confidential and will not misuse such information;
- (7) The Company organizes activities to promote its relationships with customers.

6. Environmental Care

The Company pays attention to environmental care as a part of social responsibility and recognizes potential environmental issues arising from its business operation, products and services. Therefore, it has a policy to develop a process to reduce such impact and also aims at using resources in resource-conscious ways and reducing energy consumption.

The Company fully oversees its product manufacturing and service provision to be in line with laws on environmental care. And it commits to continued environmental maintenance to prevent environmental pollutions by taking the following practices:

- (1) Fully comply with laws, regulations, provisions and obligations regarding the environment;
- (2) Pay attention to efficient use of resource and energy from consumption, treatment, waste control and recycle by proper methods;
- (3) Rigorously control, prevent and treat pollutions to minimize environment pollutions in terms of water, air, hazardous waste, chemical, noise and so on;
- (4) Determine goals and objectives of environmental work, as well as continuously monitor, review and improve such environmental work;

- (5) Organize training on environment for employees to raise their awareness and encourage good conduct relating to the environment which is the responsibility of all employees;
- (6) Support projects and campaigns relating to environmental conservation and restoration, and cooperate with agencies and communities concerned with environmental management;
- (7) Communicate with customers, business partners, resellers to take part in environmental maintenance and reduce environmental impact.

7. Community or Social Development

Recognizing the importance of business growth under corporate social responsibilities, the Company ethically operates its business with attention to stakeholders, the economy, society and environment. It hopes that operating business with social responsibility will contribute to the public interest and the Company's growth towards a leader in retail, wholesale and service business of construction and decoration materials. The Company commits to operate its business along with social responsibility to enhance the quality of life of communities and to improve the environment in a sustainable way.

To drive forward and strengthen communities along with a business growth, the Company is ready to take part in supporting projects of educational institute, religious institutes, hospitals and government agencies, as well as providing assistance to communities suffered from disasters.

8. Development and Spread of Innovations Arising from Responsibilities to Society, Environment and Stakeholders

The Company applies the concept of social responsibility to invent business innovations that benefit its competitiveness and the Society. Existing business processes are examined to see whether they are causing any risks or negative impacts on the society and environment; and the Company then explores an approach to mitigate such impacts. Work procedures are also thoroughly scrutinized in all aspects in order to open up an opportunity for the discovery of business innovation and the sustainable growths business and profits.



3.2 Management of Impacts on Stakeholders in the Value Chain

3.2.1 Sustainable Value Chain



Stakeholder Engagement

| Stakeholders | Expectations | Practices | Contact Channel |
|------------------|--|---|--|
| Customers | <ul style="list-style-type: none"> • Quality standardized products and good services • Affordable, fair prices • Excellent pre-sales and after-sales services by employees • Variety of products that meet the demand • Accurate and complete information on products and services • Proper privacy policy | <ul style="list-style-type: none"> • Equitable services • Promotional activities • Provide quality, standardized products at reasonable prices • Listen to problems and complaints, and solve the problems • Assign pre-sales and after-sales customer service staffs • Employee training on customer service | <ul style="list-style-type: none"> • Electronic mail • Information on website • Customer satisfaction survey • Customer service center • Comment/Suggestion box • Whistleblowing channels • Website at www.dohome.co.th • Customer relation activities |

| Stakeholders | Expectations | Practices | Contact Channel |
|---|--|---|--|
| Employees  | <ul style="list-style-type: none"> Fair remuneration Knowledge development Career path Good working environment for safety of life and property Fair treatment according to human rights principle Ethical labor practices | <ul style="list-style-type: none"> Have performance and potential evaluation system to manage fair remuneration Proper and competitive welfares Strengthen employee capacity for self development and career path Properly arrange spaces in office/stores for good and safe working environment | <ul style="list-style-type: none"> Satisfaction survey Organizational commitment survey Internal meeting Whistleblowing channels Internal communication system such as website, telephone, e-mail |
| Business Partner  | <ul style="list-style-type: none"> Transparent and fair procurement according to free trade principle Increasing purchase order Create common value and growth Jointly find new innovation to improve products Keep business commitment | <ul style="list-style-type: none"> Have a procurement policy Transparent and checkable procurement procedure Comply with agreed trade terms and conditions Persuade partners to join anti-corruption network Promote free and fair trade competition, as well as manufacturing standard Enhance long-lasting relations with partners through projects | <ul style="list-style-type: none"> Onsite inspection Communication with executives Visit Website: www.dohome.co.th Whistleblowing channels |
| Creditors  | <ul style="list-style-type: none"> Debt repayment on due date Compliance with terms and conditions | <ul style="list-style-type: none"> Repay debt according to specified conditions Keep the financial ratio not exceeding the credit terms and conditions by financial institutions | <ul style="list-style-type: none"> Executives Website: www.dohome.co.th Whistleblowing channels |
| Shareholders/ Investors  | <ul style="list-style-type: none"> Good performance and growth Sustainability Regular dividend payment Good corporate governance and accountability Disclosure of key and necessary information relating to operation Accurate, complete and timely disclosure | <ul style="list-style-type: none"> Manage business for sustainable growth Implement sustainability Continuously generate returns in a long term Accurately, completely and timely disclose to the public, not exploit inside information | <ul style="list-style-type: none"> Form 56-1 One Report Shareholders' meeting Investment promotion activities such as site visit, company visit, opportunity day, analyst meeting Whistleblowing channels Investor Relations Tel.06-2197-6688 E-mail IR@dohome.co.th Web Site : investor.dohome.co.th |



| Stakeholders | Expectations | Practices | Contact Channel |
|--|---|--|---|
| Public Sector and Other Agencies  | <ul style="list-style-type: none"> Legal compliance by all departments relating to business operation Accurate, complete and timely information provision Participation in projects of public sector and other agencies | <ul style="list-style-type: none"> Fully support and comply with laws and regulations relating to business operation Cooperate with public sector and other agencies Participate in projects of public sector and other agencies | <ul style="list-style-type: none"> Executives Reporting or disclosure according to disclosure criteria Website: www.dohome.co.th |
| Society and Community  | <ul style="list-style-type: none"> Develop community to be self-reliance Build engagement and trust with the society and community Prevent environmental impacts according to controlling criteria Give assistance to community in case of trouble Jointly utilize resources efficiently | <ul style="list-style-type: none"> Listen to community opinion and suggestion to find solution together Promote occupation of community members Selling community products at Company's stores Employ local labors Jointly organize cultural events Preserve environment in area of store construction Regularly take part in community's activities and projects | <ul style="list-style-type: none"> Office, Store Manager Regular visit to inspect and meet community leader Communication channels such as website, e-mail, telephone, LINE official account, Facebook Whistleblowing channels Web Site : www.dohome.co.th |

Work Plan and Strategies

The Company set up strategies to develop sustainable business growth in accordance with the good corporate governance which is a key foundation of business sustainability and to link with business development in 3 aspects i.e. the economy, society and environment in order to attain the Company's goal of sustainable development.

Determining Sustainability Key Issues

To select key issues for the Company that also correspond to stakeholders' interest, the Company has taken the following process:

1. Determining sustainable key issues by considering internal and external factors that affect the ability to sustainably operate business in 3 dimensions i.e.

ECONOMIC

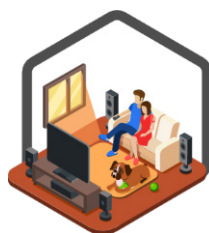
Focus on building business allies for sustainable growth



Do for Prosperity

SOCIETY

Promote access to products and services, and support building quality of life in an equal way



Do for People

ENVIRONMENT

Operate business with eco-friendly policy



Do for Planet

Economic

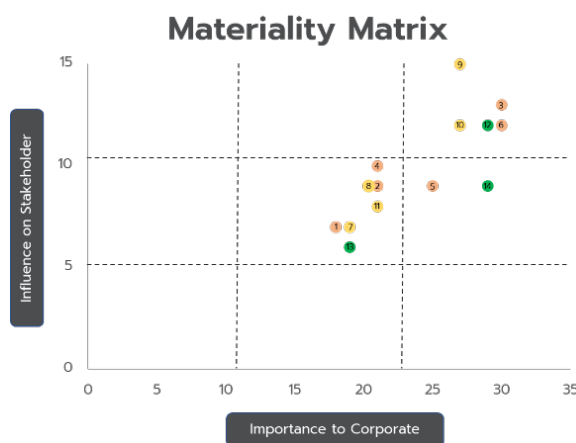
- Technological innovation
- Operational process
- Trade allies
- Laws and regulations

Society

- Human resources
- Safety and occupational health
- Labor practices
- Impacts on community
- Accidents

Environment

- Waste management
 - Greenhouse effect
 - Environmental impacts
2. Prioritizing the sustainability key issues based on their gravity of impacts in order to see the importance and urgency of each issue. Two aspects are analyzed together i.e. the level of impact on business and the level of impact on stakeholders. The key issues for 2021 are displayed below:



| Dimension | No. | Topics | X | Y |
|---|-----|-------------------------------|----|----|
|  ECONOMIC | 1 | Technology | 18 | 7 |
| | 2 | Process Improvement | 21 | 9 |
| | 3 | Strategic Partnership | 30 | 13 |
| | 4 | Law & Regulation Compliance | 21 | 10 |
| | 5 | Product & Service Quality | 25 | 9 |
| | 6 | Local Economic Development | 30 | 12 |
|  SOCIAL | 7 | Human Capital Development | 19 | 7 |
| | 8 | Safety / Occupational Health | 21 | 9 |
| | 9 | Human Rights & Labor Practice | 27 | 15 |
| | 10 | Social Impact Management | 27 | 12 |
| | 11 | Data Privacy | 21 | 8 |
|  ENVIRONMENT | 12 | Waste Management | 29 | 12 |
| | 13 | GHG Emission | 19 | 6 |
| | 14 | Sustainable Consumption | 29 | 9 |

3. Presenting the outcome to the working group and the Committee to consider, review and approve relevant content, and then presenting in the annual Reporting Form 56-1 One Report. Executive and units concerned are also assigned to examine the accuracy and completeness of the key issues.

However, the sustainability key issues determined by the Company may change or their priority is changed when the organization or stakeholders change. Therefore, the Company has specified that review and assessment of the key issues must be made on a regular basis to be in line with and suitable to the changing business environment.

3.3 Sustainability Management in Environmental Aspect

3.3.1 Environmental Policy and Practices

Policy and Compliance to Environmental Management Standards

Environmental Care and Maintenance

Environmental management in the context of social responsibility under this reporting concerns a prevention of potential impacts arising from the organization's decision or operation in terms of resource utilization, location and surrounding area of a business premise, pollutions and wastes, as well as the impact from business operation on natural habitats of plants and living organisms.



The prevention and mitigation of the environmental impacts should be done in an integrated way by taking into consideration economic, social, health and environment aspects both directly and indirectly.

Energy Management

1. Solar Rooftop - At present, the demand for electric power which is a fundamental requisite for living of Thailand and worldwide has increased. As a result, natural resources used as fuel for power generation, which are oil and coal, have rapidly decreased. Generating power from such resources also causes environment impacts on the nature, human and other creatures which requires an enormous fund to restore. The most serious impact is that the pollution from power generation consists of carbon dioxide which is a heat-trapping gas that causes the global warming.
2. Semi-automatic air conditioner controller and soft starter can reduce electricity charge at maximum during on peak period.
3. Installing translucent roof panels at warehouses and retail areas can reduce energy consumption for lighting during daytime.
4. Changing from fluorescent lamps to LED lamps can reduce electricity charge by more than 50%.

Water Management

Water is an important resource necessary to human life and all living organisms. Realizing such importance, the Company has formulated a policy on sustainable water management to use water resource most efficiently, while controlling and mitigating any potential impacts on water sources by not discharging pollution from its operation to natural water sources. The following methods are employed:

1. Install water meters to monitor and control the use of water resource;
2. Improve water distribution system and use water-saving sanitary ware to control and reduce water;
3. Adopt participatory water conservation measures by raising awareness on water conservation among all employees and allow them to take part in the effort.

Waste Management

1. The Company arranges manholes for grease trap and water treatment before discharging back to the environment. Water quality is examined to meet the standard and reported to a competent authority.
2. Manage each type of waste according to its utility in order to send fewest waste to a landfill.
3. Perform waste sorting for recyclable wastes into paper, plastic, glass, scrap metal, wood. Wet wastes are separated and collected daily by a municipality to prevent bacterial growth and unpleasant odor.

3.4 Sustainable Management in Social Aspect

3.4.1 Social Policy and Practices

Human Rights Respect

It is the Company's policy to support, respect and protect human rights. It also supports human rights principle and goal in international level such as the Universal Declaration of Human Rights. Any persons concerned, whether employees, communities and the surrounding society are treated with a respect for human dignity, taking into consideration an equality and equal freedom, not breaching fundamental rights, and not discriminating on the grounds of

race, nationality, religion, language, skin color, sex, age, education, physical condition or social status. The Company also oversees its business not to involve in any human rights violations such as child exploitation and sexual harassment.

The Company fully commits to a respect for human rights. Knowledge on human rights has been formulated and an awareness has been raised among personnel to follow the human rights principle and relating universal principle to ensure that its entire business operation including all stakeholders are free from human rights violation. The Company also encourage its business partners and associates not to be involved with human rights violation.

Employee Policy and Respect for Human Rights

Directors, executives and all employees are required to respect the human rights, pay attention to human dignity, rights, freedom and equality. The Company has formulated this human rights policy to be applied as follow:

1. Directors and Top Management of the Organization
 - 1.1. Explicitly announce the organizational policy on human rights to be perceived both internally and externally.
 - 1.2. Publish its activities on human rights and implement the human rights policy and practices in every activity of the Company's operations.
 - 1.3. Assess the risk and impact of human rights, examine the human rights issues in every aspect including any potential impacts arising from business operations.
 - 1.4. Monitor and inspect operations; coordinate and plan to prevent any impacts in which the Company's activities may be involved in human rights violations.
 - 1.5. Initiate remedy procedures in case of damage occurred from human rights violation; as well as correct and prevent the impact of such damage.
 - 1.6. Set up a complaint mechanism for witnesses or victims; determine and implement human rights protection measures in every steps of business operations with constant monitoring and reporting.
 - 1.7. Organize training to provide knowledge on human rights to executives and employees at all levels in order to recognize the fundamental rights and freedom every human deserves. This will reduce a risk of human rights violations in business operations.
 - 1.8. Oversee a fair employment and compliance to a law on labor protection; for instances, not discriminating against employees and on the ground of sex, paying fair remuneration, not laying off pregnant employees and not employing children below the age of 18 years.
2. Executives and All Employees
 - 2.1 Human rights of the executives, employees, business partners and business associates, including all stakeholders throughout the value chain will be protected
 - 2.2 To respect the human rights, obey the law and implement the human rights principle equally with a respect for each other without discrimination on the grounds of race, birthplace, religion, belief, gender, skin colour, language, ethnic group, social status or any other status against all stakeholders in every place that the Company's business is located.

- 2.3 Avoid any offending actions or taking part in causing an impact on the human rights, both directly and indirectly, against all stakeholders.
- 2.4 Participate in, cooperate, being vigilant, take care of each other and promote the human rights issue among all stakeholders by all means; and follow the human rights principle.
- 2.5 Communicate and educate all stakeholders to understand, as well as encouraging business partners and associates not to involve in human rights violation.
- 2.6 Not neglect or ignore when witnessing an action in breach of human rights in relations to the Company. Such action must be reported to superiors or the whistleblowing channel.

Furthermore, the Company has strengthened its monitoring effort on the conformity to the human rights regulations. In this regards, arrangements are made to facilitate opinion exchange; and victims of human rights violation caused by the Company's business operations are provided with a complaint channel and are remedied as reasonable.

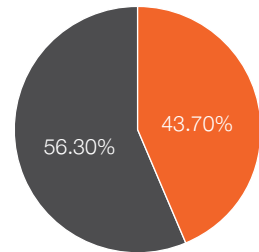
Fair Treatment of Workers

Employee Statistics in 2021

Employment

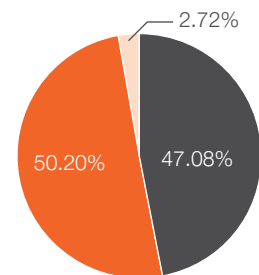
Proportion of Employment by Gender

- Male Employee
- Female Employee



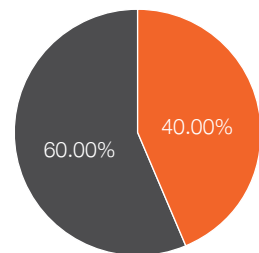
Proportion of Employment by Age

- Less than 30 years old
- 30 – 50 years old
- over 50 years old



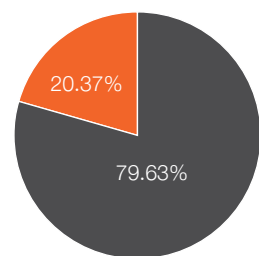
Proportion of High-Level Executives by Gender

- Male Employee
- Female Employee



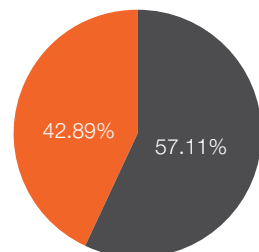
Proportion of Mid-Level Executives by Gender

- Male Employee
- Female Employee



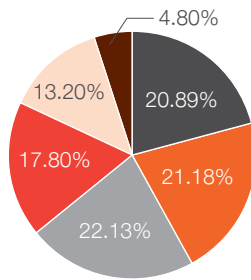
Proportion of First-Level Executives by Gender

- Male Employee
- Female Employee



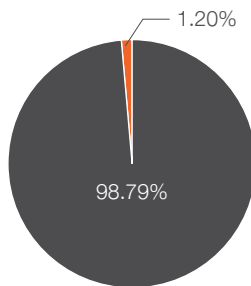
Proportion of Employees by Years' Experience with the Company

- During Probation
- 4 months - 1 year
- 1 - 2 years
- 2 - 5 years
- 5 - 10 years
- More than 10 years



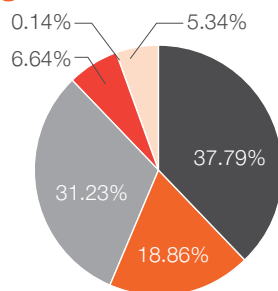
Proportion of Employee by Types of Employment

- Regular employee
- Temporary employee



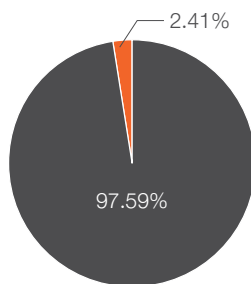
Proportion of Employee by Domicile

- Central region
- Eastern region
- Northeastern region
- Southern region
- Western region
- Northern region



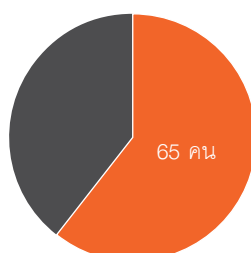
Proportion of Employee by Nationality

- Thai
- Myanmarese



Number of Disabled and/or Disadvantaged Employees

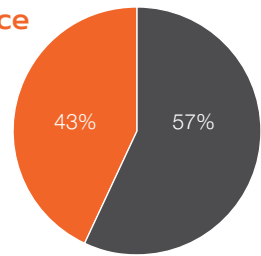
- Number of employees



Employee Remuneration

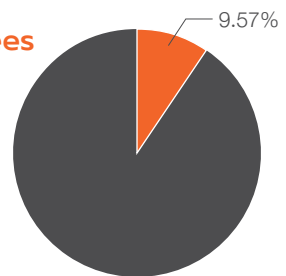
Proportion of Difference in Remuneration Between Sexes

- Male Employee
- Female Employee



Proportion of Employees Who Are Provident Fund's Member

- Provident Fund's Member



Employee Training and Development

Personnel Development Policy

The Company realizes the essence of human resources as it is the most important asset in its business operation and the key success factor that can lead the Company to its predetermined target. Therefore, the Company has set the policy focusing on continual development of skills and thoughts of employees in every level in order to increase their working effectiveness in all aspects and to generate a creative thinking and value-added innovation, which are considered as the Company's important strategy. The Company has set the following policy and guidelines on personnel development:

The Executive Committee along with the management and executives of each line of work have developed a strategy aiming at encouraging positive mindset and being served as a common goal for employees. It is appropriate, easy to remember, concise but comprehensive, and truly practical so that every personnel in the organization can adhere to as the Company's key working guideline. Such strategy is:



| | |
|------------------------------|--------------------------------|
| H HONESTLY | : โปรงใส ตรวจสอบได้ |
| E EXCELLENT SERVICE | : การบริการที่เป็นเลิศ |
| A ABILITY DEVELOPMENT | : มุ่งมั่น พัฒนาอย่างต่อเนื่อง |
| R READY TO CHANGE | : พร้อมต่อการเปลี่ยนแปลง |
| T TEAMWORK | : การทำงานเป็นทีม |

(a) Recruitment

The Company puts great emphasis on personnel starting from the recruitment process. The recruitment and selection process must be on the transparent basis and proceed with equality and fairness. Employees' qualifications are defined according to the job description. Educational background, experience, expertise and other qualifications are clearly specified for each job position. The Company selects candidate for each position in accordance with its specified process in order to recruit personnel with proper qualifications for each position.

(b) Personnel Development

The Company has a policy to consistently develop its personnel aiming to increase knowledge, skills and expertise in order to improve the effectiveness of its personnel in all levels. Such policy is as follows:

- (1) The Company encourages its personnel to improve knowledge and expertise from the actual operation by assigning a supervisor for each line of work to give training;
- (2) The Company encourages job rotation continuously provides internal and external seminars and training for its personnel in all levels from executives to operational officers. This is to develop their knowledge, capabilities and working potential so that they can apply such knowledge to improve the Company's operation;
- (3) The Company assesses the need and the requirement for the personnel trainings in all levels from executives to officers and defines its personnel development plan which is consistent with the Company's development plan. This aims for preparing its personnel to

take up more responsibilities, have a progress in career path and be capable for taking vacant positions;

- (4) The Company organizes various activities to create intimacy, familiarity and good relationship between executives and every employee to increase work quality and demonstrate work professionalism, which will bring about the highest customer satisfaction.

Developing and Promoting Employee Career Progression

The Group has employed the Success Factors Performance and Goal solution which is a system for performance evaluation and career path planning as a tool to systematically and methodologically evaluate and develop personnel. Performance evaluation for key positions that drive the business like sales, operation and warehouse divisions are carried out under the following programs:

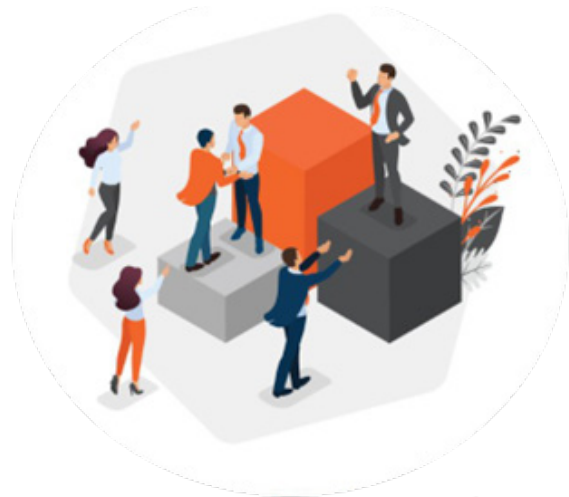
Career Path Planning



การจัดการและพัฒนา **เส้นทางอาชีพ**ในการทำงาน ของตำแหน่งงานภายในองค์กร พนักงานจะสามารถมองเห็นเส้นทางการพัฒนาในอาชีพการปฏิบัติงานได้

is a path to an aimed position, both vertically (promoting to higher position) and horizontally (moving sideways to another job or job rotation with new assignment), with an objective to accumulate experience and achievement required for working in the target position. The career path is designed through Success Factors solution in which employees can check their own career path and evaluate their competencies for positions that interests them, and make their Individual Development Plan.

Succession Plan



Succession Plan

This is a process of preparing and developing potential personnel for more than 2 years in advance using a selection process that mixes between the Talent/Succession Matrix and the Career Path. In this long-term succession plan, the Career Path acts as a key HR tool that help identifying and developing potential personnel to be fully prepared for the aimed positions in the future through a process of accumulating experiences as specified in the Career Path for positions of M3-level management and above.



Talent Management

This process takes into consideration knowledge, capability, and other aspects such as proficiency and performance, competencies, experiences, years of service, and personal attributes. In 2021, this will be performed via SuccessFactors as a part of Potential Evaluation to identify talents and bring them into a systematic development process in which the information about more than 1-2 candidate(s) will be compared in a form of table called “Talent/ Succession Matrix”; then a development and evaluation plan will be formulated to prepare the employees’ capacity for a rapid business expansion. Moreover, the Group has realized and paid attention to efficient and effective human resources management, recognizing the potentiality of employees to advance in their career paths and grow together with the Group. Development of employee potentiality has also been promoted to build up the business and help the Group achieve a greater success. Therefore, the Group provides an opportunity for employees who wish to rotate or advance to higher positions in the Group’s structural work classification to attend a selection interview under the program called “Grow Together”.



“Grow Together” Program

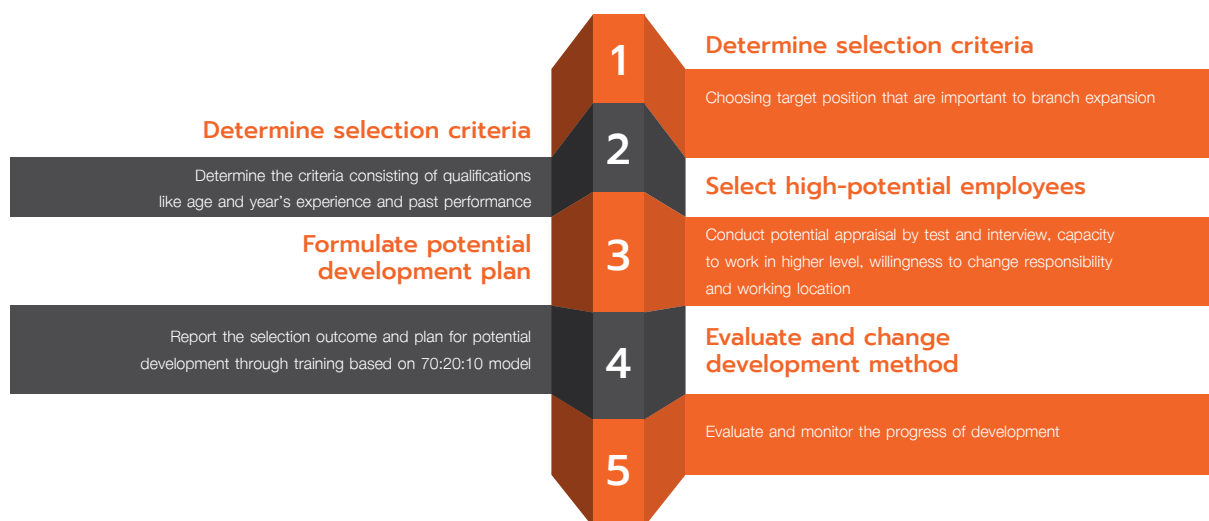
This program is for the benefit of the organization by providing an opportunity to and preparing personnel to grow along with the Group’s growth. It also aims at fostering a continued development, reducing personnel attrition, reducing loss of time and opportunity, and providing personnel with a satisfaction at works with a certain career development. The selection process of this program is based on the following criteria:

- Qualification and performance
- Potential appraisal by the superiors which will be presented to higher superiors for approval

Once the information of shortlisted candidates is ready, the next step is the interview by the Committee of each line of work who will compare the outcome of appraisal to the Company’s requirements and criteria. Employees passing the selection process for high-potential employees will enter into the training process based on the 70:20:10 model as follows:

- 70% : Experiential Learning
- 20% : Exchange Learning
- 10% : Education Learning

Procedures



Employee Training

It is the Group's policy to perform regular personnel development with an objective to enhance knowledge, skills and expertise, as well as work efficiency of all employees. The policy and practices specified by the Group are as follows:

- (1) Analyzing a necessity for training and development at both unit and personal levels in all employee groups, taking into consideration the employee capacity and competencies, the organization's needs, customer needs and strategic challenges;
- (2) Formulating a learning and development plan in consistent with the requirements of the organization, units and personnel. Regular curriculum for employees at all levels is designed to increase their capacities for current positions and to prepare them for higher positions;
- (3) Training and development are carried out based on the 70:20:10 model:
 - 70% : Experiential Learning which is on-the-job learning;

- 20% : Exchange Learning which is learning from other persons, coaching, feedback from superiors and mentoring;
- 10% : Education Learning which is acquiring knowledge and experiences through training in forms of VDO conference, classroom training or digital learning.

Apart from classroom training, the Group also emphasizes and supports the following means of personnel development.

Digital learning has been adopted by which employees can learn from anywhere at any time without a restriction, and the knowledge management (KM) has also been introduced. Since February 2020, the Group began to use the Learning Management module in SuccessFactors LMS (Learning Management System) which enables learners to access online learning contents from anywhere and at any time. The contents are designed to be concise, interesting and up to date so that employee can easily understand and apply to their works.



Library (Catalogue) : Defines groups of curriculums by assigning a permission to view curriculums based on a work classification and divisions for ease in learning

Item : (Learning Format): Consists of 3 main categories i.e. Course, Online and Blend

Physical Resource : Manage training resources such as training venue, training room and resource persons

Assignment : Assign learners, dividing into an automatic assignment in which employees are required to undergo and a customized assignment for additional learning as deemed appropriate

Surveys (Evaluation) : Training evaluation form consisting of 3 templates for different usages i.e. 1. curriculum evaluation, 2. Knowledge test and 3. training follow-up

(4) Post-training evaluation and follow-up are performed in 2 aspects as follows:

- Efficiency such as training being executed as planned, the proficiency of resource persons, and satisfaction in training;
- Effectiveness such as employees' knowledge and understanding evaluated after training by the Organization Development and Learning Center.

Personnel Training Program During the COVID-19 Pandemic

1. Recognizing the COVID-19 pandemic, the Company has arranged more online training to reduce travelling and physical meeting. This is an appropriate choice to prevent the spread of the disease.
2. In case where class room training is required for hand-on practices, the training will be conducted with social distancing measures and limited participants.

Information of Training and Development

| Employee Training and Development | 2019 | 2020 | 2021 |
|---|-----------|-----------|--------------|
| Classroom Training | | | |
| Budget allocated to training and development | 2,114,302 | 1,882,080 | 3,484,482.47 |
| Training Statistics | | | |
| Classroom | | | |
| Classroom (person) | 2,590 | 14,542 | 10,968 |
| Classroom (hour) ⁽²⁾ | 1,098 | 2,388 | 1,910 |
| Conference | | | |
| Conference (person) | - | - | 12,870 |
| Conference (hour) | - | - | 1,986 |
| Number of Curriculums | | | |
| Number of Curriculums (curriculum/class) ⁽³⁾ | 53/168 | 175/276 | 88/ 772 |
| Fundamental Training | | | 36/573 |
| Function/System Training | | | 34/171 |
| Competency Based Development | | | 18/28 |
| Digital LEARNING via SuccessFactors LMS | | | |
| Content of a manual of operating procedures and system usage (manual) | - | 255 | 234 |
| Content of VDO of operating procedures and system usage (VDO) | - | 20 | 18 |
| Digital LEARNING (Learning+System-based test (person)) | - | 1,538 | 5002 |

Remarks :

1. Number of curriculums (curriculum) refers to the number of training curriculums held in 2021 / (class) refers to the number of times training was organized. For some curriculums, training was held more than once such as How to Use Success Factor.
2. In 2021, the training hours and number of classroom trainee deceased from 2020 due to a change to online training during COVID-19 pandemic.
3. In 2021, the number of class was higher than 2020 due to social distancing measures and limited participants per class during COVID-10 pandemic.

Safety in Workplace

Occupational Safety, Health and Environment

Administration

The Group commits to administer the safety in accordance with the Occupational Safety, Health and Environment Act, B.E. 2554 (2011); and therefore, has established its policy of occupational safety, health and environment as a guideline for administering this matter. The policy was signed by the top management in order to convey a care for safety of all employees, external persons working in the

Group's area and customers. A budget has also been allocated to promote and raise the awareness of personnel on the occupational safety through training, drills, and activities in order to reduce workplace accidents. The Group aims at managing and improving the occupational safety efficiently, steadily and sustainably.



Policy on Occupational Safety, Health and Environment

Concerning about the arrangement for good occupational safety, health and environment, the Group has purposely adopted the standards on occupational safety, health and environment as follows:

- (1) It is a responsibility of employees at all levels to take actions for the safety of their own, the Company's and others' lives and properties.
- (2) The Company shall increase knowledge and raise consciousness among all employees on occupational safety and good occupational health.
- (3) The Company recognizes the importance of accident prevention measures in workplace for employees or other persons.
- (4) The Company shall support and promote a safe occupational environment and working practices, as well as well-being of all employees.
- (5) All supervisors have a duty and responsibility to oversee their subordinates' occupational safety, health and environment to be strictly in accordance with the stipulated regulation of occupational safety and health.
- (6) The Company shall support and promote activities on occupational safety to bring about the actual results for all parties' greatest benefits.
- (7) The Company shall monitor and evaluate the implementation of the policy on occupational safety, health and environment to ensure full compliance to and maximum effectiveness under the occupational safety regulations and standards.

- The Group invited resource persons from a fire station in each municipalities near each branch to provide basic fire extinguisher and fire evacuation training for the year 2021 so that employees can act properly and stay safe in case of fire in workplace, as well as can apply the knowledge to their daily life.

Fire Extinguisher and Fire Evacuation Training





- Training on crane operation safety was organized in which trainees were taught how to operate, inspect and lift and move objects for the safety of the operator and people working nearby.

Training on Crane Operation Safety

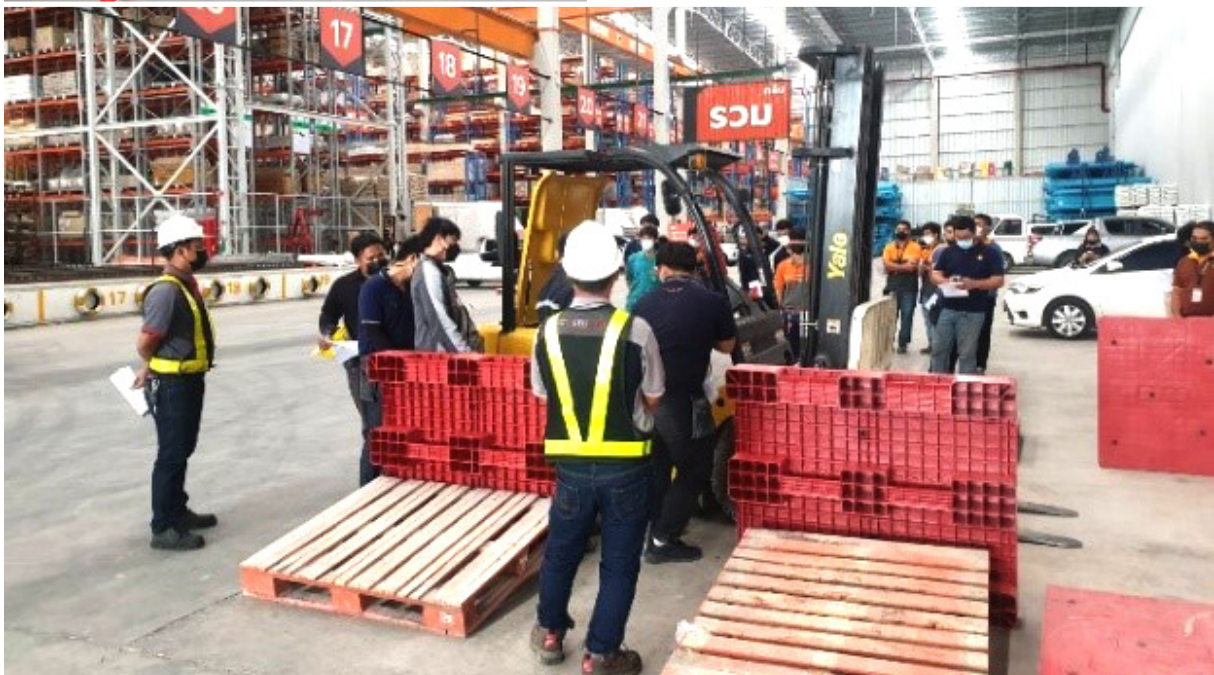


- Training on safe and correct forklift operation and maintenance was organized for operators of each branch. Operators must have a skill in controlling a forklift and inspecting its condition to ensure smooth and safe operation.

Forklift Operation Training



- Training course for the Committee of Occupational Safety, Health and Environment was organized for employees who are members of the Employer's Committee and Employees' Committee to acknowledge their duties as the OSH&E Committee and oversee the workplace according to standard operating procedure. The training was conducted through a conference call system.

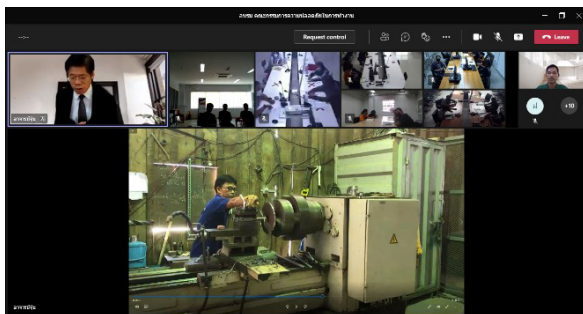


Training of OSH&E Committee



- Training course for safety officers at management- and supervisor-levels was organized so that safety supervisors learn about the safety and their duties as safety officers in workplace, and thus oversee employees to work with safety. The training was conducted through a conference call system.

Training of Safety Officers at Management - and Supervisor - Levels



- Training course on occupational safety, health and environment for employees and new hires under the Occupational Safety, Health and Environment Act, B.E.2554 (2011) was organized so that all employees have knowledge and awareness on workplace safety, efficiently follow the safety regulations, prevent accidents, and recognize the cause and solutions.

Training Course on Occupational Safety, Health and Environment for Employees and New Hires



Work Plan on Occupational Health and Safety of Dohome Public Company Limited in 2021

| No. | Description |
|-----------|--|
| 1. | Implement Safety Manual |
| 1.1. | Prepare/review the policy on occupational safety, health and environment |
| 1.2. | Prepare Accident Reporting/Accident Investigation Form and record the statistics of work accidents |
| 1.3. | Prepare a work safety manual |
| 1.4. | Design a training course on safety for new employees by professional-level safety officers (for new employees/contractors/third party) |
| 1.5. | Design a training course on safety for existing employees and rotated employees by professional - level safety officers (according to the Announcement of Department of Labour Protection and Welfare) |
| 1.6. | Prepare a plan for employee training on occupational safety according to the OSH&E Act, B.E.2554 (2011) |
| 1.7. | Prepare and review the (fires, chemical spill) contingency plan of each store |
| 1.8. | Prepare/review the list of laws concerned (department stores/warehouses/persons/admin/safety officers/maintenance) |
| 1.9. | Prepare/review the Hazardous Identification and Risk Assessment, and a solution plan |
| 1.10. | Send supervisor-level safety officers to training and register them (in case of new or newly - promoted employees) |
| 1.11. | Send management-level safety officers to training and register them (in case of new or newly - promoted employees) |
| 1.12. | Send the OSH&E Committee to training, and appoint and register them |
| 2. | Safety yearly plan follow up |
| 2.1. | Survey the safety status of each store and warehouse |
| 2.2. | Review and follow up the appointment of the OSH&E Committee (in case of resignation, expiry of term / change in the Employees' Committee) |
| 2.3. | Follow up the meeting of the OSH&E Committee of each store once a month |
| 2.4. | Follow up the monthly safety inspection by the OSH&E Committee of each store |
| 2.5. | Follow up the monthly inspection of fire fighting equipment of each store (fire extinguisher, emergency light, fire exit, fire hose cabinet) |
| 2.6. | Follow up the inspection of workplace environment at each store (light, noise, heat, dust) |
| 2.7. | Follow up the annual inspection of electrical equipment and electrical system of each store |
| 2.8. | Follow up the annual inspection of crane components and equipment under the criteria |

Target of the Development of Occupational Safety, Health and Environment

- Safety audit
- Establishment of the OSH&E Committee at each store
- Establishment of the Safety Training Unit

Number of Lost Time Incident or Injury

Lost Time Injury Frequency Rate (LTIFR)

| Frequency Rate | 2021 |
|---|------------------------|
| Number of accidents with injuries at work from 1 January 2021 – 31 December 2021 | 108 cases |
| Number of employees injured at work | 108 persons |
| Accident rate per store (No. of accidents /No. of stores) | 6 |
| Lost time injury frequency rate (Lost time injury frequency*1,00,000)/total number of hours worked | Total hours worked N/A |
| Lost time injury severity (Lost time injury severity*1,000,000)/ total number of hours worked | Total hours worked N/A |
| Number of fatal accidents (time) | 0 |
| Number of employee deaths | 0 |

Employee Engagement Surveys

The Group has carried out the employee engagement survey biannually together with the annual performance evaluation. The result of this

survey is used to evaluate the organization as well. And the employee engagement is a key subject of Corporate KPIs.

| Employee Engagement Survey | 2020 | 2021 |
|---|--------|--------|
| Number of employees answering the survey | | |
| Number of employees required to answer the 1 st survey | 5,498 | 5,626 |
| Number of employees answering the 1 st survey | 4,657 | 4,457 |
| % of answering the 1 st survey | 84.70% | 79.22% |
| Number of employees required to answer the 2 nd survey | 4,729 | 6,317 |
| Number of employees answering the 2 nd survey | 4,497 | 5,546 |
| % of answering the 2 nd survey | 95.10% | 87.80% |
| % of overall survey answering | 89.60% | 83.51% |
| % Employee Engagement Surveys | | |
| % of 1 st Employee Engagement Surveys | 77.60% | 80.13% |
| % of 2 nd Employee Engagement Surveys | 79.70% | 75.40% |
| % of Employee Engagement Surveys in overview | 78.70% | 77.77% |

The Company realized that employee engagement is subjective; therefore, biannual employee engagement surveys may not be sufficient for improving the employee engagement for better participation in efforts to achieve the organization's goals. Consequently, in 2022 the Group plans to organize workshops with employees to listen more to employees and take their feedbacks and comments to improve its work plans, both at organizational and unit levels. The purpose is to enhance the employee engagement and create the organizational value as an organization that everyone desires to join while retaining capable employees. To thoroughly take care of employees in an equitable way, the results of the employee engagement survey are used to constantly improve and develop the human resources management.

Responsibility to Customers/Consumers

Consumer Protection

Recognizing the importance of consumer rights violation, the Group has established a specific unit to be in charge of and solve problems from consumer complaints through all channels. Consumers can complain through customer service officers at every store by a scanning QR code to send their complaints to the headquarter directly, call number 1746 to make a complaint, or complain through the website at www.dohome.co.th. The success rate of receiving complaints through all channels is 100%; while the rate of complaints resolved is 95%. The rest complaints are policy matters, for example, customers are required to deposit their bags or put their handbag in a lockable bag.

Customer Care

Plan to improve customer satisfaction

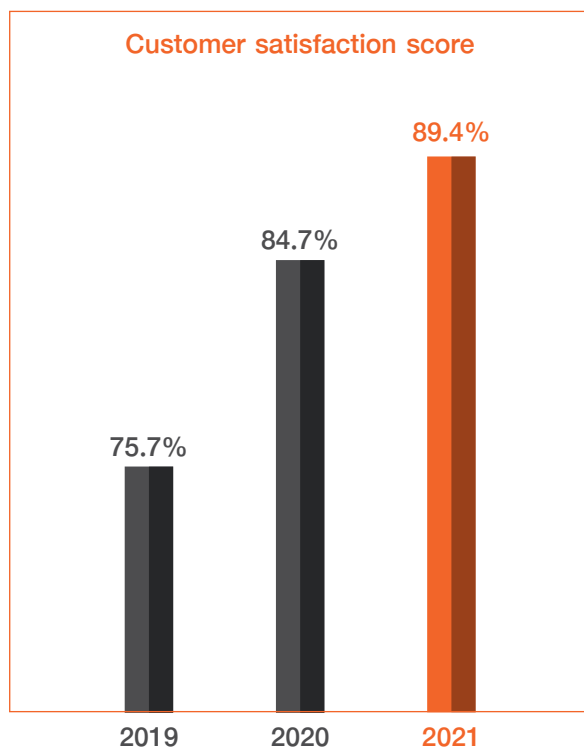
The Group conducted customer satisfaction survey as a part the marketing research in 2019. The survey was carried out by both in-person survey and online polls like on Facebook.

Target of customer satisfaction improvement

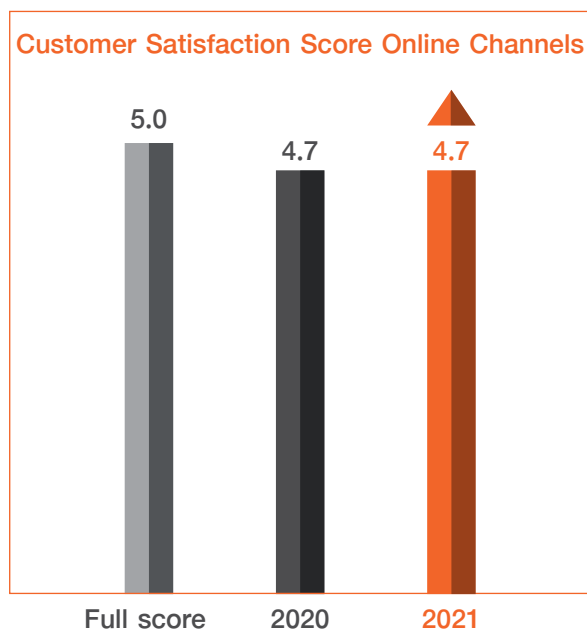
The target of customer satisfaction improvement is measured in percentage. For the recent year, Dohome got the satisfaction score of 89.45%, equivalent to B grade. The Group plans to reach A grade for customer satisfaction within 2022 by improving its standard of services in all levels and providing the Home Service which will help to promote the whole process of sales and services.

Customer Satisfaction Survey

The objective of customer satisfaction survey is to use the survey result to formulate a work improvement plan including other working procedures of the Group in order to create efficiency and project a good image towards customers and stakeholders such as shareholders, business partners, creditors and nearby communities. Based on the Group's customer satisfaction surveys in 2019, 2020 and 2021, the ratings of customer satisfactions were at 75.7 percent, 84.7 percent and 89.45 percent respectively. This higher rating of the latest year is a result from urgent improvement in three matters i.e. the service standard, provision of product information and sales promotion by salespersons, and management of customer wait times to receive purchased products.



For an online channel, in 2021 the rating of customer satisfaction among Facebook users still remained at 4.7 out of 5. The level of satisfaction of Facebook users has become higher continually after the Group adjusted its telephone system and set up a specific team to take care of online customers in a more systematic and standardized manner in 2021.



Responsible Marketing and Advertisement

Information published in advertisement and public relations of Dohome through all channels must be accurate, particularly information on product prices, qualifications and details so that customers receive complete and correct information. In case of an information error, the Company has a policy to remedy and compensate the customers at best. Dohome has continually improved its public relations of all channels to reach customers using reinforcement advertising and creative marketing that care for the society and people who may be affected.

Number of customer data leak cases and response measures

Customer relation management is a key factor for a rapid increase in customer number with customer loyalty (Loyalty Member) and customers with high purchase (Active Member). The sales amount of Dohome during a half of 2021 was equal to the sales amount of 2020 whole year. Such sales derived from member customers as much as 92%, leading to a sharp increase of sales in 2021. Based on its customer management policy, Dohome has established the Customer Experience Management Team to develop customer experiences. Customer satisfaction is evaluated quarterly in order to analyze and improve customer experiences and impression which will lead to more return customers and positive word-of-mouth.

Development and Community/Social Participation

The Company recognizes the importance of sustainable business growth with corporate social responsibility, by doing business with care to

stakeholders, economy, society and environment in a fair, ethical and moral manner. The Company hopes that business operation with corporate social responsibility would bring common benefits and the Company's growth towards being a leader in retail, wholesale and service business of comprehensive home products. The Company commits to conduct business while emphasizing on corporate social responsibility in order to enhance the quality of life of people in communities, as well as willfully improving environmental quality in a sustainable way.

The Company is ready to take part in sponsoring projects of schools, religious institution, medical centers and government agencies; as well as providing assistance to communities suffered from disasters in order to reinforce and strengthen the communities and the business growth simultaneously.

Relieving COVID-19 Impacts

Recognizing the gravity of this issue, the Group has provided supports to nearby hospitals to be prepared for handling the COVID-19 pandemic efficiently. In order to lighten the burden of medical staffs and support medical treatment for people nearby, the Company has supplied paper bed, bedding sets, drinking water and consumer goods for patients at a total value of 1,530,000 baht



Scholarship Programs and activities of Schools

With a determination to enhance the people's quality of life, the Group realizes the importance of education as a basis for better quality of life and therefore supports learning activities by encouraging in-school students to take part in useful activities. In 2021, Has donated to support educational institutions a total value of 130,000 baht.



Fostering the Religion

Recognizing the importance of the religion as a community's spiritual anchor, the Group participated in religious activities and gave offerings for the public benefit such as donating necessities, donating consumables, supporting the project and various religious activities a total value of 300,000 baht.





Feedback Form Sustainable Development Report 2021

Dohome Public Company Limited

1. Reader Profile

Gender ☐ Female ☐ Male
AGE ☐ Below 30 years old ☐ 30 - 50 years old ☐ More than 50 years old

2. Please specify your stakeholder type

☐ Customer ☐ Employee ☐ Supplier
☐ Shareholder ☐ Investor ☐ Other (Please specify)

3. The reason to read this sustainable development report

☐ For support investment decision on HMPRO's securities
☐ For understanding about DOHOME's business
☐ Research and education purposes
☐ Other (Please specify)

4. Satisfactory level towards the sustainable development report 2021

Information adequacy ☐ High ☐ Medium ☐ Low
Readability ☐ High ☐ Medium ☐ Low
Overall satisfaction ☐ High ☐ Medium ☐ Low

5. In your opinion, which is the most significant aspect towards the company's sustainable growth?

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6. In your opinion, what should the report be improved?

.....

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To

**Corporate Governance Development
Dohome Public Company Limited**

60 Vibhavadi-Rangsit Road, Samsen Nai Sub-District
Phayathai District, Bangkok 10400

How to return a survey



1. Email

Scan or take a photo of the completed
survey and send it to cg@dohome.co.th



2. Post

Tear off the stamped survey
Sent to the address shown

4. Management Discussion and Analysis (MD&A)

4.1. Analysis of Operation and Financial Status

1. Overview of operation

In 2021, due to COVID-19 pandemic a new wave that affects on the living all over the world and impact on domestic and worldwide economy. In Thailand, despite the government's economic stimulus packages, but in overview economic has not improved as expected.

Although, the Group has been severely impacted by store close, the great strength and effort from all executives and employees has resulted in a continued business growth and increased income of existing stores in 2021. The Group's total revenue was 25,917.78 million baht and the net profit was 1,818.06 million baht, increasing by 37.5% and 150.2% respectively. The Group has paid attention to the development and optimization of fundamental management system using technology, innovation, development of personnel and other areas in order to generate the highest returns and sustainable growth

In 2021, the Group has in service 16 large stores i.e. Ubon Ratchathani, Nakhon Ratchasima, Rangsit, Khon Kaen, Udon Thani, Rama 2, Bang Bua Thong, Chiang Mai, Bang Na, Phetsakem, Surin, Maptaphut, Laem Chabang, Bowin, Chonburi (Amata Nakhon), Surat Thani, and 10 small outlets (Dohome To Go) – Makro Sathon, Big C Bang Phli., Tesco Lotus Korat, Tesco Lotus Bang Na, Chatchawan Market, Thaisomboon Market, Ruaysap Market, Tubyao Market, Thairungthip Market and Maruay Market. In 2021, the Group launched Laem Chabang, Bowin, Chonburi (Amata Nakhon) and Surat Thani in order to serve customers residing in those provinces and

nearby areas; while two new Dohome To Go outlets, Tabyao Market and Maruay Market, were opened to reach customers in several areas and meet all customer needs, as well as allow customers to access its products and services more conveniently.

The Group sells both non-house brand products and its own house brand products. The proportion of income from the sales of goods and services in relation to house brand products has decreased from 16.5% in 2020 to 15.5% in 2021 since the income from the sales of non-house brand products has increased sharply, making the income from the sales of house brand products relatively decreases. However, the amount of income from the sales of house brand products has increased from 2020. By the year 2022, the Group aims at increasing the proportion of house brand products to 20.0% of the income from the sale of goods and services.

In 2021, the COVID-19 pandemic still persisted in Thailand, leading to many preventive measures imposed by the government including the lockdown measures in some areas. The first lockdown was imposed from December 2020 to the end of January 2021 and the second lockdown was imposed from the mid of July 2021 to the end of August 2021. The Group has cooperated and fully acted in accordance with the measures, as well as has taken its own measures to prevent the disease in its stores and office. During the lockdown periods, the Group has adapted to the situation rapidly by facilitating and improving its e-commerce sales channel and direct purchases via phone with the selling team and sale representative team. Also, the employee management has gone well as planned and improved by the Group. As a result, the Group's operating performance, both the income and net

profit, has grown and it was able to expand large new stores as planned. In 2021, the Group launched a total of 4 new stores i.e. Laem Chabang, Bowin, Chonburi (Amata Nakhon) and Surat Thani.

2. Overview of business results and financial status

The majority of the Group's incomes are from the sale of goods and services. For the years ended 31 December 2019, 2020 and 2021, the income from the sale of goods and services were at 17,868.70 million baht, 18,777.38 million baht and 25,784.60 million baht respectively. The income in 2021 increased by 37.7% from the previous year due largely to the growing income of original stores, the increase in income from stores that opened in 2020 and fully operated in 2021 i.e. Surin and Maptaphut stores store and 6 Dohome ToGo outlets, as well as the incomes from newly-opened stores in 2021 i.e. Laem Chabang, Bowin, Chonburi (Amata Nakhon) and Surat Thani stores and 2 Dohome ToGo outlets.

The Group's gross profits for the year ended 31 December 2019, 2020 and 2021 were 2,957.96 million baht, 2,989.36 million baht and 5,206.59 million baht respectively, which are equivalent to the gross profit margins of 16.6%, 16.0% and 20.2% respectively. The reasons for the decreased gross profit margin in 2020 are that in 2019 there was the reversing entries of allowance for obsolete and slow-moving inventory at the amount of 73.29 million baht which is a one-time transaction; and the temporary close-down of some retail stores according to the government order to control the COVID-19 pandemic resulting in a decrease in the income of retail distribution channel and hence the gross profit margin during the temporary close-down.

Because of a higher proportion of the sales of house brand products, a more efficient management of the cost of goods sold, an increase in gross profit margins of various product and a higher income from the management of the Distribution Center,

the Group's cost of goods was lower and the gross profit margin was higher. In 2021, the Group had a higher gross profit margin due to an increase in gross profit margins of all product groups, a more efficient management of the cost of goods sold, and the income from the Distribution Centers that was higher than expenses, leading to the lower cost of goods sold and the higher gross profit margin of house brand products.

For the years ended 31 December 2019, 2020 and 2021, the Group had the net profits amounting to 725.51 million baht, 726.68 million baht and 1,818.06 million baht respectively, which are equivalent to the net profit margins of 3.8%, 3.9% and 7.0% respectively.

The Group's consolidated assets as at 31 December 2019, 2020, and 2021 valued at 18,151.71 million baht, 20,765.17 million baht and 27,226.51 million baht respectively. The Group's consolidated asset values increase mainly due to the higher number of accounts receivable in consistency with the higher volume of credit sales, the increase in lands, buildings and equipment from the construction of Laem Chabang, Bowin, Chonburi (Amata Nakhon) and Surat Thani stores that opened in 2021, the construction of Hat Yai store due to open in March 2022, the increase in inventory in order to support the increased sales volume and the opening of and Laem Chabang Bowin, Chonburi (Amata Nakhon) and Surat Thani stores, and the increase in the record of right-to-use asset from land leases to support future branch expansion. The Group's consolidated liabilities as at 31 December 2019, 2020, and 2021 were 11,691.34 million baht, 13,675.41 million baht and 16,346.77 million baht respectively. The increase in consolidated liabilities was caused mainly by loans from financial institution according to a demand for working capital and fund for the Group's business expansion, an increase in the number of trade accounts payable and other

accounts payable, an increase in long-term loans for the Group's branch expansion. The Group's shareholders' equity as at 31 December 2019, and 2020 and 2021 were 6,460.37 million baht, 7,089.76 million baht and 10,879.74 million baht respectively. Such increase was mainly a result from the general mandate of 75.50 million shares at total value of 1,967.61 which is calculated from a value of 26.25 baht per share deducted by share issuance costs, stock dividend payout and higher retained earnings.

3. Discussion and Analysis of Business Results

1. Income

The Group operates a retail, wholesale and service business of construction and home decoration materials, as well as providing relevant services

under the tradename "Dohome". The Group's income composes of (1) income from the sale of goods and services, in which most of the income from service are goods delivery fees as a part of sale promotion, and (2) other income such as subsidies from product owners, and rental and service fees.

For the years ended 31 December 2019, 2020 and 2021, the Group's total income were 17,971.82 million baht, 18,852.96 million baht and 25,917.78 million baht respectively, increasing by 881.14 million baht or 4.9% in 2020, and increasing by 7,064.82 million baht or 37.53% in 2021.

Table of the Group's Revenue Structure

| Revenue Structure | For the Years Ended 31 December | | | | | |
|--|---------------------------------|---------------------------|------------------|---------------------------|------------------|---------------------------|
| | 2019 | | 2020 | | 2021 | |
| | Million THB | Percentage ⁽¹⁾ | Million THB | Percentage ⁽¹⁾ | Million THB | Percentage ⁽¹⁾ |
| Income from sale of goods and services | 17,868.70 | 99.4 | 18,726.66 | 99.3 | 25,784.60 | 99.5 |
| Other income | 103.12 | 0.6 | 126.30 | 0.7 | 133.18 | 0.5 |
| Total Income | 17,971.82 | 100.0 | 18,852.96 | 100.0 | 25,917.78 | 100.0 |

Notes : ⁽¹⁾ Percentage of the total income

(1) Income from the sale of goods and service

For the year ended 31 December 2019, 2020 and 2021, the Group's income from the sale of goods and services were 17,971.82 million baht, 18,852.96 million baht and 25,917.78 million baht respectively. The income in 2021 increased by 37.5% from the previous year mainly as a result from the growing income from original stores, an increase in the incomes from stores that opened in 2020 and fully operated in 2021 i.e. Surin and

Maptaphut stores and 6 Dohome ToGo outlets, as well as the incomes from newly-opened stores in 2021 i.e. Laem Chabang, Bowin, Chonburi (Amata Nakhon) and Surat Thani stores and 2 Dohome ToGo outlets.

The income from the sale of goods and services can be classified by product categories into 2 groups : (1) non-house brand products and (2) house brand products.

Table of the Revenue Structure from the Sale of Goods and Services by Product Categories

| Revenue Structure from the Sale of Goods and Services | For the Years Ended 31 December | | |
|---|---------------------------------|---------------------------|---------------------------|
| | 2019 | 2020 | 2021 |
| | Percentage ⁽¹⁾ | Percentage ⁽¹⁾ | Percentage ⁽¹⁾ |
| Non-house brand products | 84.0 | 83.5 | 84.5 |
| House brand product | 16.0 | 16.5 | 15.5 |
| Total income from the sale of goods and services | 100.0 | 100.0 | 100.0 |

Notes : ⁽¹⁾ Percentage of the total income from the sale of goods and services

Most of the Group's income from the sale of products and services are from the sale of non-house brand products. However, the Group aims at increasing the proportion of house brand products, which have a higher gross profit margin, to 20.0% of the income from the sale of goods and services by the year 2022. The proportion of house brand products has increased continuously. For the year ended 31 December 2021, the proportion of the income from house brand products decreased from 16.5% to 15.5% as the income from the sale of non-house brand grew dramatically making the sale of house brand seemed decrease relatively when compared to the Group's income. However, the amount of income from the sales of house brand products in 2021 still increased.

(2) Other income

For the years ended 31 December 2019, 2020 and 2021, the Group's other income were 103.12 million baht, 126.30 million baht and 133.18 million baht respectively, equivalent to 0.6%, 0.7% and 0.5% of the total income respectively.

Comparing the year ended 31 December 2019 with the year ended 31 December 2020, the Group's other income was at 103.12 million and 126.30 million baht respectively, increasing by 23.18 million baht or 22.5% mainly as a result of the increased subsidies from product manufacturers and/or dealers from (1) subsidies for special promotions, (2) subsidies for marketing activities of Surin store which opened in Q2 2020, (3) income from insurance indemnity

payment for the floods at Ubon Ratchathani in 2019, and (4) the higher profit from exchange rates thanks to more efficient risk management.

Comparing the year ended 31 December 2020 with the year ended 31 December 2021, the Group's other income was at 126.30 million baht and 133.18 million baht respectively, increasing by 6.88 million baht or 5.4% mainly as a result of the increased subsidies for special promotions.

2. Gross Profits and Gross Profit Margins

Comparing the year ended 31 December 2019 with the year ended 31 December 2020, the Group's gross profits were at 2,957.96 million baht and 2,989.36 million baht respectively, increasing by 31.40 million baht or 1.1%, equivalent to the gross profit margins of 16.6% and 16.0% respectively. Main reasons for the decline in average gross profit margin are that in 2019 there was the reversing entries of allowance for obsolete and slow-moving inventory at the amount of 73.29 million baht which was a one-time transaction; and the temporary close-down of some retail stores according to the government order to control the COVID-19 pandemic resulting in a decrease in the income of retail distribution channel and hence the gross profit margin during the temporary close-down. However, because of the higher sales volume of house brand products, together with the more efficient cost management, the increase in gross profit margin of various product groups and the higher income from the management of the Distribution Center, the Group's cost of goods was lower and the gross profit margin was higher.

Comparing the year ended 31 December 2020 with the year ended 31 December 2021, the Group's gross profits were 2,989.36 million baht and 5,206.59 million baht respectively, increasing by 2,217.22 million baht or 74.2%, equivalent to the gross profit margins of 16.0% and 20.2% respectively. Main reasons for the increase in gross profit margin are an increase in gross profit margins of all product groups, a more efficient management of the cost of goods sold, and the income from the Distribution Centers that was higher than expenses, leading to the lower cost of goods sold and the higher gross profit margin of house brand products.

3. Selling, General & Administrative Expenses

The selling, general & administrative expenses comprise expenses relating to sales employees, administrative employees, depreciation and amortization, delivery costs, and marketing costs. For the years ended 31 December 2019, 2020 and 2021, the Group's selling, general & administrative expenses were at 1,879.09 million baht, 1,987.08 million baht and 2,835.55 million baht respectively, increasing by 107.99 million baht or 5.7% in 2020 and increasing by 848.47 million baht or 42.7% in 2021.

Table of Structure of Selling, General & Administrative Expenses

| Structure of Selling, General & Administrative Expenses (SG&A) | For the Years Ended 31 December | | | | | |
|--|---------------------------------|------------------------|-----------------|------------------------|-----------------|------------------------|
| | 2019 | | 2020 | | 2021 | |
| | MTHB | Percent ⁽²⁾ | MTHB | Percent ⁽²⁾ | MTHB | Percent ⁽²⁾ |
| Selling expenses | 653.08 | 34.6 | 696.44 | 35.0 | 1,062.04 | 37.5 |
| Administrative expenses | 241.32 | 13.3 | 326.92 | 16.5 | 500.77 | 17.7 |
| Depreciation and amortization | 369.11 | 19.5 | 440.34 | 22.2 | 519.83 | 18.3 |
| Delivery costs | 147.45 | 7.8 | 171.78 | 8.6 | 240.79 | 8.5 |
| Marketing costs | 93.25 | 4.9 | 51.61 | 2.6 | 68.97 | 2.4 |
| Others ⁽¹⁾ | 374.88 | 19.8 | 299.99 | 15.1 | 443.14 | 15.6 |
| Total SG&A | 1,879.09 | 100.0 | 1,987.08 | 100.0 | 2,835.55 | 100.0 |

Notes : ⁽¹⁾ For examples, an allowance for doubtful accounts, utilities costs, consumables costs, repairs and maintenance, bank and insurance fees, specific business tax, overhead expenses, consultant and system development fees, rental fees for property, plant and equipment, and depreciation on the right-to-use asset.

⁽²⁾ Percentage of the total selling, general & administrative expenses

Significant selling, general & administrative expenses are as follows

- The selling and administrative expenses for the years ended 31 December 2019, 2020 and 2021 were 894.40 million baht, 1,023.36 million baht and 1,562.81 million baht respectively, increasing by 128.96 million baht or 14.4% in 2020 and increasing by 539.45 million baht or 52.7% in 2022, mainly due to an increase in the number of sales employees for opening new large stores and Dohome ToGo outlets, and an increase in the number of administrative employees in the headquarter to support the Group's business expansion.
- Increased depreciation and amortization expenses were resulted mainly from an increase in the depreciation from newly-opened stores.
- Higher delivery cost was consistent with the higher income from the direct purchase channel via phone with a selling team and a sale representative team due to the COVID-19 incident.
- Marketing costs for the years ended 31 December 2019, 2020 and 2021 were 93.25 million baht, 51.61 million baht and 68.97 million baht respectively, decreasing by 41.64 million baht or 44.7% in 2020 and increasing by 17.36 million baht or 33.6% in 2021. Most of the marketing costs comprises (1) public relations media costs and (2) promotion expenses according to the marketing budget.
- Other expenses for the years ended 31 December 2019, 2020 and 2021 were 374.88 million baht, 299.99 million baht and 443.14 million baht respectively, decreasing by 74.89 million baht or 20.0% in 2020 and increasing by 143.15 million baht or 47.7% in 2021. The increase in other expenses is largely due to the management of accounts receivable by writing off bad debts for tax benefits and an increase in utilities expenses from business expansion.
- Number of stores and an increase in credit card fees in relation to the amount of credit card payment by customers

4. Other Expenses

No significant change in other expenses for the period ended 31 December 2021.

5. Financial Cost

For the years ended 31 December 2019, 2020 and 2021, the Group's financial costs were at 298.04 million baht, 245.13 million baht and 257.98 million baht respectively, decreasing by 52.90 million baht or 17.8% in 2020 and increasing by 12.85 million baht or 5.2% in 2021 which was in line with an increased amount of loan burden.

6. Income Tax

For the years ended 31 December 2019, 2020 and 2021, the Group's income taxes were at 132.12 million baht, 177.25 million baht and 447.53 million baht respectively, increasing by 45.12 million baht or 34.2% in 2020, and increasing by 270.25 million baht or 152.5% in 2021 which was in line with the change in profit before income tax of the Group.

7. Net Profit and Net Profit Margins

For the years ended 31 December 2019, 2020 and 2021, the Group's net profits were at 725.51 million baht, 726.68 million baht and 1,818.06 million baht respectively, increasing by 1.17 million baht or 0.2% in 2020, and increasing by 1,091.38 million baht of 150.2% in 2021.

4. Discussion and Analysis of Financial Status

1. Total Assets

As at 31 December 2019, 2020 and 2021, the Group had the total assets amounting to 18,151.71 million baht, 20,765.17 million baht and 27,226.51 million baht respectively, increasing by 2,613.45 million baht or 14.4% in 2020, and increasing by 6,461.34 million baht or 31.1% in 2021. Details of major changes in total assets are as follows:

- 1) The net trade accounts receivable and other accounts receivable as at 31 December 2019, 2020 and 2021 were 859.90 million baht, 903.19 million baht and 1,570.85 million baht respectively; increasing by 43.29 million baht or 5.0% in 2019 due mainly to the increased trade accounts receivable; and increasing by 667.66 million baht or 73.9% in 2021 due mainly to the increased trade accounts receivable which is in line with the higher income from the credit sales.
- 2) The net inventories as at 31 December 2019, 2020 and 2021 were 7,048.16 million baht, 8,559.71 million baht and 11,796.05 million baht respectively; increasing by 1,511.56 million baht or 21.4% in 2020 mainly due to an increase in the inventory to support a higher sales volume and the opening of large stores; and increasing by 3,236.34 million baht in 2021 mainly due to an increase in inventory to support a higher sales volume, the opening of 4 large stores as targeted, i.e. Laem Chabang, Bowin, Chonburi (Amata Nakhon) and Surat Thani, and future business expansion.
- 3) The net property, plant and equipment as at 31 December 2019, 2020 and 2021 were at 9,619.30 million baht, 10,381.62 million baht and 12,345.65 million baht respectively; increasing by 762.32 million baht or 7.9% in 2020 mainly due to the net outcome of (1) an increase from the construction of Surin and Maptaphut stores and works during the construction of Laem Chabang store, and (2) a decrease in book value - net from the depreciation of plant and equipment; and increasing by 1,964.03 million baht or 18.9% in 2021 mainly due to the net outcome of (1) an increase from the construction of Laem Chabang, Bowin, Chonburi (Amata Nakhon) and Surat Thani

stores and works during the construction of Hat Yai store, and (2) a decrease in book value - net from the depreciation of plant and equipment.

- 4) Right-to-use asset as at 31 December 2019, 2020 and 2021 equals to 8.30 million baht, 523.90 million baht and 793.78 million baht respectively; increasing by 515.61 million baht or 6,214.4% in 2020 as a result of the introduction of the TRFS16 accounting policy; and increasing by 269.88 million baht as a result of land leases for future branch expansion.

2. Liabilities

As at 31 December 2019, 2020 and 2021, the Group had the total liabilities of 11,691.34 million baht, 13,675.41 million baht and 16,346.77 million baht respectively; increasing by 1,984.07 million baht or 17.0% in 2020, and increasing by 2,671.36 million baht or 19.5% in 2021. Details of major changes in the total liabilities are as follows:

- 1) Bank overdrafts and short-term loans from financial institutions as at 31 December 2019, 2020 and 2021 were 5,731.71 million baht, 6,852.31 million baht and 8,494.21 million baht respectively; increasing by 1,120.60 million baht or 19.6% in 2020, and increasing by 1,641.90 million baht or 24.0% in 2021. The overdrafts and short-term loans from financial institutions were used as working capital.
- 2) Trade accounts payable and other accounts payable as at 31 December 2019, 2020 and 2021 were 2,488.18 million baht, 2,845.06 million baht and 3,896.68 million baht respectively; increasing by 356.88 million baht or 14.3% in 2020 and increasing by 1,051.62 million baht or 37.0% in 2021. The Group's average repayment periods were 51 days, 54 days and 50 days respectively.
- 3) Long-term loans from financial institution as at 31 December 2019, 2020 and 2021 were

3,339.14 million baht, 3,539.37 million baht and 3,425.59 million baht respectively; increasing by 200.23 million baht or 6.0% in 2020 due largely to (1) loans for branch expansion i.e. Surin, Maptaphut and Leam Chabang stores and (2) a repayment of long-term loans of financial institutions under the repayment conditions specified in loan agreements; and decreasing by 113.78 million baht or 3.2% in 2021 due largely to a repayment of long-term loans of financial institutions under the repayment conditions specified in loan agreements.

- 4) Lease liabilities as at 31 December 2019, 2020 and 2021 were 40.57 million baht, 261.32 million baht and 253.70 million baht respectively; increasing by 220.75 million baht or 544.1% due mainly to the introduction of the TFRS16 accounting policy; and decreasing by 7.62 million baht or 2.9% in 2021 due mainly to a repayment according to the repayment conditions.

3. Shareholders' Equity

As at 31 December 2019, 2020 and 2021, the Group's shareholders' equity were 6,460.37 million baht, 7,089.76 million baht and 10,879.74 million baht respectively; increasing by 629.39 million baht or 9.7% in 2020 and increasing by 3,789.98 million baht or 53.5% in 2021 according to the Group's business performance.

In 2020, the Board of Directors' Meeting no.1/2563 on 20 February 2020 approved a dividend payout from the business result of the year 2019 in the forms of cash dividend at 0.0185 baht per share valued at 34.38 million baht and stock dividend at a ratio of 6 existing shares to 1 stock dividend valued at 309.36 million baht, or equivalent to the dividend payout of 343.74 million baht in total from the accumulated profits.

In 2021, the Board of Directors' Meeting no.1/2564 on 8 April 2021 approved a dividend payout from the business result of the year 2020 in the forms of cash dividend at 0.0093 baht per share valued at 20.05 million baht and stock dividend at a ratio of 12 existing shares to 1 stock dividend valued at 180.46 million baht, or equivalent to the dividend payout of 200.51 million baht in total from the

accumulated profits. And on 14 July 2021, there was the general mandate of 75.50 million shares at a price of 26.25 baht per share, totally 1,981.88 million baht.

5. Discussion and Analysis of Liquidity and Sources of Fund

Table of Sources and Uses of Cash Flow by Categories

| Sources and Uses of Cash Flow | For the Years Ended 31 December | | |
|---|---------------------------------|--------------|--------------|
| | 2019 | 2020 | 2021 |
| | Million Baht | Million Baht | Million Baht |
| Net cash flow from (used in) operating activities | 588.26 | (59.08) | (660.70) |
| Net cash flow from (used in) investing activities | (944.04) | (1,284.77) | (2,558.34) |
| Net cash flow from (used in) financing activities | 392.70 | 1,239.41 | 3,420.52 |
| Net increase in cash | 36.92 | (104.44) | 201.48 |

Cash Flow

(1) Cash flow from operating activities

For the years ended 31 December 2019, 2020 and 2021, the Group had net cash flow used in operating activities amounting to 588.26 million baht, (59.08) million baht and (660.70) million baht respectively.

For the year ended 31 December 2020, the Group's net cash flow used in operating activities of (59.08) million baht was resulted mainly from the net change in working capital from (1) an increase in trade accounts receivable of 175.09 million baht, (2) an increase in inventories of 1,528.31 million baht and conversely (3) an increase in trade accounts payable and other accounts payable of 374.70 million baht.

For the year ended 31 December 2021, the Group's net cash flow used in operating activities of (660.70) million baht was resulted mainly from the net change in working capital from (1) an increase in trade accounts receivable of 644.45 million baht, (2) an increase in inventories of 3,255.08 million baht and conversely (3) an increase in trade accounts payable and other accounts payables of 865.20 million baht.

(2) Cash flow from investing activities

For the years ended 31 December 2019, 2020 and 2021, the Group had net cash flow used in investing activities amounting to (944.04) million baht, (1,284.77) million baht and (2,558.34) million baht respectively.

For the year ended 31 December 2020, the Group's net cash flow used in investing activities of 1,284.77 million baht was mainly from the payment for investment in right-to-use assets for future construction of new stores and the payment of construction costs of Surin and Maptaphut stores, including Lam Chabang store which was under construction.

For the year ended 31 December 2021, the Group's net cash flow used in investing activities of 2,558.34 million baht was mainly from the payment for investment in right-to-use assets for future construction of new stores and the payment of construction costs of Laem Chabang, Bowin, Chonburi (Amata Nakhon) and Surat Thani stores, including Hat Yai store which is under construction.

(3) Cash flow from financial activities

For the years ended 31 December 2019, 2020 and 2021, the Group had net cash flow from financing activities amounting to 392.70 million baht, 1,239.41 million baht and 3,420.52 million baht respectively.

For the year ended 31 December 2020, the Group's net cash flow from financing activities of 1,239.41 million baht was mainly from (1) short-term loans from financial institutions at the amount of 1,120.60 million baht, (2) the dividend payout and (3) money received from long-term loans from financial institutions at the amount of 200.23 million baht.

For the year ended 31 December 2021, the Group's net cash flow from financing activities of 3,420.52 million baht was mainly from (1) short-term loans from financial institutions at the amount of 1,641.90 million baht, (2) the dividend payout, (3) money repaid to long-term loans from financial institutions at the amount of (113.78) million baht, and (4) money received from the general mandate of 75.50 million shares at a price of 26.25 baht per share, totally 1,967.61 million baht after deducted the share issuance expenses.

4.2 Major Factors and Influences that May Have an Impact on Future Business Operations and Financial Status

4.2.1 Impact of Investment in Constructions and New Store Rollout

The Group has a plan to open 5 large stores in 2022 and additional Dohome ToGo outlets according to its strategy to develop the distribution channels in order to expand its customer base nationwide.

The new store rollout will make the Group realize an increasing selling, general & administrative expenses in the beginning stage, mostly from the employment

of store employees which is a fixed cost while the growth of income from sale of goods and services of the new stores is still modest. In addition, such growth is depended on several major factors, including but not limited to the economic fluctuations and an intense competition in retail and wholesale business of construction materials and decoration items. This may result in lower financial ratios in the beginning years, such as the net profit margin, return on assets and return on equity.

However, the Group expects to gain benefits from branch expansion in the long term; for examples, the growth of income and performance, a bargaining power with vendors when placing order in larger amount which will increase profitability, brand recognition and a bigger market share. The Group

4.2.2 Impact of the Ability to Increase the Proportion of House Brand Product Sales

During the past three year the Group's proportion of house brand product sales compared to the income from sales of goods and service has decreased from 16% in 2019 16.5% in 2020 and 15.5% in 2021 since the income from the sales of non-house brand products has increased sharply, making the income from the sales of house brand products relatively decreases. However, the amount of income from the sales of house brand products still increased in 2021. By the year 2022, the Group aims at increasing the proportion of house brand products to 20.0% of the income from the sale of goods and services.

The increase in the proportion of income from the sale of house brand products is one of factors contributing to its better business performance since the house brand products have a higher profit margin than non-house brand products due to a lower cost of sales and marketing. The affected financial ratios include gross profit margin, net profit margin, return on assets and return on equity. However, in

case that the Group could not increase the proportion of house brand product sales as planned, its business performance may not be as forecasted. In the past three years, the Group had a steadily increasing proportion of house brand product sales from 14.4% in 2018 to 16.50% of the income from sale

of goods and services in 2019 in accordance with its business strategies. The Group aims at increasing the proportion of house-brand products to 20.0% of the income from the sale of goods and services by the year 2022.

4.3 Important financial highlights

| Financial statement summary | Consolidated financial statements | | | Separate financial statements | | |
|---|-----------------------------------|-----------|-----------|-------------------------------|-----------|-----------|
| | 2019 | 2020 | 2021 | 2019 | 2020 | 2021 |
| Statement of Comprehensive Income | | | | | | |
| Sales and Services income | 17,868.70 | 18,726.66 | 25,784.60 | 17,868.70 | 18,726.66 | 25,784.60 |
| Total revenues | 17,971.82 | 18,852.96 | 25,917.78 | 17,979.88 | 18,854.69 | 25,919.31 |
| Gross profit | 2,957.96 | 2,989.36 | 5,206.59 | 2,958.98 | 2,991.48 | 5,210.24 |
| Profit before finance costs and income tax | 1,155.67 | 1,127.92 | 2,504.22 | 1,103.14 | 1,084.48 | 2,459.30 |
| Net profit for the year | 725.51 | 726.68 | 1,818.06 | 683.02 | 681.75 | 1,771.59 |
| Statement of Financial Position | | | | | | |
| Total assets | 18,151.71 | 20,765.17 | 27,226.51 | 18,666.96 | 21,623.44 | 28,015.49 |
| Total liabilities | 11,691.34 | 13,675.41 | 16,346.77 | 11,686.65 | 14,058.68 | 16,707.20 |
| Total equity | 6,460.37 | 7,089.76 | 10,879.74 | 6,980.31 | 7,564.77 | 11,308.29 |
| Financial ratio | | | | | | |
| Gross profit margin (%) | 16.55 | 15.96 | 20.19 | 16.56 | 15.97 | 20.21 |
| Net profit margin (%) | 4.04 | 3.85 | 7.01 | 3.80 | 3.62 | 6.84 |
| Return on equity (%) | 12.89 | 10.73 | 20.23 | 11.07 | 9.37 | 18.77 |
| Return on assets (%) | 4.17 | 3.73 | 7.58 | 3.81 | 3.50 | 7.38 |
| Debt to equity ratio (times) | 1.81 | 1.93 | 1.50 | 1.67 | 1.86 | 1.48 |
| Performance per share (Baht) | | | | | | |
| Net profit for the year | 0.46 | 0.31 | 0.76 | 0.43 | 0.29 | 0.74 |
| Book value per share | 3.48 | 3.27 | 4.49 | 3.76 | 3.49 | 4.67 |
| Number of ordinary shares (million shares) | | | | | | |
| | 1,856.16 | 2,165.52 | 2,422.17 | 1,856.16 | 2,165.52 | 2,422.17 |

5. General Information and Other Important Information

5.1 General Information Name and Locations of Other references.

Other referenced Information

Regulatory Body of Issuing Company : **The Securities and Exchange Commission, Thailand (SEC)**

Address : 333/33 Vibhavadi-Rangsit Road, Chomphon, Chatuchak,
Telephone no. : 0 2695 9999
Fax no. : 0 2695 9660

Regulatory Body of Listed Company : **The Stock Exchange of Thailand (SET)**

Address : 93 SET Building, Ratchadaphisek Road Din Daeng, Din Daeng,
Bangkok 10400
Telephone no. : 0 2009 9726-50
Fax no. : 0 2009 9807-8

Securities Registrar : **Thailand Securities Depository Company Limited**

Address : 93 SET Building, Ratchadaphisek Road, Din Daeng, Din Daeng,
Bangkok 10400
Telephone no. : 0 2009 9000
Fax no. : 0 2009 9991

Certified Public Account : **EY Office Company Limited**

Address : 33rd Floor, Lake Rajada Office Complex, 193/136-137
Rajadapisek Road, Klongtoey, Bangkok 10110
Telephone no. : 0 2264 0777
Fax no. : 0 2264 0789-90

5.2 Legal Disputes

As at 31 December 2021, the Company or its subsidiaries has no unfinished legal dispute that may negatively affect the Company's or its subsidiaries' assets at more than 5.0 percent of the shareholders

5.3 Secondary Market

The company has not listed its security in other country.



Part 2

Corporate Governance



- 6. Corporate Governance Policy
- 7. Corporate Governance Structure and Important Information of the Board of Directors, Sub-committees, Executives and Other Staffs
- 8. Corporate Governance Report
- 9. Internal Control and Related Party Transactions

6. Corporate Governance Policy

6.1 Corporate Governance Policy Overview

In operating the business, the Company's Board of Directors has followed the laws, the Company's objectives and Articles of Association and the resolution of the shareholders' meetings. Also, the Company has abided by the Principles of Good Corporate Governance of Listed Companies 2012 as defined by the SET and the Corporate Governance Code for Listed Companies 2017 as defined by the SEC. They are guidelines for the Company's operation so as to create the operation effectiveness as well as the transparency to investors, which can

create trust in the Company from outsiders. The Company's policy on good corporate governance disclosed on the company website <https://investor.dohome.co.th/th/corporate-governance/corporate-governance-policy> In 2021, the Company with good corporate governance principles.

Board of Directors reviewed to be in line with the new Corporate Governance Code (CG Code) from The Securities and Exchange Commission, The regulation of the Thai Institute of Directors (IOD)

The details of the assuming of the position of independent Directors are as elaborated below:

| Name-Surname | Date of Appointment | Number of Service Years (Date of Appointment - 31 Dec 2020) |
|----------------------------------|---------------------|--|
| 1. Mr. Chatrchai Tuongratanaphan | 28 May 2018 | 3 years 6 months |
| 2. Mr. Suvait Theeravachirakul | 26 Apr 2019 | 2 years 7 months |
| 3. Mr. Tarin Thaniyavarn | 3 Jul 2019 | 2 years 5 months |

Section 1 The Rights of Shareholders

The Company realizes and focuses on various basic rights of shareholders, who are investors of the Company's securities and the Company's owners, for example, the right to buy, sell or transfer shares, the right to share in the profit of the Company, the right to obtain relevant and adequate information, the right to participate and vote in the shareholders' meeting to appoint or dismiss directors, appoint the external auditor, make decisions on any transactions that affect the Company such as the dividend payment, the amendment to the Company's Memorandum of Association and Articles of Association, the capital decrease or increase and the extraordinary transactions, etc.

The Company has a mission to encourage and facilitate the shareholders to exercise their rights as follows:

- (1) The Company shall provide the information on the meeting date, time and venue and all agenda items with complete explanations and reasons for each agenda item as specified in the notice of the general and extraordinary meetings of shareholders or the attachments and avoid any action that can be considered in violation of the shareholders' right to study the Company's information.
- (2) The Company facilitates the shareholders' participation and voting in meetings. Any action that can be considered in violation of their right to attend the meetings shall be prohibited. For example, in organizing the shareholders' meetings, the Company uses the venue, which offers convenience in transportation for the shareholders, and provides map of the meeting venue in the notices of the meetings. Also,

the Company chooses proper meeting date and time and allocates sufficient time for the meetings.

- (3) Prior to the meeting date, the Company allows the shareholders to submit their opinions, suggestions or questions in advance of the meetings. The Company sets criteria for submission of questions in advance, notifies the shareholders on such criteria when delivering the notices of the meetings and discloses it on the Company's website.
- (4) Ensure the equitable fundamental rights of all shareholders' as required by laws, for examples, being received the Company's news and information sufficiently and timely, and being facilitated and encouraged to attend the Shareholders' Meetings to exercise their voting rights particularly institutional investors.
- (5) The Company supports the shareholders to use the proxy form on which the shareholders are able to specify the votes and proposes at least one independent director as an option for the shareholders, who cannot attend the shareholders' meetings, to appoint as their proxies.
- (6) In the shareholders' meetings, the Chairman of the meetings allocates appropriate meeting time and the shareholders are supported to express opinions, give suggestions or freely raise questions relevant to the Company prior to voting in all agenda items.
- (7) The Company encourages all directors to attend the shareholders' meetings to provide information and answer questions.
- (8) The Company allows the voting for each matter in case such agenda item contains several matters, for instance, the shareholders are able to vote on individual director nominee.
- (9) The Company encourages the use of voting cards in all important agenda items, for instance, the related party transactions, the acquisitions and disposals of significant assets, etc. for the sake of transparency and verification of vote counting.
- (10) The Company has an independent person to assist in vote counting in each agenda item.
- (11) After the meetings are completed, correct and comprehensive minutes are recorded. They include key questions, clarifications, comments and suggestions so the shareholders are able to review. In addition, the Company discloses the voting results of each agenda item and posts the minutes of the meetings on its website for the shareholders' consideration.
- (12) The Company delivers the minutes of the shareholders' meetings to the SET within fourteen days from the meeting date.

Section 2 The Equitable Treatment of Shareholders

The Company treats all shareholders equally, no matter they are major shareholders, minor shareholders, shareholders with executive and non-executive positions, Thai shareholders or foreign shareholders as follows:

- (1) The Company delivers the notices of the shareholders' meetings together with the agenda items and the opinions of the Board of Directors to the SET and discloses on its website at least twenty-eight days prior to the meeting date. The Company prepares the notices of the shareholders' meetings in English and discloses concurrently with the Thai version.
- (2) The Company sets the criteria for the minor shareholders to nominate directors by proposing their names with qualifications and consent letters to the Board of Directors prior to the meeting date.

- (3) The Company defines the explicit criteria for the minor shareholders to propose agenda items prior to the meeting date to demonstrate the fairness and transparency in considering whether to add such agenda items or not.
- (4) The shareholders with management positions should not add any agenda item without notifying other shareholders in advance, if not necessary, especially an agenda item that requires the shareholders to spend a good deal of time to study relevant information before making decisions.
- (5) In each shareholders' meeting, the Company provides equal opportunities to all shareholders. Before the meeting commences, the Chairman of the meeting will notify the shareholders about the meeting rules, voting procedures, voting right of each share type and vote counting in each agenda item.
- (6) For the agenda to elect directors, the Company supports the election of individual director nominee.
- (7) Directors are requested to disclose to the Board of Directors prior to the meeting whether they have any interest in any transaction or matter and such interest will be recorded in the minutes of the meetings. In addition, the Company prohibits the directors, who have significant conflict of interest which affects their independence, from participating in the meeting on such agenda item.
- (8) The Company sets the written procedures to prevent the use of inside information for personal gain and discloses them to everyone in the organization to use as guidelines. Furthermore, the Company instructs that all directors and executives to regularly report the status of their holdings of the Company's securities to the Company Secretary in order to be disclosed in the Company's annual report.

Section 3 The Role of Interested Persons

The Company values the rights of all shareholder groups whether they are the internal stakeholders, such as shareholders and employees, or the external stakeholders, such as partners, clients, etc. The Company realizes that all stakeholders' supports and comments will benefit the Company's business operations and developments. Therefore, the Company conforms the relevant laws and regulations as well as sets the policy to treat each stakeholder group by considering on its legal rights or the agreements with the Company. Also, the Company does not violate the stakeholders' rights.

Furthermore, in operating business, the Company takes into account the rights of all stakeholders according to the following guidelines:

Shareholders The Company transparently and effectively conducts the business to create its sustainable value. The Company strives to obtain a good performance and steady growth for the utmost long term benefit of the shareholders. Also, the Company discloses transparent and reliable information to the shareholders.



Employees The Company treats all employees equally and fairly and provides appropriate compensation. Moreover, the Company emphasizes on the continual developments of skills, knowledge, working capabilities and potential of employees, for instance, the arrangement of training provisions, seminars and trainings. The Company gives the equal opportunities to all employees and motivates high caliber employees to remain with the Company in order to further develop the organization. Besides, the Company sets the anti-corruption guidelines and cultivates all employees to comply with the relevant laws and regulations, such as strictly prohibiting the use of inside information.



Partners



The Company sets with justice and fair-play the partner selection process allowing them to compete on equal information. Moreover, the Company utilizes appropriate forms of contracts, which offer fairness to all partners, and has a monitoring system to ensure that all contract conditions are compiled and flaws and corruption are entirely prevented in all steps of the selection process. The Company procures in accordance with the commercial conditions and strictly complies with the contracts.

Clients



The Company takes responsibilities for clients in keeping quality standards of products and services as well as completely responding to the needs of clients in order to create clients' long-term satisfaction. Furthermore, the Company considers on the clients' safety and hygiene in consuming the Company's products and services and provides the accurate and complete information on products and services. The Company also provides the channels for clients to inform about inappropriate products and services so that the Company can rapidly prevent and correct. The Company keeps confidential on the clients' information and will not wrongly use it for the Company's and its related parties' benefits.

Creditors



The Company abides by all terms and conditions as stipulated in the creditors' contract, including loan and interest payment and proper maintenance of collateral in compliance with the relevant contracts.

Competitors



The Company competes with good and ethical manners within the legal framework and promotes a free and fair competition policy.

Society and Public



The Company places the importance on the social safety, the environment and the living quality of the stakeholders relating to the Company's operations. The Company encourages its employees to volunteer and be responsible for the environment and society and strictly conducts the business under the relevant laws and regulations. Additionally, the Company strives to partake in various activities that create and maintain the environment and society and support local cultures of the community where the Company is located.

Privacy Policy

Realizing the importance of proper and lawful personal data processing, the Board of Directors has approved and issued this Company Announcement on the Privacy Policy as a framework for processing personal data in work procedures to limit the impact on the data owners' rights under the laws, and as a guidelines for managing such data processing according to the standards specified by regulatory

agencies. Employees and persons relating to the Company are required to adhere to and follow the announcement.

For more details of data protection policy, please visit the Company's website at <https://investor.dohome.co.th/storage/corporate-governance/download/20211115-dohome-data-protection-policy-th.pdf>

Statistics of Data Protection

| | 2020 | 2021 |
|--|------|------|
| Number of complaints on personal data leaks | 0 | 0 |
| Number of complaints on personal data leaks from regulatory agencies | 0 | 0 |

Response to Impact on Data

1. The Data Protection Working Group is assigned to determine policies and measures for handling incidents that potentially lead to a personal data breach by liaising with agencies concerned and investigating bodies.
2. In case of a personal data breach, the Data Protection Working Group is responsible for receiving a report of incident and primarily handle the incident, reporting the incident to the Board of Directors in order to prepare a report to the Personal Data Protection Commission within the specified timeframe and to notify the owner of such personal data if being affected.
3. After such breach is ended, the Data Protection Working Group is responsible for investigating and reviewing to identify the cause and report to the Board of Directors in order to improve and prevent any breaches in the future.
4. The Company shall review the data breach management work plan at least once a year or when there is a change that affects the work plan.

For a request to exercise the rights and a channel to notify any personal data breaches, please contact the Data Protection officers.

Email : dpo@dohome.co.th

Mailing : Dohome Public Company Limited,
Din Daeng Headquarter 60
Vibhavadi Rangsit Road Samsen Nai
Sub-district, Phaya Thai District
Bangkok 10400

Telephone : 02-027-8787 and 1746

Security Policy and Information Technology Management

The Company has developed an efficient and secure information technology system in accordance with the law on information technology in order to support its sustainable business expansion. The Company has developed the IT system, database, data processing, display and dissemination in line with the digital technology and business needs. In doing so, personnel are encouraged and developed to have knowledge, skills and expertise in using the information technology system; new technology is employed to facilitate work efficiency taking into account the cost and benefit for the business; and managing a risk of the security of computer network and information technology system. Moreover, the Company pays attention the confidentiality of the data of customers and business partners, for instances. Access rights to data and systems relating to confidential data are determined according to the authorities and responsibilities of employees at each level. The Company also implements measures for IT security according to the following practices on information technology:

- The Company has a data security system in place to secure the confidential data by following all relevant regulations and standards and preventing data misuse and data change without permission;
- The Company has established a specific body to oversee IT risks and protect against cyberattacks by imposing IT risk management measures;

- The Company has allocated and managed the IT resources to support its business expansion and business continuity; as well as introduced the Robotic Process Automation (RPA) to reduce working time and optimize the capacity;
- The Company has complied with laws, rules, regulations, and standards relating the use of information technology.

The Company has imposed measures to manage the IT risk and security mitigated as follows:

- Planning and regularly testing the IT contingency plan;

- Establishing a unit responsible for testing and honing the IT incident response plan, and formulating the disaster recovery plan (DRP);
- Installing a firewall, WAF and CloudFront to prevent cyberattacks and keep surveillance, and having in place an IT alert system;
- Planning and managing the information security according to international standards such as ISO/IEC 27001;
- Being aware of cybersecurity and educating employees to understands potential risks.

Number of data leaks

Number of customer data leaks

Number of customers affected by data leak

| 2019 | 2020 | 2021 |
|------|------|------|
| 0 | 0 | 0 |
| 0 | 0 | 0 |
| 0 | 0 | 0 |

Policy and Practices on Intellectual Property

The Company commits to operate its business with integrity, fairness, ethics and morals with a respect for others' intellectual properties. Personnel are required to follow the law or regulation on intellectual property; while the management and employees have a duty to create copyright and patent works, as well as protecting intellectual properties like patents, copyrights, trademarks, trade secrets which are essential to business competition. Those rights must be used with responsibility, including a respect for the right of owners of intellectual property, for examples, using lawful computer software, not installing unauthorized software onto the Company's computers, not infringing software copyright, and administer access to all types of social media including disseminating messages, photos, motion pictures, voices or any information to ensure security in using the social media.

Policy and Practices on Human Rights

It is the Company's policy to support, respect and protect human rights by treating any persons concerned, whether employees, communities and the surrounding society with a respect for human dignity, taking into consideration an equality and equal freedom, not breaching fundamental rights, and not discriminating on the grounds of race, nationality, religion, language, skin colour, age, education, physical condition or social status; as well as overseeing the business not to involve in any human rights violations such as child exploitation and sexual harassment.

The Company fully commits to a respect for human rights. Knowledge on human rights has been formulated and an awareness has been raised among personnel to follow the human rights principle and relating universal principle to ensure that its entire business operation including all stakeholders are free from human rights violation. The Company also encourage its business partners and associates not to be involved with human rights violation.



Section 4 Disclosure and Transparency

The Company realizes the importance of significant information disclosure, both financial and non-financial. The disclosure of the Company's information, including other information that may affect the price of the Company's securities, the decision making process of investors and the Company's stakeholders, must be conducted accurately, completely, promptly and transparently under the following regulations of the SEC and the SET:

- (1) The Company sets up a mechanism to ensure that the information disclosed to investors is correct and adequate for the investors' decision makings and does not mislead the investors.
- (2) Investor relations officers are assigned to communicate with investors or shareholders. The Company disseminates its financial information and general information to shareholders, securities analysts, credit rating agencies and relevant bodies through several channels i.e. reporting to the SEC, the SET and the Company's website. Moreover, the Company pays attention to regular information disclosure, both in Thai and English, so that shareholders can regularly receive information which is always updated on the Company's website. Such information includes the Company's vision, mission, financial statements, news, annual reports, corporate structure and executives, including shareholding structure and major shareholders, meeting invitation, etc. To contact the Investor Relations for the Company's information, please contact:

- (1) Telephone : 062-1976688
- (2) Email : IR@dohome.co.th
- (3) Investor Relations Website at :
<http://investor.dohome.co.th/th>

Meeting of Securities Analysts

The Group organizes a forum to explain details and information to analysts, investors and shareholders in order to announce its quarterly results documentations. And in case of significant event or change, the Group will communicate in a regular basis. Activities organized by the Group are as follows:

Opportunity Day and Open House Activities

In 2021, the Group provided opportunities to domestic and foreign analysts, investors and shareholders to meet the executives in order to be informed of the past business results, key strategies and the tendency of business growth through various forms of activities as follows:

- (1) Opportunity Day activities were organized 3 times in a form of virtual meeting for domestic and foreign institutional investors.
- (2) Conference call meeting with domestic investors were organized 38 times and 11 times with foreign investors, totally 49 times, in order to inquire information about the Group:
- (3) Responding to investor's enquiries via phone at averagely 360 time per month;
- (4) Analyst Meeting activities were organized 4 times each of which participated by approximately 40 domestic institutional investors (1st meeting was held on 23 February 2021, 2nd meeting held on 13 May 2021, 3rd meeting held on 18 August 2021, 4th meeting held on 15 November 2021).
- (5) Opportunity Day activities were organized 4 times by the Stock Exchange of Thailand in which participated by securities analysts, investors, shareholders and press. (The first time organized on 5 April 2021, the second time on 14 May 2021, the third time on 9 September 2021, and the fourth time on 17 November 2021);

- (6) Other investment conferences organized by institutional investors at 7 times which joined by securities analysts, investors, shareholders and press.
- (3) The Company prepares the management discussion and analysis (MD&A) and discloses it with the financial statements every quarter in order for the investors to obtain information and clearly understand the significant changes that affect the Company's financial position and performance in addition to the financial statements.
- (4) The Company reveals the roles and duties of the Board of Directors and committees, the numbers of meetings held and attendance record in the previous year, the opinions in performing duties, training records and professional developments throughout the year in its annual report. Besides, the Company discloses the remuneration policy for directors and senior executives, the types of remuneration and the amount of remuneration that includes the remuneration each director receives from being a director of subsidiaries.
- (5) The Company discloses the audit and non-audit fees, which are paid to the auditor. In addition to the disclosure of information in the annual statement (Form 56-1), the annual report and the SET's channels as regulated, the Board of Directors considers on disclosing information in both Thai and English versions via other channels, such as the Company's website, which is regularly updated.

Section 5 Responsibilities of the Board of Directors

1. Board and Committee Structure

The Board of Directors consists of directors with diversified qualifications in terms of knowledge, capabilities and experiences beneficial to the Company. The Board of Directors has significant role in defining the policies and the overview of the organization as well as monitoring, reviewing and evaluating the Company's performance as planned.

The Board of Directors is comprised of at least five directors, but not more than twelve directors. The ratio of the independent directors to the total number of directors on the board must be at least 1:3 with no less than three independent directors in order for the Board of Directors to have appropriate check and balance in considering and voting in matters. All of the Company's independent directors possess complete qualifications as specified in the notification of the Capital Market Supervisory Board, the SET's regulations and other relevant guidelines, rules and laws.

Each term of directorship does not exceed three years as specified by the relevant laws and the independent directors can continuously be in office for not more than nine years, except the Board of Directors deems that it is reasonable and necessary. In addition, the Company's directors and executives are able to be directors and executives of the affiliated or other companies if it is in accordance with the regulations of the SEC and the Capital Market Supervisory Board including other relevant guidelines, rules and laws and the Company's Board of Directors' Meeting must be informed. However, each director can be directors of not more five listed companies.

The Board of Directors has also established the committees to assist in overseeing the Company as follows:

- (1) **Executive Committee**, which is comprised of at least three executive directors, assists the Board of Directors in operating the Company according to the policies, the business plan, the Articles of Association, the orders and the specified targets as assigned by the Board of Directors.
- (2) **Audit Committee**, which is comprised of at least three members, assists the Board of Directors in controlling and reviewing the management, the internal control, the compliance with relevant laws as well the financial reporting so that the Company's operations and information disclosure are transparent and credible.
- (3) **Nomination and Remuneration Committee**, which is comprised of at least three members, has the duties to nominate qualified candidates to be appointed as the Company's directors and senior executives, set the forms and criteria on remuneration paid to directors and senior executives prior to proposing for the approval by the Board of Directors and/ or the shareholders' meeting (case by case) and conduct senior executives' development.
- (4) **Risk Management Committee**, which is comprised of at least three members, assists the Board of Directors in defining appropriate, adequate, efficient and effective risk management policies and ensuring that there is a system or process for managing overall risks to be under an acceptable level.

Additionally, the Company has appointed the Company Secretary to perform functions relating to the Board of Director's meetings and the shareholders' meetings, support the Board of Directors by providing recommendations pertaining to the laws and regulations relating to the Board of Directors' duties as well as ensure that the Board of Directors' resolutions are correctly followed.

2. Roles, Duties and Responsibilities of the Board

The Board of Directors is responsible for the shareholders in operating the Company's business and has duties to define the Company's policies and business directions and oversee the operations to be conducted in accordance with the Company's business objectives, visions, strategies and directions so as to create long-term benefits to the shareholders under the legal framework and the code of conduct while considering on all stakeholders' benefits. Details of the charter of the Board of Directors are as follows:

(1) Corporate Governance Policy

The Board of Directors has approved the written corporate governance policy and annually reviews it. Such corporate governance manual is the guideline for all directors, executives and employees in performing their duties.

(2) Code of Conduct

The Company intends to operate its businesses with transparency, good ethics and responsibilities for the stakeholders, the society and the environment. The Board of Directors has approved the code of conduct and requires all directors, executives and employees to strictly conform. The Company's code of conduct, which is publicized throughout the organization, supports the following practices:

- (a) Ethics on responsibilities for the shareholders;
- (b) Ethics on relationship with the clients;
- (c) Ethics on relationship with the partners, the competitors and the creditors;
- (d) Ethics on responsibilities for the employees; and
- (e) Ethics on responsibilities for the society and the environment

(3) Conflict of Interest

The Company has vigilant policy for eliminating conflicts of interest. Such policy is based on the honesty, reason and independency within a good ethical framework for the best interest of the Company. The persons, who have interest in any transactions, must disclose the information of their own and related person's interest to the Company and must not participate in the consideration and the decision-making process on such transactions.

The Company has set its policies on the related party transactions and the transactions which may have conflicts of interest in accordance with the laws and the regulations of the SEC, the Capital Market Supervisory Board and the SET and discloses such transactions its annual report and annual statement (Form 56-1).

(4) Internal Control

The Company has established the internal control system to oversee the operations in both managerial and operational levels to ensure their efficiency. The Company has set up the Internal Audit Department/ unit to evaluate the sufficiency of the internal control system and report the result of the audit plan to the Audit Committee.

(5) Risk Management

The Company has the monitoring system and the risk management processes to properly reduce impacts on the Company. The Risk Management Committee has been established to consider and define the risk management policies, which cover both external and internal risks and are consistent with the business strategies and directions, and propose to the Board of Directors for approval.

(6) Whistle Blowing Channel

The Board of Directors has arranged for the reporting channels for whistle blowers to report on any illegal conduct, inaccuracy of the financial reports, internal control deficiencies and unethical conducts of the Company through the Company's independent directors or Audit Committee members. The complaints and reported information will be kept confidential and the independent directors or the Audit Committee's members will review such reported information, find solutions (if any) and then report to the Board of Directors.

(7) Report of the Board of Directors

The Audit Committee has the duty to review the financial reports, meet with the Accounting Department and the auditor and propose the financial reports to the Board of Directors for consideration on a quarterly basis. The Board of Directors is responsible for the Company's and subsidiaries' financial statements as well as financial information as appeared in the annual report.

3. Principles of the Board

Principle 1: Establish Clear Leadership Role and Responsibilities of the Board

The Board of Directors should demonstrate a thorough understanding of its leadership role, assume its responsibilities in overseeing the Company and strengthen good corporate governance to achieve the sustainable value creation.

Principle 2 : Define Objectives that Promote Sustainable Value Creation

The Board of Directors should define objectives that promote sustainable value creation and governance outcomes for the Company, clients, stakeholders and general public.

Principle 3 : Strengthen Board Effectiveness

The Board of Directors should be responsible for determining and reviewing the board structure in terms of size, composition and proportion of independent directors so as to ensure its leadership role in achieving the Company's objectives. Also, the Board of Directors should ensure the policy and procedures for selection and nomination of directors are clear and transparent resulting in the desired composition of the board.

Principle 4 : Ensure Effective Senior Executives and People Management

The Board of Directors should oversee the personnel management and development to ensure that personnel possess the proper knowledge, skills, experiences and motivation, define the succession plan for the positions of Managing Director/Chief Executive Officer and senior executives and oversee to ensure that the remuneration structure and the performance evaluation are in place.

Principle 5 : Nurture Innovation and Responsible Business

The Board of Directors should prioritize and promote innovations that create value for the Company and its shareholders together with the benefits for its clients, other stakeholders, society and environment and ensure that the management allocates and manages resources efficiently and effectively throughout all aspects of the value chain to enable the Company to sustainably meet its objectives and goals.

Principle 6 : Strengthen Effective Risk Management and Internal Control

The Board of Directors should ensure that the Company has effective and appropriate risk management and internal control that enable the Company to efficiently achieve its objectives and operate under relevant laws and standards.

In addition, the Board of Directors should manage and monitor conflicts of interest that may occur between the Company, management, directors and shareholders and also prevent the inappropriate uses of assets, information and opportunities including inappropriate transactions with related parties.

Principle 7 : Ensure Disclosure and Financial Integrity

The Board of Directors must ensure the integrity of the Company's financial reporting system and that timely and accurate disclosure of all material information regarding the Company is made consistent with the applicable regulations, standards and requirements.

Moreover, the Board of Directors should monitor the Company's financial liquidity and solvency and ensure that financial difficulties are promptly identified and mitigated in case the Company encounters or inclines to face financial problems.

Principle 8 : Ensure Engagement and Communication with Shareholders

The Board of Directors should ensure that the shareholders have the opportunities to participate effectively in decision makings involving significant corporate matters.

4. Board Meeting and Self-assessment

The Board of Directors' meetings are scheduled at least every quarter and additional meetings may be held, if necessary. Agendas for the meetings are advance throughout the year are clearly set in advance while the agenda to monitor the performance is regularly included. The Company arranges for the delivery of the notices of the meetings together with agenda items and relevant documents to all board members for not less than seven days prior to the meeting date, except in urgent cases, so that the directors shall have adequate

time to review information prior to the meeting. The minutes of the meetings are recorded, certified and maintained for future reference and auditing. In every meeting, the management and the persons responsible for issues proposed are encouraged to participate in such meeting to provide accurate information and other details for decision makings in a timely manner.

The board resolution is passed by a majority vote of the directors attending the meeting. One director shall have one vote. In the event that any director has a conflict of interest in any matter, such director must not participate in the meeting and take part in the decision-making process of such matter. In case there is an equal voting, the Chairman of the meeting has a casting vote.

In addition, the Board of Directors conducts the self-assessment at least once a year to allow directors to consider their performance and solve any problems they may have. A benchmark of the board's performance is clearly defined in advance. The assessment results are collected and reported to the Board of Directors and disclosed together with the assessment criteria and procedures in the Company's annual report.

5. Remuneration

The remuneration of directors should be comparable to the industry level in which the Company operates, reflect experiences, obligations, scope of work, accountability and responsibility and contribution of each director. The board members, who are assigned more tasks, such as committees, should be properly compensated.

The Company has established the Nomination and Remuneration Committee to consider the forms and criteria of remuneration of directors and propose to the shareholders' meeting for approval.

6. Development of Directors and Executives

The Board of Directors has the policy to encourage and arrange for the training courses for persons taking part in the Company's corporate governance, such as the directors, the Audit Committee members, executives and the Company Secretary, so that they will continuously improve their performance of duties. Such training courses may be arranged internally or provided by the external institutions. In the year 2021, the Board of Directors has attended the training for 2 persons as follows:

| Name - Surname | Training Program | Institute |
|-------------------------------|--|--------------------------|
| 1. Mrs. Salitip Ruangsuttipap | Logistics: Strategy & Management | Chulalongkorn University |
| 2. Mr. Maruay Tangmitrphracha | Digital Transformation toward Sustaining Digital Leadership Course | Rethink Academy |

In case there is a new director, such director will be provided with documents and information useful for performing his/ her duties and also will be briefed on the Company's nature of business and business framework.

The Board of Directors supports the work rotations, which can be assigned to the executives and the employees due to their proficiency, by considering mainly on the appropriateness of work and timing. The Managing Director/ Chief Executive Officer will specify the period of time and evaluate the performance in order to develop the succession plan of the Company. This aims to advance the working knowledge and capabilities of the executives and the employees so that they are able to take rotations.

6.2 Code of Conduct

The Company realizes the importance and necessity for business operation to have something to govern and eliminate any possible violation of lawful rights. That thing is business ethics which does not relate only to the business itself but including a management mechanism. The essence of business ethics is to adhere to a moral principle as a guideline for performing works. Such moral principle consists of several virtues i.e. conscientiousness, honesty to duty, and patience and sacrifice which are key components that bring about a peaceful society free of taking advantage from each other and lead to a sustainable value of an organization. The Board of Directors has brought out the "Manual on Business Ethics and Employee Code of Conduct" which is a part of good corporate governance.

The Manual on Business Ethics and Employee Code of Conduct consists of policies and code of conduct that reflect corporate values and culture. The directors, executives and employees shall adhere to and follow the manual.

- (1) Policy on treatment to stakeholders
- (2) Policy on the safety of products and services
- (3) Policy on Occupational Safety, Health and Environment
- (4) Human Rights policy
- (5) Policy on a Conflict of Interests
- (6) Protection of Corporate Assets
- (7) Anti-corruption policy
- (8) Money Laundering Prevention
- (9) Oversight the compliance to this business ethics and code of conduct.
- (10) Receiving Complaints on Good Governance and Business Ethics

It is the duty of the directors, executive and all employees to acknowledge and strictly comply to this manual on business ethics and code of conduct. In case of a violation or any actions in breach of the business ethics, the Company will administer punishment as the case maybe. In the past year, there is no case of major ethical wrongdoing by associated of the Company.

The executives and supervisors should be a role model in following the business ethics, as well as promote conscientiousness and educate employees to follow the business ethics as well.

6.3 Significant Change and Development in Policy, Practices and Corporate Governance Management in the Past Year

6.3.1 Significant change and development in reviewing the policy, practices, corporate governance management and charters in the past year

1. Review and improve the content of the Manual on Business Ethics and Code of Conduct of the Company and its subsidiaries.
2. Review the charters for more complete and appropriate content.
3. The Company expressed its intention by joining Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) on 22 June 2021.
4. Review and revise the anti-corruption policy to include cover definitions, additional practices under the policy, additional whistleblowing channels, and whistleblower protection.
5. Communicate and publicize its participation in Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) to all directors, executive and employees within the organization to acknowledge and follow the policy; dispatch a circular to all business partners informing the anti-corruption policy; and appoint the Anti-Corruption Working Group.
6. Review the vision, goals and strategies of the company. in accordance with the current changing situation and can be managed in a timely manner.

6.3.2 Other actions in relation to good corporate governance

The Company and its subsidiaries has reviewed and revised the policy and practices on good corporate governance annually to comply with the corporate governance standards and criteria of both Thailand and at international level, such as the Corporate Governance Code for Listed Companies by the Securities and Exchange Commission, the Stock Exchange of Thailand and the Corporate Governance Report of Thai Listed Companies by Thai Institution of Directors (IOD).

The Companies and its subsidiaries has been evaluated on corporate governance and received the awards as follows:

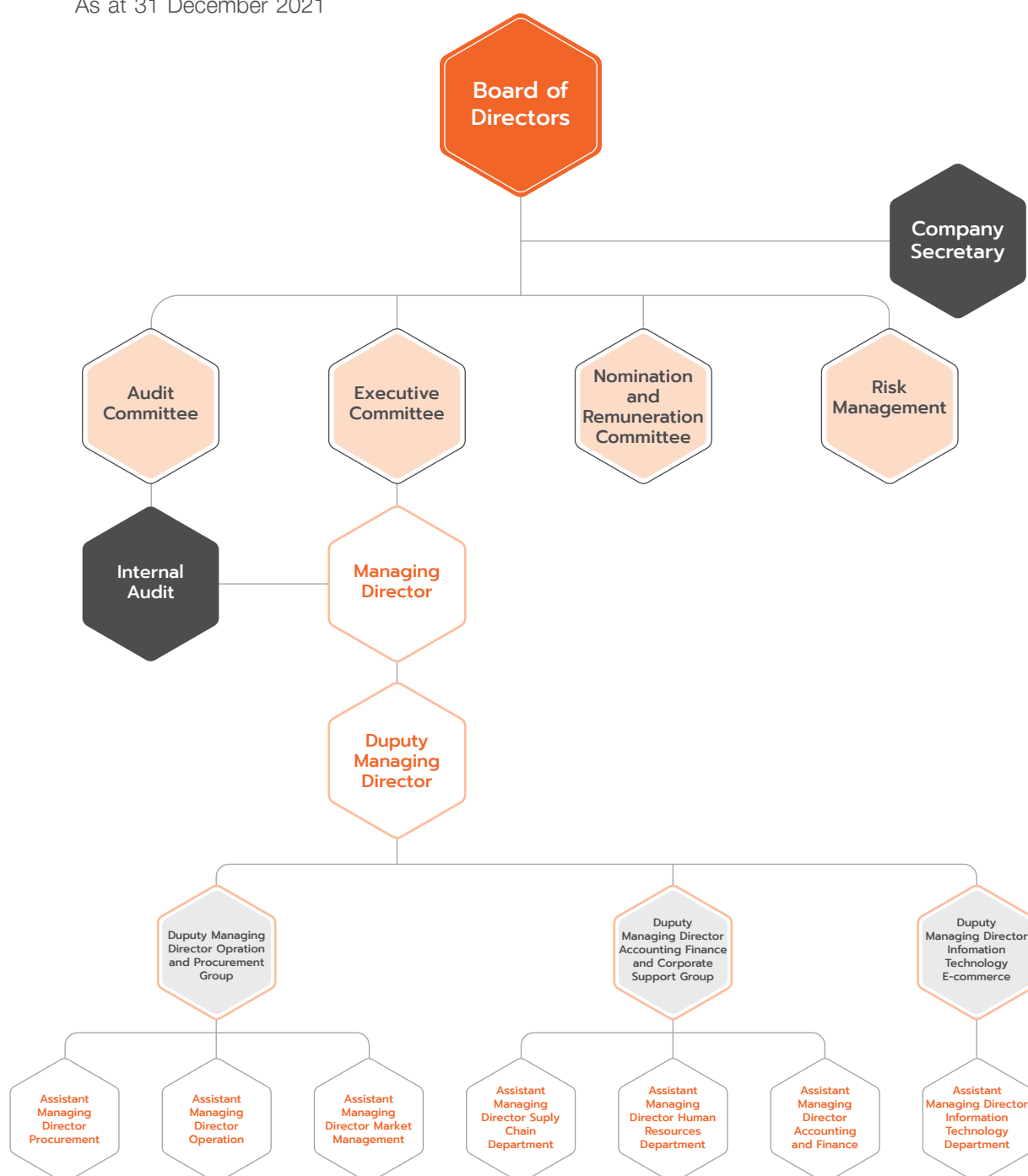
1. The Company has got a "Very Good" level under the Corporate Governance Report of Thai Listed Companies 2021 organized by the Thai Institution of Directors (IOD).
2. The Group received an assessment on the quality of the Annual General Meeting 2021 (AGM Checklist) by the Thai Investors Association and received a score of 100.
3. The Company was awarded the Winner "Best Overall Investor Relations (Small Cap)" for its investor relations at the IR Magazine South East Asia Awards 2021.



7. Corporate Governance Structure and Important Information of the Board of Directors, Sub-committees, Executives and Other Staffs

7.1 Corporate Governance Structure

As at 31 December 2021



7.2 Information of the Board of Directors

7.2.1 Composition of the Board of Directors

The Board of Directors consists of 8 directors as follows:

Independent Directors 3 Persons account for one-third of Board members and are independent from the executives and major shareholders, comprise:

1. Mr. Suvait Theeravachirakul
Independent Director
2. Mr. Chatrchai Tuongratanaphan
Independent Director
3. Mr. Tarin Thaniyavarn
Independent Director

Non-Executive Directors 3 Persons and Executive Directors 5 Persons and female director of the company 3 Persons.

Mr.Chatrchai Tuongratanaphan holds positions of the Chairman of the Board of Directors and Independent Directors, not holding a position of Managing Director.

Not less than the past 2 year, all directors have never been employees, shareholders or partners of EY Office company limited who is the external auditor for the Company and its subsidiaries.

7.2.2 Information of the Board of Directors and the Authorized Directors

Names of the Board of Directors.

As of 31 December 2021, the Board of Directors Consisted of 8 directors as follows:

| Name | Position |
|----------------------------------|--|
| 1. Mr. Chatrchai Tuongratanaphan | Chairman, Independent Director, Audit Committee Member and Chairman of the Nomination and Remuneration Committee |
| 2. Mr. Adisak Tangmitrphracha | Vice Chairman, Chairman of the Executive Committee and Risk Management Committee Member |
| 3. Mrs. Nattaya Tangmitrphracha | Director, Deputy Executive Committee and Nomination and Remuneration Committee Member |
| 4. Ms. Ariya Tangmitrphracha | Director and Executive Committee Member |
| 5. Mrs. Salitip Ruangsuttipap | Director and Executive Committee Member |
| 6. Mr. Maruay Tangmitrphracha | Director and Executive Committee Member |
| 7. Mr. Suvait Theeravachirakul | Director, Independent Director, Chairman of the Audit Committee, Nomination and Remuneration Committee Member and Risk Management Committee Member |
| 8. Mr. Tarin Thaniyavarn | Director, Independent Director, Audit Committee Member and Chairman of the Risk Management Committee |

Ms. Mayuree Seeta is the Company Secretary appointed by the Board of Directors' Meeting no. 1/2018 dated 28 May 2018.

Authorized Directors

- (1) The authorized directors of the Company, who can sign and bind the Company, are any two of

the following five directors, provided that they jointly sign with the Company's seal affixed: Mr. Adisak Tangmitrphracha, Mrs. Nattaya Tangmitrphracha, Ms. Ariya Tangmitrphracha, Mrs. Salitip Ruangsuttipap And Mr. Maruay Tangmitrphracha.



- (2) Any two of the following five directors can sign and bind the Company on the application or document submitted to the Revenue Department, the Customs Department, the Department of Business Development under the Ministry of Commerce, the Foreign Workers Administration Office, the Immigration Bureau, the Department of Skill Development, the Ministry of Industry, the Ministry of Public Health and other official agencies relevant to the submission of tax filing, import and export document, application for work permit and business license, provided that they jointly sign with the Company's seal affixed: Mr. Adisak Tangmitphracha, Mrs. Nattaya Tangmitphracha, Ms. Ariya Tangmitphracha, Mrs. Saliltip Ruangsuttipap And Mr. Maruay Tangmitphracha.

7.2.3 Role and Duties of the Board of Directors

Roles, Duties and Responsibilities of the Board of Directors

The Extra-ordinary General Shareholders' Meeting no 1/2021 dated on 17 February 2021 has approved the charter of the Board of Directors, which specifies the following roles, duties and responsibilities:

- (1) Perform duties with responsibilities, due care and honesty to ensure that the Company's operations comply with the laws, the objectives, the Articles of Association and the Board of Directors' and the shareholders' meeting resolutions for the utmost benefits of the Company and all shareholders.
- (2) Determine the objectives, main goals, visions, strategies, business directions, plan, budget, management structure and authority limits of the Company and subsidiaries, which are proposed by the management, oversee the management of the Company in order to be in consistent with the specified objectives and main goals and have competitiveness and good performance in the long term, as well as oversee the allocation of major resources, the management and the performance of the management or any assigned person to ensure the effective and efficient compliance with the specified policies which will create the value added to the Company and the shareholders. Besides, the Board of Directors shall review its strategies, business directions, plan and budget at least once a year so that they are appropriate with the changing economic situation, market and competition.
- (3) Regularly monitor and evaluate the performance of the Company's management and committees in order to achieve the strategies, business plan and budget as well as ensure the report on the Company's performance.
- (4) Make sure that the Company conducts businesses in accordance with the good corporate governance principles and ethics, the respect and responsibilities for the shareholders and the stakeholders and the benefits of the society and the environment and the Company is resilient to the changing factors.
- (5) Assure that the Company has the succession plan for the positions of Managing Director/ Chief Executive Officer and senior executives, which is regularly reported to the Board of Directors at least once a year, and the personnel management and development so that its personnel possesses the proper knowledge, skills, experiences and motivation.
- (6) Oversee to ensure the proper remuneration framework, policy and structure, which can motivate executives and all levels of employees to conduct businesses in accordance with the objectives, the main goals and the long-term benefits of the organization. Also, Board of Directors shall consider the remuneration policy and the appropriateness of the ratio

of remuneration in the form of monthly salary and remuneration relating with short-term and long-term performance of the Company.

- (7) Ensure the proper and effectiveness of the accounting system of the Company and its subsidiaries and the accurate, adequate and timely disclosure of information under the relevant regulations, standards and requirements and monitor the Company's financial liquidity and solvency.
- (8) Ensure that the Company has adequate, proper and effective risk management system and internal control system and appoint the Audit Committee to effectively and independently review both systems.
- (9) Acknowledge the reports of the Audit Committee and other committees of the Company.
- (10) Consider determining and revising the Company's authorized directors.
- (11) Approve and give opinions on the Company's acquisitions and disposals of assets (if the size of such transactions does not require the shareholders' approval), investment on new businesses and other transactions under the relevant laws, notifications and regulations.
- (12) Approve and give opinions on the related party transactions (if the size of such transactions does not require the shareholders' approval) of the Company and its subsidiaries under the relevant laws, notifications and regulations.
- (13) Approve the interim dividend payment to the Company's shareholders and report such payment to the next shareholders' meeting.
- (14) Monitor and manage the conflicts of interest which may occur between the stakeholders of the Company and its subsidiaries and prevent the inappropriate uses of the Company's assets, information and opportunities and

related party transactions. Directors, who have conflicts of interest in any matter or changes in the Company's and/ or its subsidiaries' shareholding, must immediately report to the Company.

- (15) Approve the policies on the corporate governance, the responsibilities for the society and the anti-corruption and communicate such policies to every level in the organization and outsiders to ensure their compliance.
- (16) Ensure that there are whistle blowing process and the procedures, if there is any report.
- (17) Emphasize and encourage on innovations, which can create the long-term business value and the benefits to clients or relevant parties and are responsible for the society and the environment.
- (18) Establish the committees, such as the Audit Committee, the Executive Committee, the Nomination and Remuneration Committee, the Risk Management Committee and/ or other committees to assist and support the performance of duties of the Board of Directors as appropriate.
- (19) Appoint the Company Secretary with proper and necessary knowledge and experiences to assist the Board of Directors so that the Company's business operations are in accordance with the relevant laws, notifications and regulations.
- (20) Appoint directors or executives of the subsidiaries or affiliates according to the shareholding proportion to oversee their management in order to be in accordance with the Company's policies and their transactions to be in compliance with the laws, including their proper disclosure of financial information, performance, related party transitions and acquisitions or disposals of significant assets.

- (21) Seek professional opinions from the external organizations, if necessary, for decision makings.
- (22) Prepare the annual report and be responsible for the preparation and correct disclosure of the Company's and subsidiaries' financial statements for the end of the fiscal year, which completely and accurately reflect the financial position and the performance under the acceptable accounting standards and are audited by the Company's Audit Committee, prior to proposing to the shareholders' meetings for consideration and approval.
- (23) Oversee to ensure the statutory rights of shareholders.
- (24) Organize the annual general meeting of shareholders within four months of the end of the fiscal year, conduct such meeting transparently and effectively, disclose the meeting resolution and prepare the complete and accurate minutes of such meeting.
- (25) Approve any matters on the fair basis and for the benefits of shareholders and all stakeholders of the Company.
- (26) Assign a director or directors or other persons to act on behalf of the Board of Directors. Such authorization of duties and responsibilities will not enable the Board of Directors or authorized person (s) to approve the transactions in which they or their related person (s) (as specified in the notification of the SEC and/ or the notification of the Capital Market Supervisory Board and/ or the notification of the SET and/ or as specified by relevant authorities) may have interest or benefits or conflicts of interest with the Company or its subsidiaries, except the approval of transactions which are in accordance with the policy and guideline as approved by the meetings of shareholders or the Board of Directors.

Roles, Duties and Responsibility of Chairman of the Board of Directors

- (1) Preside over the Board of Director's meeting.
- (2) Cast a decisive vote when the votes of the meeting are equally divided.
- (3) Summon the Board of Directors' meeting by sending meeting appointment letters and meeting documents not less than 7 days prior to the meeting.
- (4) Preside over the Shareholders' Meeting. The Chairman of the Board of Directors shall not participate in management and shall not be a staff, employee, advisor receiving regular remuneration, auditor, provider of other professional service in a joint venture company and an audit firm.
- (5) Ensure that a meeting runs efficiently according to the Company's rules and regulations; support and provide an opportunity for directors to express their views freely; and maintain discussion to be within the scope of meeting and conclude meeting resolutions.
- (6) Encourage and oversee directors to follow the good corporate governance and business ethics, as well as being accountable to shareholders and stakeholders.
- (7) Encourage and oversee the work of the Board of Director and sub-committees to ensure efficiency.

Term of Office of the Board

At every Annual General Meeting of Shareholders, one-third of all directors shall retire by rotation; if their number is not a multiple of three, then the number of directors nearest to one-third shall retire.

The retired directors may be re-appointed to resume their office. Apart from the retirement by rotation, directors can vacate office upon:

- (1) Death;
- (2) Resignation;
- (3) Being disqualified as a director, or having forbidden characteristics according to a law on public company, or showing a lack of proper characteristics to be entrusted with managing a business whose shares are held by the public according to a law on securities and stock exchange;

- (4) The Shareholder Meeting resolves to be removed from office;
- (5) Removal from office by the court order

7.3 Information of Sub-Committees

7.3.1 Audit Committee

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

| Name | Position |
|-----------------------------------|---------------------------------|
| 1. Mr. Suvait Theeravachirakul* | Chairman of the Audit Committee |
| 2. Mr. Chatrchai Tuongratanaphan* | Audit Committee Member |
| 3. Mr. Tarin Thaniyavarn* | Audit Committee Member |

* Independent Director

Mr. Suvait Theeravachirakul Possessing the relevant knowledge and experience in finance and accounting.

In 2021, the members of the Audit Committee who are not a member of Executive Committee organized the meeting no 1/2564 on 17 February 2021 without the participation of the management.

Roles, Duties and Responsibilities of the Audit Committee

The Extra-ordinary General Shareholders' Meeting no. 4/2021 dated on 10 November 2021, has approved the charter of the Audit Committee, which specifies the following roles, duties and responsibilities:

- (1) Review the Company's financial reporting to ensure its accuracy and disclose adequate, accurate and complete information.

- (2) Review the Company's internal control system and the internal audit systems to ensure the appropriateness and effectiveness.
- (3) Consider the independence of the internal audit unit and approve the appointment, transfer and dismissal of the chief of the internal audit unit or any other units in charge of the internal audit.
- (4) Oversee that the Company conducts businesses in compliance with the law on securities and exchange, the SET's regulations and notifications and other relevant laws and standards applied to the Company or its businesses
- (5) Consider, select, nominate an independent person to be the Company's auditor, propose to remove the auditor from office, and propose remuneration for the auditor as well as attend a non-management meeting with the auditor at least once a year.



- (6) Consider the related party transactions or transactions that may lead to conflicts of interest to ensure that they are in compliance with the law on securities and exchange, the SET's regulations and notifications and other relevant laws applied to the Company or its businesses and that the transactions are reasonable and for the highest benefits of the Company.
- (7) Prepare the Audit Committee's report, propose to the Board of Directors and disclose it in the Company's annual report. Such report must be signed by the Chairman of the Audit Committee and consisted of at least the following information:
 - (a) an opinion on the accuracy, completeness and credibility of the Company's financial reports;
 - (b) an opinion on the adequacy of the Company's risk management system and internal control systems;
 - (c) an opinion on the compliance with the law on securities and exchange, the SET's regulations and notifications or the laws relating to the Company and/ or its businesses;
 - (d) an opinion on the suitability of the auditor;
 - (e) an opinion on the transactions that may lead to conflicts of interest;
 - (f) the number of the Audit Committee's meetings and the attendance of such meetings by each committee member;
 - (g) an opinion or overview comment received by the Audit Committee from its performance of duties in accordance with the charter; and
 - (h) 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 Board of Directors.
- (8) Review and propose to the Board of Directors to consider revising the Audit Committee's roles, duties and responsibilities to be consistent with the circumstances.
- (9) Inspect or question any relevant personnel regarding any related issues under the authorities of the Audit Committee and hire or bring in specialists to assist with the auditing process.
- (10) Hire an advisor or independent person to give opinions or suggestions as appropriate.
- (11) Report to the Board of Directors in order that remedial action be taken within time that the Audit Committee deems appropriate in case the Audit Committee finds or suspects any misconduct as follows:
 - (a) a transaction that may cause conflict of interest;
 - (b) any fraud, irregularity or material defect in the internal control system; or
 - (c) any violation of the law on securities and exchange, the SET's regulations and notifications or other relevant laws applied to the Company or its businesses.

If the Board of Directors' Meeting or Executives are not actioning to improved within a reasonable time one of the Audited Committee may found list above to office of the SEC or the SET.

- (12) Consider and approve the annual budget, headcount and necessary resources for the Internal Audit Department/ unit, the annual audit plan and the significant revision of such plan and monitor to ensure the compliance with the approved audit plan and the international standards in internal audit professional. Also, the Audit Committee shall evaluate the performance of the internal auditor annually and attend a non-management meeting with the chief of the Internal Audit Department/ unit at least once a year to discuss on important issues.
- (13) Consider, review and give opinions on the policies on the corporate governance, the social responsibility and the anti-corruption.
- (14) Review and give opinions on the corporate governance assessment and social responsibility reports.
- (15) Review the accuracy of the reference document and self-assessment form on the anti-corruption measure of Thailand's Private Sector Collective Action Coalition Against Corruption.
- (16) Review and propose to the Board of Directors to consider revising the Audit Committee's charter to be consistent with circumstances.
- (17) Report the Audit Committee's performance to the Board of Directors every six months.

- (18) Perform any other acts as assigned by the Board of Directors and accepted by the Audit Committee.

Term of Office of Audit Committee

The Committee's term of office is in accordance with the tenure of the Board. A committee member whose term is expired can be re-appointed to be a member of the Audit Committee. However, the total consecutive term of office shall not exceed 9 years, unless the Board deems that such person is suitable for being a member of the Committee for the greatest benefits of the Company.

A member of the Audit Committee can vacate office upon the following reasons:

- (1) Termination of the director status;
- (2) Term of office is expired;
- (3) Death;
- (4) Resignation;
- (5) Dismissal;
- (6) Lack of qualifications as a member of the Audit Committee according to the criteria and conditions stipulated by the Securities and Exchange Commission, the Capital Market Supervisory Board and the Stock Exchange of Thailand.

7.3.2 Executive Committee

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

| Name | Position |
|---------------------------------|-------------------------------------|
| 1. Mr. Adisak Tangmitrphracha | Chairman of the Executive Committee |
| 2. Mrs. Nattaya Tangmitrphracha | Deputy Executive Committee |
| 3. Ms. Ariya Tangmitrphracha | Executive Committee Member |
| 4. Mrs. Salitip Ruangsuttipap | Executive Committee Member |
| 5. Mr. Maruay Tangmitrphracha | Executive Committee Member |

Roles, Duties and Responsibilities of the Executive Committee

Under the charter of the Executive Committee, which was scrutinized and reviewed by the Executive Committee meeting No.21/2021 on 21 October 2021 and approved by the Board of Directors in its meeting no. 4/2021 on 10 November 2021, the roles, duties and responsibilities of the Executive Committee are determined as follows:

- (1) Determine and propose to the Board of Directors' for approval the Company's visions, strategies, directions, policies, goals, business plan, budget, management structure and authority limits, conduct the businesses as approved by the Board of Directors as well as monitor the operations to ensure the effectiveness and efficiency.
- (2) Oversee the operations regarding on the Company's general management by the Management Director/ Chief Executive Officer.
- (3) Study on the possibilities of the new investment projects and have authority to consider and approve the investments or joint-investments with any juristic persons or business organizations in the form which the Executive Committee deems appropriate in order to operate the Company's businesses according to its objectives. The Executive Committee can consider and approve the expenditures of such investments, the entering into the juristic acts and/ or any order duties relating to such acts in accordance with its authority limits and/ or as specified by the Board of Directors and/ or as specified by relevant laws and regulations and/ or as specified by the Company's Articles of Association.
- (4) Approve the entering into any agreements and/ or transactions relating to the Company's normal businesses, for instance, buying/ selling products and providing/ obtaining services, and for the benefit of achieving the Company's objectives within its authority limits and/ or as specified by the Board of Directors.
- (5) Consider and approve the entering in to any transactions with the financial institutions for the purpose of opening account, borrowing, requesting for credit, pledging, mortgaging, guaranteeing and others, including any buying/ selling and registration of land ownership for the benefit of the Company's operations. Moreover, the Executive Committee has the authority to approve the entering into any contract laws or acts and the submission of application and proposal to the official agencies so as to obtain any rights of the Company and/ or the relevant transactions with such matters within its authority limits and/ or as specified by the Board of Directors and/ or as specified by the relevant laws and regulations.
- (6) Approve the appointment of any advisors necessary for the Company's operations within the budget as approved by the Board of Directors annually.
- (7) Define the remuneration framework, policy and structure to determine the monthly salary, salary increase, bonus, compensations and rewards for employees and executives (excluding the Management Director/ Chief Executive Officer.)
- (8) Perform any other acts as assigned by the Board of Directors or as stipulated by the policies which are approved by the Board of Directors.
- (9) Review and propose to the Board of Directors to consider revising the Executive Committee's roles, duties and responsibilities to be consistent with the circumstances.
- (10) Assign any person (s) to act on behalf of the Executive Committee. Such authorization of duties and responsibilities will not which enable the Executive Committee or authorized person

(s) to approve the transactions in which they or their related person (s) (as specified in the notification of the SEC and/ or the notification of the Capital Market Supervisory Board and/ or the notification of the SET and/ or as specified by relevant authorities) may have interest or benefits or conflicts of interest with the Company or its subsidiaries, except the approval of transactions which are in accordance with the policy and guideline as approved by the meetings of shareholders or the Board of Directors.

Term of Office of the Executive Committee

The Executive Committee shall be appointed by the Board of Directors from persons with full qualifications specified in the charter of the Executive Committee.

A member of the Executive Committee can vacate office upon:

- (1) Death;
- (2) Resignation;
- (3) Lack of qualifications and having prohibited characteristics stipulated by law;
- (4) The meeting of the Board of Directors resolves to remove him/her from office.

In case that number of the Executive Committee is lower than 3 members, the Board of Directors shall appoint a new member in replacement promptly or at least within 3 months as from the date the number of members is incomplete for the continuation of performance of the Committee.

7.3.3 Nomination and Remuneration Committee

As of 31 December 2021, the Nomination and Remuneration Committee consisted of three members as follows:

| Name | Position |
|-----------------------------------|---|
| 1. Mr. Chatrchai Tuongratanaphan* | Chairman of the Nomination and Remuneration Committee |
| 2. Mrs. Nattaya Tangmitrphracha | Nomination and Remuneration Committee Member |
| 3. Mr. Suwait Theeravachirakul* | Nomination and Remuneration Committee Member |

* Independent Director

Term of Office of the Nomination and Remuneration Committee

The Board of Directors' Meeting No. 1/2021 on 17 February 2021 approved the Charter of Nomination and Remuneration Committee in which the Committee's scope of duties, authorities and responsibilities are specified as follows:

- (1) Considering the Board of Directors' structure in terms of the number of directors suitable to the business size, nature and complexity.
- (2) Determining the qualifications, criteria and selection of the company's directors and managing director, and selecting and nominating persons with suitable knowledge, experiences and

expertise to the Board of Directors or to the Shareholders' Meeting for appointment (as the case may be). In doing so, the Committee shall provide shareholders with adequate information about the nominated persons for decision.

- (3) Reviewing criteria and method on selecting directors for proposing to the BOD before selecting directors whose terms have expired. In case that the same director is nominated, the Committee shall take into consideration such director's past performance.
- (4) Considering independence of each independent director to ensure that the Company's independent directors have all required qualifications.

- (5) Considering the format and procedures of developing the Company's directors, sub-committee members and managing director in accordance with the Company's business and conditions. For newly appointed director, the Committee should oversee the Company to organize an orientation and provide documents and information beneficial for performing his/her duties.
- (6) Preparing and reviewing the plan on developing the managing director and high-level executives in order to develop into a succession plan for replacement of managing director or high-level executives who are retired or unable to perform works so that the Company's management is not disrupted.
- (7) Developing the remuneration structure, forms and payment criteria (whether in forms of money, securities or others) for directors, sub-committee members and managing director to be appropriate, fair and lawful. And determining the rate of pays, compensations, rewards, bonus, and pay rise for directors, sub-committee members and managing director in order to propose to the Board of Directors' meeting and/or the Shareholders' meeting (as the case maybe) for further consideration.
- (8) Developing a guideline on directors' remuneration in accordance with the Company's strategies and long-term goal, experiences, duties, accountability and responsibility, as well as benefits expected to obtain from each director. Directors' remuneration should be at a rate comparable with others in the same industry. The Committee shall also develop a guideline on the managing director's remuneration in accordance with the Company's main objectives and goals, and long-term benefits.
- (9) Developing the evaluation criteria for the Company's managing director and proposing them to the Board of Director for approval.
- (10) Reviewing and proposing the Board of Directors to consider amending the scope of authorization, duties and responsibilities of the Nomination and Remuneration Committee according to situations.
- (11) Performing any other actions as assigned by the Board of Directors or according to the policy determined by the Board.

Term of Office of the Nomination and Remuneration Committee

The term of office of the Committee is 3 years and shall be in accordance with the tenure of the Board of Directors (if a member of the Committee is also a member of the Board). A member of the Committee who retires by rotation may be re-appointed to resume his/her office. In the case of the expiration of term or vacation from office before the expiration of term which leads to the number of the Committee's members becomes lower than 3 members, the Board of Directors shall appoint a new member in replacement promptly or at least within 3 months as from the date the number of members is incomplete for the continuation of performance of the Committee.

A member of the Nomination and Remuneration Committee can vacate office upon:

- (1) Termination of the director status;
- (2) Expiration of term of office;
- (3) Death;
- (4) Resignation;
- (5) Dismissal;
- (6) Lack of qualifications of being a director, or having prohibited characteristics under a law on public company, or showing a lack of proper characteristics to be entrusted with managing a business whose shares are hold by the public according to a law on securities and stock exchange.

7.3.4 Risk Management Committee

As of 31 December 2021, the Risk Management Committee consisted of three members as follows:

| Name | | Position |
|---------------|--------------------|---|
| 1. Mr. Tarin | Thaniyavarn* | Chairman of the Risk Management Committee |
| 2. Mr. Adisak | Tangmitrphracha | Risk Management Committee Member |
| 3. Mr. Suwait | Theeravachirakul * | Risk Management Committee Member |

* Independent Director

Scope of Authorities, Duties and Responsibilities of the Risk Management Committee

The Board of Directors' Meeting No. 1/2021 date 17 February 2021 approved the Charter of Risk Management Committee in which the Committee's scope of authorities, duties and responsibilities are specified as follows:

- (1) Identifying and reviewing the characteristics of risks that are facing by the Company or expected to occur which affect the Company; as well as determining the Company's risk appetite.
- (2) Formulating the policy on managing external and internal risks to be comprehensive and in line with the business strategies and directions; and proposing it to the Board of Directors for approval. The policy must cover at least the following four risks:
 - (a) Financial Risk
 - (b) Operational Risk
 - (c) Strategic Risk
 - (d) Compliance Risk
- (3) Developing strategies and guidelines on risk management that conform with the risk management policy in order to evaluate, monitor and keep the risks at an acceptable level.
- (4) Assigning persons to be in charge of carrying out the risk management policy so that the Company has an efficient, companywide risk management system that is implemented constantly.
- (5) Designing the structure of and appointing a risk management working group to evaluate and monitor the results of risk management.
- (6) Determining budget and responses to existing and potential risks in order to be used as an operational rule for each type of risks, and proposing them to the Board of Directors for approval.
- (7) Reviewing the appropriateness and adequacy of the Company's policy, strategies and guidelines on risk management to ensure that such policy, strategies and guidelines are in line with the Company's business strategies and directions; keeping risks at an acceptable level; and giving advice and support to the BOD regarding organizational risk management; as well as promoting and supporting constant and regular improvement and development of a risk management system.
- (8) Reporting the Board of Directors about risks and risk management.
- (9) Performing any other actions as assigned by the Board of Directors or according to the policy determined by the Board.

Term of Office of the Risk Management Committee

The Committee shall be appointed by the Board of Directors from persons with full qualifications specified in the charter of the Risk Management Committee.

A member of the Committee can vacate office upon:

- (1) Death;
- (2) Resignation;
- (3) Lack of qualification and having prohibited characteristic specified by law;
- (4) The meeting of the Board of Directors resolves to remove him/her from office.

In case that number of the Risk Management Committee is lower than 3 members, the Board of Directors shall appoint a new member in replacement promptly or at least within 3 months as from the date the number of members is incomplete for the continuation of performance of the Committee.

7.4 Information Management

7.4.1 Name and Position Management

As of 31 December 2021, The company had the following eleven managements.

| Name | | Position |
|-------------------|-----------------|---|
| 1. Mr. Adisak | Tangmitrphracha | Managing Director |
| 2. Mrs. Nattaya | Tangmitrphracha | Deputy Managing Director |
| 3. Ms. Ariya | Tangmitrphracha | Deputy Managing Director (Operation and Procurement Group) and Assistant Managing Director (Procurement Department) |
| 4. Mrs. Salitip | Ruangsuttipap | Deputy Managing Director (Accounting, Finance and Corporate Support Group) |
| 5. Mr. Maruay | Tangmitrphracha | Deputy Managing Director information technology and E-commerce |
| 6. Mr. Chayanon | Horpattaporn | Assistant Managing Director (Accounting and Finance Department) |
| 7. Mrs. Jintana | Koontawee | Assistant Managing Director (Operation Department) |
| 8. Ms. Pannee | Phiwnaun | Assistant Managing Director (Procurement Department) |
| 9. Mrs. Nongyao | Sa-art | Assistant Managing Director (Human Resources Department) |
| 10. Mr. Aphiyuch | Fookul | Assistant Managing Director (Information Technology Department) |
| 11. Mrs. Pornsiri | Loesrapaporn | First Assistant Vice President (Accounting Department) |

Directors and Executives who are in control of

| Name of Director | | Company Name | |
|------------------|-----------------|------------------------|-------------------------|
| | | Dohome Group Co., Ltd. | Dohome Energy Co., Ltd. |
| 1. Mr. Adisak | Tangmitrphracha | C | C |
| 2. Mrs. Nattaya | Tangmitrphracha | / | / |
| 3. Ms. Ariya | Tangmitrphracha | / | / |
| 4. Mrs. Salitip | Ruangsuttipap | / | / |
| 5. Mr. Maruay | Tangmitrphracha | / | - |

C = Chairman, / = Director

7.4.2 Remuneration Policy for Executive Directors and the Executives

Remunerations of a managing director and high-level executives

The Company determined the remuneration of a managing director and high-level executives at an appropriate level for retaining them with the Company without overpayment. The remuneration rates shall be competitive in the same industry to create incentive and encourage Managing Director and high-level executives to attain the business goals and sustainability.

Remuneration of a managing director

The remuneration of a managing director is determined under explicit, proper and transparent criteria in accordance with laws and regulations concerned. The Nomination and Remuneration Committee is responsible for reviewing the managing director's remuneration and proposing to the Board

of Directors for approval by taking into consideration the duties and responsibilities, business results compared to the target and expectations of all stakeholders, or comparison to other companies in the same industry.

Remuneration of executives

The managing director is responsible for determining such remuneration based on the performance evaluation of individual executive under the criteria and policy specified by the Board of Directors. The duties and responsibilities, work performance of each executive and the corporate performance are taken into consideration to determine appropriate remuneration rates.

7.4.3 Remuneration of Executives

(a) Monetary Remuneration

Remuneration of executives consisted of monthly salary and bonus as per details showing below.

| | 2019 | 2020 | 2021 |
|--|------------|------------|------------|
| Number of Executives (Person) ⁽¹⁾ | 8 | 11 | 11 |
| Remuneration (Baht) | 23,191,622 | 18,865,922 | 32,951,284 |

Remarks : ⁽¹⁾ In light of the gravity of COVID-19 pandemic in 2020 which has widely affected the business, five executive directors have willfully decided not to receive salary or any other remuneration from the Company during May 2020 - December 2020 so that the Company could allocate such remuneration to other company personnel who were in need.

(b) Other Remuneration

Other remuneration of executives consisted of provident fund and social security fund as per details showing below.

| | 2019 | 2020 | 2021 |
|--|---------|---------|-----------|
| Number of Executives (Person) ⁽¹⁾ | 8 | 11 | 11 |
| Remuneration (Baht) | 713,381 | 569,230 | 1,160,505 |

Remarks : ⁽¹⁾ In light of the gravity of COVID-19 pandemic in 2020 which has widely affected the business, five executive directors have willfully decided not to receive salary or any other remuneration from the Company during May 2020 - December 2020 so that the Company could allocate such remuneration to other company personnel who were in need.

7.5 Information Personnel

Number of Personnel

As of 31 December 2019, 2020 and 2021 the Company's group the details were as follows:

| Personnel details | Number of Personnel (Person) | | |
|-------------------|------------------------------|--------------|--------------|
| | 2019 | 2020 | 2021 |
| Head Quarters | 461 | 725 | 919 |
| Branch | 3,245 | 4,451 | 5,300 |
| Total | 3,706 | 5,176 | 6,219 |

Source : Company's data

Personnel Compensation

As of the year ended December 31, 2019, 2020 and 2021, the Company paid compensation to employees (excluding executives) in various forms, which were monthly salary, bonus, overtime pay, contribution to provident fund and other compensations, in the total of Baht 834.92 million, Baht 1,009.42 million and Baht 1,426.76 million respectively.

Other remuneration

On April 8, 2021, the 2021 Annual General Meeting of Shareholders resolved to approve the issuance and offering of warrants to purchase the Company's ordinary shares. To executives and employees of the Company (ESOP) No. 1, amount not exceeding 31,500,000 units. With the purpose to motivate and compensate the executives and employees for their contributions, as well as to retain them for a long-term career to maximize the benefits for the Company.

Provident Fund

In 2017, the Company, together with its employees, set up the provident fund in compliance with the Provident Fund Act, B.E. 2530 and as amended. Employees and the Company contributed 3 - 5% of

the employees' salary base to the provident fund on a monthly basis. For the year ended 31 December 2019 and 31 December 2020 and 31 December 2021, the Company contributed Baht 5.00 and Baht 4.78 and Baht 7.57 million respectively. The provident fund was separated from other assets of the Company and managed by CIMB-Principal Asset Management Co., Ltd. Employees will receive money from the provident fund when their employment contracts end according to the fund's rules.

Labour Dispute

During the past three years, the Company had no major labour dispute, which significantly affect the Company's business, financial status and operating result.

7.6 Other Important Information

7.6.1 List of delegated persons

Company Secretary

Ms. Mayuree Seeta was appointed by the Board of Directors' Meeting no. 1/2018 dated 28 May 2018 to be Company Secretary whose details appear in Annex 1.

The Authority, Duty and Responsibility of the Company Secretary

The Company Secretary is appointed by the Board of Directors to be responsible for the following functions:

- (1) Prepare and keep the following documents:
 - (a) a register of directors;
 - (b) a notice calling the Board of Directors' meeting, a minute of the Board of Directors' meeting;
 - (c) an annual report of the Company;
 - (d) a notice calling shareholders' meeting and a minute of shareholders' meeting
- (2) Collect information of major shareholders, directors, executives, related persons including their connected parties in order to monitor and review related party transactions or transactions which may have conflict of interest.
- (3) Keep reports on stake holding submitted by directors or executives and submit a copy of such reports to the Chairman of the Board of Director and the Chairman of the Audit Committee within seven days from the date on which the Company has received such reports.
- (4) Perform any other acts as specified in the notification of the Capital Market Supervisory Board.
- (5) Provide preliminary advice and recommendations pertaining to legal, regulatory and governance issues and practices necessary for the Board of Directors for acknowledgement and constantly monitoring the compliance. Also, if there is any significant change in the laws, rules and/ or regulations, the Board of Directors' has to be informed.
- (6) Monitor and ensure the disclosure of information and reports under responsibility to the authorities supervising the Company under the regulations and requirements of such authorities.

- (7) Organize the shareholders' meetings and the Board of Directors' meetings in accordance with the laws, the Company's Articles of Association and other relevant requirements.
- (8) Manage the activities of the Board of Directors and any other acts to comply with the laws and/ or as specified by the Capital Market Supervisory Board and/ or as assigned by the Board of Directors.

Scope of a person directly responsible for overseeing accounting

The Board of Directors has appointed Mrs.Pornsiri Lertpraphaporn to be Deputy Accounting Director directly responsible for overseeing accounting as from 20 February 2020. The details of the person directly responsible for overseeing accounting appear in Annex 1.

Head of Internal Audit

The Audit Committee has appointed Ms. Pikul Somwan to be the Head of Internal Audit as from 17 February 2021, being independent in terms of working and giving opinion to the Audit Committee directly. With more than 30 years' experience with the Company since 1990 and her understanding in the Company's business, educational background and respectable capabilities, Ms. Pikul is qualified for acting as the Head of Internal Audit. The appointment, transfer or disemployment of the Head of Internal Audit shall be approved by the Audit Committee. The details of the Head of Internal Audit appear in Annex 2.

Duties and responsibilities of the Head of Internal Audit

1. Propose the goals and evaluation approach of the Internal Control Unit to the Audit Committee.

2. Formulate a long-term audit plan and annual audit plan based on the risks, including the opinion of the management on the risks or internal control. The audit plans shall be proposed to the managing director for consideration, then proposed to the Audit Committee for approval, and subsequently reported to the Board of Directors. Such process applies to any revision or change in the audit plans as well.
3. Perform works as stipulated in the approved annual audit plan and perform other duties relating to the internal audit as directed by the Audit Committee and the executives.
4. Report the work progress of the Internal Audit Unit to the managing director and the Audit Committee on a quarterly and annual basis. The report shall include the audit of the subsidiaries or relating companies as assigned, the summary of key issues found during interim audits, unsolved issues from the previous report and other important issues concerned.
5. Monitor the execution of the audit report to ensure that the executives efficiently implement or accept risks from not taking up the recommendations
6. Evaluate the quality of internal audit works under the internal audit standards to ensure that the internal audit is performed in line with the standards and for the benefits of all stakeholders.
7. Attend meeting with the executives on important matters.
8. Report the sufficiency and suitability of the resources of Internal Audit Unit, as well as work obstacles, possibilities and new practices in internal audit to the Audit Committee.
9. Prepare and provide internal auditors with knowledge, capability, professional skill and suitable experiences to perform the internal audit, enhance internal auditors to have sufficient

professional expertise and advocate for a professional certification.

10. Discuss the scope of work with the Auditor and other regulatory organizations, and liaise to ensure that the internal audit work covers all relevant issues thoroughly with minimum redundancy, as well as liaise with other units that perform a self-audit and/or self-assessment in order to establish a culture of internal audit and risk management within the company.

7.6.2 Information of Head of the investor Relations Department

Ms. Mayuree Seeta Telephone: 062-197-6688

Email: IR@dohome.co.th

Investor Relations Website at:

<http://investor.dohome.co.th/th>

7.6.3 Auditor Remuneration

Auditor Remuneration

As at 31 December 2019, the Company and its subsidiaries paid the audit fees to Pricewaterhouse Coopers ABAS Limited at a total amount of 4,500,000 baht, of which 3,940,000 baht was the audit fee for the Company, and 560,000 baht was the fee for its subsidiaries and none other Service (Non-Audit fee).

As at 31 December 2020, the Company and its subsidiaries paid the audit fees to Pricewaterhouse Coopers ABAS Limited at a total amount of 4,450,000 baht, of which 4,150,000 baht was the audit fee for the Company, and 300,000 baht was the fee for its subsidiaries and none other Service (Non-Audit fee).

The Annual General Meeting of Shareholders 2021 has approved the appointment of EY Office Company Limited to be the Auditor of the Company and its subsidiaries for 2021. The audit fee for the year 2021 shall not exceed 3,350,000 baht excluding non-audit fees which will be reimbursed on actual expenses.

Details of the Auditor Remuneration were summarized below.

| Detail | 2019 | 2020 | 2021 |
|------------------|------------------|------------------|------------------|
| 1. Audit Fee | 4,500,000 | 4,450,000 | 3,350,000 |
| 2. Non-Audit Fee | 0 | 0 | 0 |
| Total | 4,500,000 | 4,450,000 | 3,350,000 |



8. Corporate Governance Report

8.1 Summary of the Performance of the Committee for last year.

8.1.1 Recruitment, Development, Assessment of the Performance of the Board of Directors

(1) Criteria for independent directors

The Company has determined the qualifications of the independence directors as follows:

- (a) Holding no more than 1% of total voting shares in the Company, its parent company, its subsidiaries, its associates, major shareholder or controlling party of the Company, including the shareholding of persons related to the independent directors;
- (b) Not currently be or never been executive director, worker, employee, salaried consultant, or controlling parties of the Company, parent company, subsidiaries, associates, same-level subsidiaries, major shareholder or controlling party, unless foregoing status has ended not less than two years prior to the date of appointment except where the independent director(s) was the government officer or consultant of the government agency which is the major shareholder or a controlling person of the Company;
- (c) Not be a person related by blood or registration under laws, such as father, mother, spouse, sibling or child, including spouse of the children, executives or majority shareholders or controlling parties or persons to be nominated as director, executive or controlling parties of the Company or its subsidiaries;

- (d) Not have business relationship with the Company, its parent company, its subsidiaries, its associates, major shareholder or controlling party in a manner which may interfere with his/her independent judgment and neither being nor having been a significant shareholder or controlling party of any person having business relationship with the Company, its parent company, its subsidiaries, its associates, major shareholder or controlling party, unless the foregoing relationship has ended not less than two years prior to the date of appointment.

Such business relationship includes the normal business transaction, rent or lease of immovable property, transactions related to assets or services or granting or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, and any other similar actions which result in the Company or its counterparty being subject to indebtedness payable to the other party amounting to three percent or more of the net tangible assets of the Company or twenty million baht, whichever is lower. The value of the business relationship shall be calculated according to the method stipulated by the Capital Market Supervisory Board governing rules on connected transactions. The consideration of such indebtedness shall include indebtedness occurred during the period of one year prior to the date on which the business relationship with the person commences;

- (e) Not currently be or never be an auditor of the Company, its parent company, its subsidiaries, its associates, major shareholder or controlling party, and not being a significant shareholder, controlling party, or partner of an audit firm which employs auditors of the Company, its parent company, its subsidiaries, its associates, major shareholder or controlling party, unless the foregoing relationship has ended not less than two years prior to the date of appointment;
- (f) Not currently be or never be any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million baht from the Company, its parent company, its subsidiaries, its associates, major shareholder or controlling party, and neither being nor having been a significant shareholder, controlling party or partner of the professional advisor unless the foregoing relationship has ended not less than two years prior to the date of appointment;
- (g) Not be a director who has been appointed as a representative of the Company's director, major shareholder or shareholders who are related to the Company's major shareholder;
- (h) Not operate a business of the same nature as and in competition with the Company or subsidiaries; nor be the significant partner of the partnership, or executive director, worker, employee, or salaried consultant; or holding more than one percent of the total number of voting shares of any other companies operating the business of the same nature as and in competition with the Company or subsidiaries;
- (i) Not under any conditions that may impede the person from having independent views towards the Company's operations.

After being appointed under the abovementioned qualifications, independent directors may be assigned by the Board of Directors to make decisions in a form of collective decision regarding the operations of the Company, its parent company, its subsidiaries, associates, same-level subsidiaries.

(2) Nomination of directors and high-level executives

In the event that the positions of executive director or managing director become vacant, or a person holding office are unable to perform duties, the Board of Directors will designate another person holding office in similar or next lower level to be in charge in the interim until the nomination and selection of qualified persons under the criteria determined by the Company. The Nomination and Remuneration Committee will determine the qualification and selection criteria, and then nominate a qualified person with knowledge, experiences, skill, vision, and understanding of corporate culture to the Board of Directors or the shareholders' meeting for appointment.

Regulations and Criteria

Shareholders are entitled to nominate a person to be elected as a director in advance from 28 October 2021 to 1 February 2022 prior to the meeting day. All details and criteria were published on the Company's website, and the right to nominate was also published on the websites of the Company and the Stock Exchange. However, during the Annual General Meeting of Shareholders for 2021, no shareholder nominated a candidate.

The Company has the criteria and regulations for properly and transparently selecting personnel to take key executive positions to ensure that the Company has a qualified, skillful, experienced and professional executive. The Human Resources Department, the Nomination and Remuneration

Committee and/or an appointed committee are responsible for the nomination/selection process and making a succession plan according to the level of employee as follows:

Managing director and members of the Executive Committee

The nomination/selection and succession plan for a managing director and members of the Executive Committee are carried out by the Nomination and Remuneration Committee and/or an appointed committee in order to propose to the Board of Directors for consideration. For the positions of managing director and members of the Executive Committee, the Nomination and Remuneration Committee and/or an appointed committee shall monitor the progress of succession plan. When such position become vacant or a person holding the positions is unable to perform his/her duties, the Board of Directors will assign an executive at the same level or a deputy to act temporarily until a qualified person is nominated and select according to the Company's criteria. Such person must be visionary, capable, experienced and suitable to the corporate culture. The Nomination and Remuneration Committee and/or an appointed committee are responsible for considering qualified candidates to be proposed to the Board of Directors and/or the Annual General Meeting of Shareholders for approval and appointment as the case may be.

Basic qualifications of a managing director and members of the Executive Committee

1. Holding at least a Bachelor's degree;
2. Having an experience of management in a position of manager and above;
3. Having a leadership and broad vision;
4. Being capable of planning strategically and organizing;
5. Being able to make a prudent and careful decision for the highest benefits of the organization.

Executive level from manager and higher

When a position in the executive level from manager and higher is vacant or a person holding such position is unable to perform duties, the Human Resources Department will nominate selected successors to the Executive Committee and/or a person appointed by the Committee. The process of succession planning for the executive level is as follows:

1. Analyze the Company's business situation in terms of strategy, policy, investment plan and expansion plan;
2. Assess the readiness of manpower in consistence with the Company's short-term and long-term strategies;
3. Determine a manpower plan by developing or selecting an employee to be ready to replace another employee who is unable to perform duties temporarily or permanently;
4. Develop a recruitment plan, and train and develop a successor to be prepared for performing duties before early retirement or resignation;
5. Determine qualification and competencies, which refer to desirable knowledge, skills, personality and attitude for a particular position, and formulate an individual development plan;
6. Select, evaluate and assess the potential of employees for consideration;
7. Use employee assessment tools to analyze their potential;
8. Identify a successor based on the potential assessment and analysis and performance. The employee will be informed in advance to prepare to take up a position and study the work. And find a successor substitution;

9. Develop and assess a prospective successor to see if the development and performance are as expected. If not, take the following actions:

- 9.1 Re-select and make a new succession plan; or
- 9.2 Develop a succession substitution (if any); or
- 9.3 Recruit and select from a third party.

Once the successor is qualified for a higher position and there is a vacant position or new higher position, a promotion and acting in position shall be proposed according to the Company's policy on employee promotion or shall be approved by the Executive Committee.

(3) Development of directors

The Board of Directors has a policy to promote and facilitate training and educating persons involved in the corporate governance process such as directors, members of the Audit Committee, executives and Company Secretary for continued work improvement. The training and educating can be carried out in-house or by external institutes.

In case of a change of committee members or new committee members, the management shall provide them necessary documents and information for their work, as well as introduce the nature of business and business approach of the Company.

The Board of Directors will arrange a job rotation for executives and employees based on their proficiency taking into account the suitability of work and time. The managing director will determine a period of time and consider the work performance to develop the Company's development and succession plans. The purpose is to enhance the capacities of executives and employees and enable them to work interchangeably.

(4) Performance evaluation for committee member and top-level executives

The Board of Directors encourages to conduct a performance evaluation at least once a year to improve and correct work operations. In this regard, the Company has applied the sample performance evaluation forms for the Board of Directors, the sub-committees, individual committee members, and top-level executives by the Stock Exchange of Thailand.

Performance evaluation for the Board of Directors and top-level executives can be grouped into:

1. Evaluation of the whole committee covers the following 5 key subjects:
 - 1) Structure and qualifications of the committee
 - 2) Committee meetings
 - 3) Roles, duties and responsibility of the committee
 - 4) Relationship with the management
 - 5) Self-development of the committee
2. Evaluation of each sub-committee covers the following 3 key subjects:
 - 1) Structure and qualifications of the sub-committee
 - 2) Sub-committee meetings
 - 3) Roles, duties and responsibility of the sub-committee
3. Evaluation of individual committee member covers the following 3 key subjects:
 - 1) Structure and qualifications of the committee
 - 2) Committee meetings
 - 3) Roles, duties and responsibility of the committee
4. Evaluation of top-level executives cover the following 2 subjects:
 - 1) Work performance
 - 2) Development of top-level executives

Evaluation process of the committee

The Company Secretary Division submits the evaluation forms of the whole committee, each sub-committee, individual committee members and top-level executives to the Board of Directors. Once the evaluation is completed, the Company Secretary Division gathers and summarizes the evaluation results in order to report to the Nomination and Remuneration Committee to determine the remuneration of committee members by scrutinizing appropriateness in several aspects and competitive rates in the same industry.

Scoring is calculated in percentages of the total marks of each subject as follows:

| | | |
|------------|---------------|---------------|
| Percentage | 90 and higher | = Excellent |
| Percentage | 81 - 89 | = Very Good |
| Percentage | 66 - 80 | = Good |
| Percentage | 50 - 65 | = Fair |
| Percentage | Below 50 | = Unsatisfied |

The overall result of the performance evaluation of the Board of Directors for the year 2021 has scored “Excellent” for two groups i.e. the evaluation of the whole committee and the evaluation of individual committee member (self-evaluation). The result of such evaluations will be used to improve and optimize the work of the committees.

The overall results of the performance evaluation of top-level executives for the year 2021 has scored “Excellent”. The result of such evaluation will be used to increase the remunerations of the Chief Executive Officer as approved by the Board of Directors.

8.12 Board Members Attendance and Remuneration of Individual Director

1. Monetary Remuneration

1.1 Monthly remuneration

- Chairman
40,000 Baht / person / Month
- Vice Chairman
35,000 Baht / person / Month
- Director Member
30,000 Baht / person / Month

1.2 Meeting fee of Committee

- Chairman
30,000 Baht / person / Month
- Vice Chairman
25,000 Baht / person / Month
- Director Member
25,000 Baht / person / Month

1.3 Meeting fee of Sub-Committee

- Chairman
25,000 Baht / person / Month
- Director Member
20,000 Baht / person / Month

The Directors, who are the Company’s executives or employees, shall not be eligible for the retaining fee and attendance fee as members of the Board of Directors and committees.

2. Other Remuneration

- None -

Attendance and details of the remuneration of monetary directors for the year 2021 are as follows:

| Name - Surname | | No. of meeting Attend (Time) | | | | | Remuneration and Meeting Allowances | | | | | Total |
|-------------------------------|------------------------------|------------------------------|----------------------------|--------------------------------------|--|---------------------------------|-------------------------------------|--|--|--|--|-----------|
| | | Board of Director, 4 meeting | Audit Committee, 4 meeting | Risk Management Committee, 4 meeting | Nomination and Remuneration Committee, 2 meeting | Executive Committee, 24 meeting | Monthly remuneration | Remuneration for Board of Director meeting | Remuneration for Audit Committee meeting | Remuneration for Risk Management Committee meeting | Remuneration for Nomination and Remuneration Committee meeting | |
| 1. | Mr. Chatrchai Tuongratnaphan | 4/4 | 4/4 | - | 2/2 | - | 480,000 | 120,000 | 80,000 | - | 50,000 | 730,000 |
| 2. | Mr. Adisak Tangmitrphracha | 4/4 | - | 4/4 | - | 24/24 | n/a | n/a | - | n/a | - | - |
| 3. | Mrs. Nattaya Tangmitrphracha | 3/4 | - | - | 1/2 | 24/24 | n/a | n/a | - | - | n/a | - |
| 4. | Ms. Ariya Tangmitrphracha | 3/4 | - | - | - | 24/24 | n/a | n/a | - | - | - | - |
| 5. | Mrs. Salitip Ruangsuttipap | 4/4 | - | - | - | 24/24 | n/a | n/a | - | - | - | - |
| 6. | Mr. Maruay Tangmitrphracha | 4/4 | - | - | - | 24/24 | n/a | n/a | - | - | - | - |
| 7. | Mr. Suvait Theeravachirakul | 4/4 | 4/4 | 4/4 | 2/2 | - | 360,000 | 100,000 | 100,000 | 80,000 | 40,000 | 680,000 |
| 8. | Mr. Tarin Thaniyavarn | 2/4 | 1/4 | 1/4 | - | - | 360,000 | 50,000 | 20,000 | 25,000 | - | 455,000 |
| Total Directors' Remuneration | | | | | | | 1,200,000 | 270,000 | 200,000 | 105,000 | 90,000 | 1,865,000 |
| Total number of meetings | | 4 | 4 | 4 | 2 | 24 | | | | | | |
| percentage of meetings | | 87.50 | 75.00 | 75.00 | 83.33 | 100.00 | | | | | | |

Remarks : 1. Executive committee meetings have no meeting allowances.

2. Mrs. Nattaya Tangmitpracha did not attend the BOD Meeting no.4/2021 and the Nomination and Remuneration Committee Meeting no.2/2021 due to urgent missions.

3. Ms. Ariya Tankmitpracha did not attend the BOD Meeting no.4/2021 due to maternity leave.

4. Mr. Tarin Thaniyavarn did not attend the BOD Meeting no.1/2021, 2/2021, 4/2021 and the Risk Management Committee no. 1/2021, 2/2021, 4/2021 due to urgent missions.

8.1.3 Subsidiaries and Associates' Operation Monitoring

To monitor the operations of and to protect its investment interests in subsidiaries and associates, the Company has formulated a policy on monitoring and managing its subsidiaries and associates with an objective to set both direct and indirect measures and mechanism that allow the Company to monitor their operations, and to supervise them to observe such measures and mechanism as if they were directly under the Company, as well as to observe laws on public companies, civil and commercial code, securities law, other relevant laws, including notifications, regulations and criteria issued by the Capital Market Supervisory Board, the Securities and Exchange Commission and the Stock Exchange of Thailand. Details of such measures and mechanism are as follows:

- (1) The Company shall appoint its representative to be a director of its subsidiaries or associates pursuant to the proportion of shareholding in each company in order to supervise those subsidiaries or associates to follow the law, good governance policy and other policies of the Company. However, sending such representative must be considered and approved by the Board of Directors taking into account appropriateness in each company.
- (2) The board of directors and executives of each subsidiary have important legal duties and responsibilities; for examples, disclosure of financial status and operating performance to the Company, in which relevant laws as well as notifications, regulation and criteria of the Capital Market Supervisory Board, the Securities and Exchange Commission and the

Stock Exchange of Thailand will be applied mutatis mutandis; disclosure and submission of information about their interests and related party to inform the Board of Directors of relationship and transaction with the Company and/or its subsidiary of a nature that may result in a conflict of interests so that the Board of Directors can avoid such conflict of interest.

- (3) For any significant transaction or action of a subsidiary affecting the Company's financial status and performance, or falling within a scope of or being an acquisition or disposition of assets as prescribed in the relevant announcement, or connected transaction as prescribed in the relevant announcement, which the Company has to seek prior approval from the Board of Directors' meeting, the shareholders' meeting, or relevant agencies, a subsidiary can only do the transaction or action once the Board of Directors' meeting, the shareholders' meeting or the relevant agency has already approved.

Furthermore, in case of any transaction or incident of a subsidiary that requires the Company to disclose information to the Stock Exchange of Thailand pursuant to criteria set forth in relevant announcements, the director representing the Company in the subsidiary has a duty to promptly inform the Company's management of the subsidiary's plan to do such transaction or of the incident.

- (4) The Company will form a working plan and take a necessary action to ensure that its subsidiaries or associates disclose information about their performance and financial status; the Company will take a necessary action and monitor to ensure that its subsidiaries or associates has adequate and appropriate disclosure system and internal control system for their business operations.

- (5) Director representing the Company in its subsidiary or associate must monitor and take necessary actions to ensure that the policy and key work plans concerning the subsidiary or associate's operations are regularly reviewed, updated and improved to be suitable for current business conditions.
- (6) In case where a joint venture company is a subsidiary, the director representing the Company has to consider, monitor and give necessary advice to the subsidiary; put in place a proper and prudent internal control system to prevent potential corruptions in the Company or its subsidiary; as well as put in place a clear, efficient and effective working system.
- (7) For significant operations of a subsidiary, such as appointment or nomination of director in the subsidiary at least according to the proportion of the Company's shareholding in the subsidiary, share buying or selling, material business or assets, capital increase or decrease in a subsidiary, merger and dissolution of subsidiary, approval of annual budget of a subsidiary of the Company unless specified otherwise in the Company's delegation of authority, the director representing the Company must obtain a prior permission to vote from the Board of Directors before casting vote in the subsidiary's board of directors' meeting.

8.14 Monitoring on the Corporate Governance Policy and Practices

The Company has focused on the good corporate governance by including relevant policy and practices in its policy on corporate governance and business ethics, as well as encouraging implementation to create confidence among stakeholders.

In the past year, the Company has monitored the implementation of good corporate governance regarding 1) employee treatment and non-discrimination, 2) anti-unfair competition, 3) environment, health

and safety in the organization, and 4) IT security. According to the monitoring, the Company has fully complied with the guideline of each issue. In addition, the Company also monitored the compliance to good corporate governance in another 4 issues as follows:

(1) Prevention of conflicts of interest

The Board of Directors has imposed a policy and procedures as a guideline on addressing a conflict of interests in accordance with the approach of the Stock Exchange of Thailand. In making any business decisions, all personnel must focus on the greatest benefits of the Company. A conflict of interests shall be addressed carefully, based on integrity, honesty, rationality and independence under a good morality, with all information provided to the Company for the sake of its overall interests. Stakeholders or relating persons shall not take part in any decision making and approval on a matter in which they are concerned. In the Board of Directors' meetings in the past year, if there was an agenda in which one of the directors was concerned or was a stakeholder the said director would not opine on that agenda. In addition, the Audit Committee will consider and gives appropriate, careful and impartial opinions on connected transactions or transactions that may have a conflict of interest in accordance with the criteria specified by the Stock Exchange of Thailand.

Any transactions that may have a conflict of interests will be appropriately, carefully and impartially reviewed by the Audit Committee under the criteria stipulated by the Stock Exchange of Thailand before proposing to the Board of Director for approval. All details will be disclosed in the annual report and the annual registration statement.

Furthermore, to comply with the principle of good corporate governance the Company requires its directors and executives to report their stake-holding and relating persons under the criteria stipulated by

law. The report documents shall be submitted to the Company Secretary so that the Company can use such information for monitoring such stake-holding and relating persons in the course of its and its subsidiaries' business administration.

In the past year, there was no incident deemed as an improper conduct or act in terms of a conflict of interests.

(2) Control on Insider Trading

1. The Company pays attention to preventing insider trading. It is the Company's policy that directors, executives, employees and workers must not, directly or indirectly, with or without returns, disclose or seek benefits for themselves or others from information that potentially impacts the Company's stock price, or information that can jeopardize or impair the Company if being disclosed and regarded as confidential and important information, including secrets and/or non-public information; as well as must not do securities transactions that are based on insider information. To prevent misuse of insider information, the Company has undertaken the following steps:
2. Educate the Company's directors and executives regarding their duty to report to the SEC Office on their holdings of the Company's shares as well as the holdings of their spouse or cohabiting couple, and minor children, including a juristic person whose shares exceeding thirty percent of the total voting rights are held by the director and executives, their spouse or cohabited couple, and minor children. This duty is prescribed in Section 59 of the Securities and Exchange Act B.E. 2535 (1992) and its amendments with the penalty provision under Section 275. Also, the acquisition or disposition of securities must be reported under Section 246 with the penalty provision under Section 298 of the Securities and Exchange Act B.E. 2535 (1992) and its amendments.

3. Direct the Company's directors and executive, including their spouse or cohabited couple, and minor children, as well as a juristic person whose shares exceeding thirty percent of the total voting rights are held by the director and executives, their spouse or cohabited couple, and minor children to prepare and disclose reports to the SEC Office on the holding of securities and the changes to such holding under the criteria set forth in the Securities and Exchange Act B.E. 2535 (1992) and its amendments, as well as submit a copy of such reports to the Company on the same day that the originals are submitted to the SEC Office.
4. Direct that directors, executives, employees and workers of the Company and its subsidiaries with the knowledge of or possession of material insider information which has or may have an impact on the change of securities price, securities value including persons presumably knowing or having in possession the insider information under the Securities and Exchange

Act B.E. 2535 (1992) and its amendments, must refrain from doing transactions of the Company's securities during one month prior to the disclosure of the financial statements or such information to the public. And within 24 hours after the disclosure to the public, persons relating to such information must not disclose the information to any other persons until the submission to the Stock Exchange of Thailand. Any actions in violation of the above regulation will be deemed as disciplinary offence under the Company's Article of Associations and such persons will be proportionately punished based on intention and seriousness, ranging from verbal warning, written warning, probation, pay cut, suspension without pay to dismissal.

In the past year, the company did not receive any complaints about the wrongdoing of the directors and executives about the misuse of inside information

Details of changes in the directors' shareholding in 2021

| Name - Surname | Position | No. of shares hold as of 1 Jan 21 | Change of number of shares | No. of shares hold as of 31 Dec 21 | Shareholding proportion (%) |
|--|--|---|----------------------------------|--|-----------------------------------|
| 1. Mr. Chatrchai Tuongratanaphan, including spouse and minor children | Chairman, Independent Director, Audit Committee Member and Chairman of the Nomination and Remuneration Committee | - | - | - | - |
| 2. Mr. Adisak Tangmitphracha, including spouse and mi- nor children | Vice Chairman, Chairman of the Executive Committee and Risk Management Committee Member | 252,000,000 189,000,000 | 21,000,000 15,749,999 | 273,000,000 204,749,999 | 11.3% 8.5% |

| Name - Surname | Position | No. of shares hold as of 1 Jan 21 | Change of number of shares | No. of shares hold as of 31 Dec 21 | Shareholding proportion (%) |
|---|---|---|----------------------------------|--|-----------------------------------|
| 3. Mrs. Nattaya Tangmitrphracha, including spouse and minor children | Director, Deputy Chairman of Executive Committee and Nomination and Remuneration Committee Member | 189,000,000 | 15,749,999 | 204,749,999 | 8.5% |
| | | 252,000,000 | 21,000,000 | 273,000,000 | 11.3% |
| 4. Ms. Ariya Tangmitrphracha, including spouse and minor children | Director, Deputy Managing Director - Operations and Procurement, and Assistant Managing Director - Procurement | 126,000,000 | 10,500,000 | 136,500,000 | 5.6% |
| | | 287,933 | 473,994 | 761,927 | 0.3% |
| 5. Mrs. Salitip Ruangsuttipap*, including spouse and minor children | Director, Deputy Managing Director - Accounting, Finance and Organization Support | 126,000,000 | 10,500,000 | 136,500,000 | 5.6% |
| | | - | - | - | - |
| 6. Mr. Maruay Tangmitrphracha, including spouse and minor children | Director, Deputy Managing Director - Information Technology and Online Marketing | 126,000,000 | 10,500,000 | 136,500,000 | 5.6% |
| | | - | - | - | - |
| 7. Mr. Suvait Theeravachirakul, including spouse and minor children | Director, Independent Director, Chairman of the Audit Committee, Nomination and Remuneration Committee Member and Risk Management Committee Member | - | 100 | 100 | 0.0% |
| | | - | - | - | - |
| 8. Mr. Tarin Thaniyavarn, including spouse and minor children | Director, Independent Director, Audit Committee Member and Chairman of the Risk Management Committee | - | - | - | - |
| | | - | - | - | - |

* Directors holding shares through Custodian, totaling 60,000,000 shares.

Details of changes in the executives' shareholding in 2021

| Name - Surname | Position | No. of shares hold as of 1 Jan 21 | Change of number of shares | No. of shares hold as of 31 Dec 21 | Shareholding proportion (%) |
|---|-----------------------------|---|----------------------------------|--|-----------------------------------|
| Mr. Chayanon Horpattaporn, spouse and minor children | Assistant Managing Director | - | 695,500 | 500,000 | 0.0% |
| | | - | (195,500) | - | - |

| Name - Surname | Position | No. of shares hold as of 1 Jan 21 | Change of number of shares | No. of shares hold as of 31 Dec 21 | Shareholding proportion (%) |
|--|-----------------------------|---|----------------------------------|--|-----------------------------------|
| 2. Mrs. Jintana Koontawee, spouse and minor children | Assistant Managing Director | - - | 20,410 - | 20,410 - | 0.0% - |
| 3. Ms. Pannee Phiwnaun, spouse and minor children | Assistant Managing Director | 4,550 - | (621) - | 3,929 - | 0.0% - |
| 4. Mrs. Nongyao Sa-art, spouse and minor children | Assistant Managing Director | 171,900 - | (25,692) - | 146,208 - | 0.0% - |
| 5. Mr. Aphiyuch Fookul, spouse and minor children | Assistant Managing Director | 20,000 - | (2,800) - | 17,200 - | 0.0% - |
| 6. Mrs. Pomsiri Loespraporn, Spouse and minor children | Deputy Accounting Director | - - | - - | - - | - - |

(3) Anti-Corruption

The Company emphasizes on a business operation based on transparency, integrity and good governance, and therefore has legitimately treated all stakeholders accordingly under the good corporate governance principle. To express its intention, the Company has joined “Thailand’s Private Sector Collective Action Against Corruption” to take part in the anti-corruption efforts by fighting against bribes of public officers, public agencies or private agencies. The Company will not tolerate any acts of corruption in all forms, both direct or indirect, in order to foster the standard of transparent business operation which is a foundation of business operation and sustainability.

The Committee will review the anti-corruption policy and this anti-corruption practices at least once a year to ensure meticulous, sufficient and proper implementation under the current situation.

The Company joined Thailand’s Private Sector Collective Action Against Corruption (CAC) on 22 June 2021.

- (1) Establishing the Anti-Corruption Working Group;
- (2) Organizing internal meetings to assess the risk of corruption;
- (3) Communicating to directors, executives and employees to acknowledge and accept the anti-corruption policy;
- (4) Preparing a manual on practices under the CAC;
- (5) Clarifying the regulations on giving and accepting gifts and entertainment;
- (6) Sending a circular letter on its anti-corruption policy to all business partners;
- (7) Developing the whistleblowing system;
- (8) Formulating a training course on anti-corruption.

The Company has published the details of its policy and actions to prevent any engagement in corruption on the Company's website at <https://investor.dohome.co.th/th/corporate-governance/anti-corruption> under the subject of corporate governance.

(4) Whistleblowing

The Company has arranged the whistleblowing channels and whistleblower protection measures according to its regulation on whistleblowing and

corruption. All tip-offs and complaints will be initially examined and investigated to find the facts. If the complaint is well-grounded and has evidence, further actions will be taken.

The Company has published the details of its Whistleblowing policy on the Company's website at <https://investor.dohome.co.th/storage/corporate-governance/download/20220222-dohome-whistleblowing-policy-th.pdf> under the subject of corporate governance.

Whistleblowing channels

| | |
|--|---|
| • Email | : whistleblower@dohome.co.th or : internalaudit@dohome.co.th |
| • Telephone | : 02-023-8815 |
| • LINE Official Account | : @dh.whistleblower |
| • Mail | : Chairman of the Audit Committee Dohome Public Company Limited 60 Vibhavadi Rangsit Road, Samsen Nai Sub-district, Phyathai District, Bangkok 10400 |
| • Whistleblowing or complaint boxes at specified locations | |
| • Company's Website | : Under Corporate Governance/Whistleblowing https://investor.dohome.co.th/th/corporate-governance/whistleblowing-channel-form Fact-finding investigation |

The Company conducts a fact-finding investigation with justness, transparency and fairness to whistleblowers.

- 1) An authorized recipients report to the Chairman of Anti-Corruption Working Group to consider appropriate actions.
- 2) For a general case, the Meeting of the Anti-Corruption Working Group shall appoint a fact-finding committee comprising representatives from the Internal Audit Unit, Human Resources Department, Legal Department and/or other relevant department.

For an urgent case, or a case that may cause high damage or loss of business opportunity or relate to the Company's reputation, the Chairman

of Anti-Corruption Working Group shall report to the Chairman of Executive Committee to appoint a fact-finding committee at the executive committee level.

Such fact-finding committee can invite directors, executives, employees, business partners and persons relating to the company business to provide information or submit additional documents.

The fact-finding committee shall not be involved in the complained matter and shall complete its investigation within 45 days as from the date of knowledge of the whistleblowing. If there is a necessity resulting in an ability to complete the process within the specified time, the committee shall report to the Chairman of the Executive Committee to extend the time but not exceeding 30 days.

- 3) The fact-finding committee shall report the outcome of investigation to the Anti-Corruption Working Group who will report to the Chairman of the Executive Committee.

If the whistleblowing is true, the fact-finding committee, in discussion with the Anti-Corruption Working Group, shall suggest an appropriate and fair punishment or mitigation for affected persons.

- 4) The Chairman of the Executive Committee shall approve an appropriate and fair punishment or mitigation, and take the following actions:

For an urgent case, or a case that may cause high damage or loss of business opportunity or relate to the Company's reputation, the Chairman of the Executive Committee shall report to the Board of Directors immediately.

For a general case, the Chairman of the Executive Committee shall report to the Audit Committee, as well as conclude the opinions and recommendations of the committee to be submitted to the Board of Directors in its next meeting.

In case of a complainee is a director or executive director, a recipient shall report to the Chairman of the Board of Directors or Chairman of the Audit Committee to appoint a fact-finding committee who will report the investigation outcome to the Chairman of the Board of Directors or Chairman of the Audit Committee directly.

In the past year, there is no complaint about corruption or violation of the Company's corporate governance policy.

8.2 Report of Audit Committee during the past year

8.2.1 Number of Audit Committee Meetings

During 2021, the Audit Committee held a total of 4 meetings, with the Members attending every meeting as follows:

| Name - Surname | Position | The Risk Management Committee Meeting of 2021 | |
|-----------------------------------|---------------------------------|---|--------------------------|
| | | Total Number of Meetings | Total Number of Meetings |
| 1. Mr. Suvait Theeravachirakul* | Chairman of the Audit Committee | 4 | 4 |
| 1. Mr. Chatrchai Tuongratanaphan* | Audit Committee Member | 4 | 4 |
| 2. Mr. Tarin Thaniyavarn* | Audit Committee Member | 4 | 1 |

* Independent Director

8.2.2 Report of Audit Committee

(appear in Report of Audit Committee)

8.3 Report of Other Sub-committees

8.3.1 Number of Sub-committee Meetings

Risk Management Committee

During 2021, the Risk Management Committee held a total of 4 meetings, with the Members attending every meeting as follows

| Name - Surname | Position | The Risk Management Committee Meeting of 2021 | |
|----------------------------------|---|---|--------------------------|
| | | Total Number of Meetings | Total Number of Meetings |
| 1. Mr. Tarin Thaniyavarn* | Chairman of the Risk Management Committee | 4 | 1 |
| 2. Mr. Adisak Tangmitrphracha | Risk Management Committee Member | 4 | 4 |
| 3. Mr. Suvaith Theeravachirakul* | Risk Management Committee Member | 4 | 4 |

* Independent Director

Nomination and Remuneration Committee

During 2021, the Nomination and Remuneration Committee held a total of 2 meetings, with the Members attending every meeting as follows

| Name - Surname | Position | The Nomination and Remuneration Committee Meeting of 2021 | |
|-----------------------------------|---|---|--------------------------|
| | | Total Number of Meetings | Total Number of Meetings |
| 1. Mr. Chatrchai Tuongratanaphan* | Chairman of the Nomination and Remuneration Committee | 2 | 2 |
| 2. Mrs. Nattaya Tangmitrphracha | Nomination and Remuneration Committee Member | 2 | 1 |
| 3. Mr. Suvaith Theeravachirakul* | Nomination and Remuneration Committee Member | 2 | 2 |

* Independent Director

8.3.2 Report of other Sub-committee

- Risk Management Committee
(appear in Report of Risk Management Committee)
- Nomination and Remuneration Committee
(appear in Report of Nomination and Remuneration Committee)





9. Internal Control and Related Party Transactions

Opinion of the Board of Directors on the Company's internal control system

The Board of Directors and the management realize the importance of the internal control and has monitored this matter closely as it is a key mechanism for achieving the business objectives in an effective and sustainable way. For the sake of long-term returns, use of resources, asset management, financial reports and reliable business conduct, including compliance to laws and regulations, and prevention or mitigation of a risk from actions that may cause damage to its asset or reputation, the Company has continuously improved its internal control system to be effective, as well as has in place a performance assessment according to the good corporate governance (GCG). The Board of Directors has arranged an environment that facilitates the internal control and clearly assigned the responsibilities of each committee and the executives, as well as supervised a conformity to such responsibilities. The organization structure and line of command are clearly determined for checks and balances and a flow of works. Business goals and their key performance indicators (KPI) are also established to evaluate the efficiency and effectiveness of work performance and to monitor the results compared to the set goals.

9.1 Internal Control

In its meeting no.1/2565 on 17 February 2022 in which all three independent directors who are members of the Audit Committee also participated, the Board of Directors assessed the internal control

of the Company and its subsidiaries by questioning the executives. It can be concluded that based on the assessment of internal control system of the Company and its subsidiaries in 5 components i.e. 1) environment and internal control system, 2) risk management, 3) control activities, 4) information and communication system and 5) monitoring system, the BOD opined that the internal control system of the Company and its subsidiaries is sufficient and appropriate with sufficient personnel to efficiently implement the system. The Company also had in place an internal control system to monitor the operation of its subsidiaries to protect all corporate assets from a misuse or unauthorized use by a director or executive, as well as had a sufficient system to control transactions with persons who may have a conflict and related persons. For other subjects of internal control, the BOD viewed that the Company had a sufficient internal control as well.

In its meeting no.1/2564 on 17 February 2011, the Audit Committee appointed Ms. Pikul Somwan to be the Head of Internal Audit. Being independent in terms of working and giving opinion to the Audit Committee directly, Ms. Pikul is suitable for this position. With more than 30 years' experience with the Company since 1990 and her understanding in the Company's business, educational background and respectable capabilities, Ms. Pikul is qualified for acting as the Head of Internal Audit. The appointment, transfer or disemployment of the Head of Internal Audit shall be approved by the Audit Committee.

9.2 Related Party Transaction

9.2.1 Person who may have conflict of interests

| Person who may have conflict of interests | Nature of Business | Nature of Relationship to Company |
|--|---|---|
| 1. Mr. Adisak Tangmitpracha ("Mr. Adisak") | - | <ul style="list-style-type: none"> Director, executive and major shareholder of the Company holding shares at 11.3% |
| 2. Mrs. Nattaya Tangmitpracha ("Mrs. Nattaya") | - | <ul style="list-style-type: none"> Director, executive and major shareholder of the Company holding shares at 8.5% |
| 3. Ms. Ariya Tangmitpracha ("Ms. Ariya") | - | <ul style="list-style-type: none"> Director and executive of the Company |
| 4. Mrs. Salitip Ruangsuttipap ("Mrs. Salitip") | - | <ul style="list-style-type: none"> Director and executive of the Company |
| 5. Mr. Maruay Tangmitpracha ("Mr. Maruay") | - | <ul style="list-style-type: none"> Director and executive of the Company |
| 6. Dohome Group Company Limited | Land holding of the Company's Group | <ul style="list-style-type: none"> Subsidiaries Company There are 5 directors in common i.e. (1) Mr. Adisak (2) Mrs. Nattaya (3) Ms. Ariya (4) Mrs. Salitip and (5) Mr. Maruay |
| 7. Dohome Energy Company Limited | Manufacturing and distribution electricity | <ul style="list-style-type: none"> Subsidiaries Company There are 4 directors in common i.e. (1) Mr. Adisak (2) Mrs. Nattaya (3) Ms. Ariya and (4) Mrs. Salitip |
| 8. Dohome holding Company Limited | Holding Company | <ul style="list-style-type: none"> Two directors, executives and major shareholders of the Company are major shareholders jointly holding total shares at 70% i.e. (1) Mr. Adisak holding shares at 35.0% and (2) Mrs. Nattaya holding shares at 35% There are 2 directors in common i.e. (1) Mr. Adisak (2) Mrs. Nattaya |
| 9. AMPLUS HOLDINGS LIMITED | Holding Company | <ul style="list-style-type: none"> Two directors, executives and major shareholders of the Company are major shareholders jointly holding total shares at 70% i.e. (1) Mr. Adisak holding shares at 35.0% and (2) Mrs. Nattaya holding shares at 35% There are 5 directors in common i.e. (1) Mr. Adisak (2) Mrs. Nattaya (3) Ms. Ariya (4) Mrs. Salitip and (5) Mr. Maruay |
| 10. TMPC Trading Company Limited | Retail store of household electrical appliances | <ul style="list-style-type: none"> One director and executive of the Company i.e. (1) Ms. Ariya is a major shareholder holding shares at 34.0% There are 3 directors in common i.e. (1) Ms. Ariya (2) Mrs. Salitip and (3) Mr. Maruay |
| 11. Dohome Express Company Limited | Convenience Store/Minimart | <ul style="list-style-type: none"> Two directors, executives and major shareholders of the Company are major shareholders jointly holding total shares at 70% i.e. (1) Mr. Adisak holding shares at 35.0% and (2) Mrs. Nattaya holding shares at 35% There are 5 directors in common i.e. (1) Mr. Adisak (2) Mrs. Nattaya (3) Ms. Ariya (4) Mrs. Salitip and (5) Mr. Maruay |
| 12. ASM Consultant Company Limited (formerly Dohome Consultant Company Limited) | Land Tenure | <ul style="list-style-type: none"> Two directors, executives and major shareholders of the Company are major shareholders jointly holding total shares at 70% i.e. (1) Mr. Adisak holding shares at 35.0% and (2) Mrs. Nattaya holding shares at 35% There are 5 directors in common i.e. (1) Mr. Adisak (2) Mrs. Nattaya (3) Ms. Ariya (4) Mrs. Salitip and (5) Mr. Maruay |
| 13. ASM Real Estate Company Limited (formerly Dohome Real Estate Company Limited) | Land Tenure | <ul style="list-style-type: none"> Two directors, executives and major shareholders of the Company are major shareholders jointly holding total shares at 70% i.e. (1) Mr. Adisak holding shares at 35.0% and (2) Mrs. Nattaya holding shares at 35% There are 5 directors in common i.e. (1) Mr. Adisak (2) Mrs. Nattaya (3) Ms. Ariya (4) Mrs. Salitip and (5) Mr. Maruay |

| Person who may have conflict of interests | Nature of Business | Nature of Relationship to Company |
|---|---|---|
| 14. S.Ubon Watsadu Company Limited | Wholesale of other agricultural | <ul style="list-style-type: none"> Two directors, executives and major shareholders of the Company are major shareholders jointly holding total shares at 70% i.e. (1) Mr. Adisak holding shares at 35.0% and (2) Mrs. Nattaya holding shares at 35.0% There are 5 directors in common i.e. (1) Mr. Adisak (2) Mrs. Nattaya (3) Ms. Ariya (4) Mrs. Salitip and (5) Mr. Maruay |
| 15. Ubon Watsadu Company Limited | Wholesale of piping Equipment and Sanitary ware | <ul style="list-style-type: none"> Two directors, executives and major shareholders of the Company are major shareholders jointly holding total shares at 70% i.e. (1) Mr. Adisak holding shares at 35.0% and (2) Mrs. Nattaya holding shares at 35.0% There are 5 directors in common i.e. (1) Mr. Adisak (2) Mrs. Nattaya (3) Ms. Ariya (4) Mrs. Salitip and (5) Mr. Maruay |
| 16. AN Capital Company Limited | Land Tenure | <ul style="list-style-type: none"> One director, executive and major shareholder of the Company i.e. Mrs. Nattaya is a major shareholder holding shares at 96.7% There are 5 directors in common i.e. (1) Mr. Adisak (2) Mrs. Nattaya (3) Ms. Ariya (4) Mrs. Salitip and (5) Mr. Maruay |
| 17. Aladdin Shoponline Company Limited | Internet Retail | <ul style="list-style-type: none"> Two directors, executives and major shareholders of the Company are major shareholders jointly holding total shares at 70% i.e. (1) Mr. Adisak holding shares at 35.0% and (2) Mrs. Nattaya holding shares at 35% There are 3 directors in common i.e. (1) Mr. Adisak (2) Mrs. Nattaya and (3) Mr. Maruay |
| 18. Ngermturbo Company Limited | Credit Provider | <ul style="list-style-type: none"> Five directors, executives and Major shareholders of the Company are major shareholders jointly holding total shares at 43.0% i.e. (1) Mr. Adisak holding shares at 11.0% (2) Mrs. Nattaya holding shares at 11.0% (3) Ms. Ariya holding shares at 7% (4) Mrs. Salitip holding shares at 7% and (5) Mr. Maruay holding shares at 7% There are 3 directors in common i.e. (1) Ms. Ariya (2) Mrs. Salitip and (3) Mr. Maruay |
| 19. ThongMawin Capital Company Limited | Pawnshop Services | <ul style="list-style-type: none"> One director and executive of the Company i.e. Mrs. Salitip is a major shareholder holding shares at 46.3% There is 1 director in common i.e. Mrs. Salitip |
| 20. Thuntarin Company Limited | Wholesaler of Household Goods | <ul style="list-style-type: none"> One director and executive of the Company i.e. Mrs. Salitip is a major shareholder holding shares at 50.0% There is 1 director in common i.e. Mrs. Salitip |
| 21. NTBG Company Limited | Loans and Investment | <ul style="list-style-type: none"> There are 2 directors in common i.e. (1) Mr. Adisak and (2) Mrs. Nattaya |
| 22. NTBX Company Limited | Creating computer program | <ul style="list-style-type: none"> There are 2 directors in common i.e. (1) Mr. Adisak and (2) Mrs. Nattaya |
| 23. Money OK Company Limited | Pawnshop Services | <ul style="list-style-type: none"> There are 1 director in common i.e. (1) Mrs. Salitip |
| 24. Ngermturbo insurance broker Company Limited | Insurance against loss | <ul style="list-style-type: none"> There are 2 directors in common i.e. (1) Mr. Adisak and (2) Mrs. Nattaya |

9.2.2 Transactions between the Company or its Subsidiaries and Persons Who May Have Conflict of Interests

Transactions between the Company or its subsidiaries and persons who may have conflicts of interest for the year ended 31 December 2021 can be summarized as follows:

| Person who may have conflict of interests | Nature of Transaction | Transaction Value (MTHB) | Necessity and Reasonableness of the Transaction | Opinion of Audit Committee |
|---|--|--|---|---|
| | | For the year ended | | |
| 1. AN Capital Company Limited | 1.1 Rental charge of land and building which is the location the Ubon Ratchathani warehouse • Expenses | 1.06 | The Company rents the land and building in Muaeng District, Ubon Ratchathani from AN Capital Company Limited to use as warehouse. The rental rate was evaluated by an independent valuation company approved by the SEC. The term of rental agreement is 3 years which can be extended for a period of 3 years each time. | Such transaction relates to property or service with rental rate and conditions conforming to general prices and commercial conditions. The rental rate was set according to the price evaluated by an independent valuation company approved by the SEC. The transaction is therefore deemed proper, reasonable and beneficial to the Group's business operations. |
| 2. Thun tarin Company Limited | 2.1 Sales of goods • Income from sales | 0.02 | The Company sells goods mostly office supplies to Thuntarin Company Limited with prices and general conditions similar to transactions with third parties. | Such transaction is an ordinary business operation with prices and general conditions similar to transactions with third parties. |
| | 2.2 Buying of readymade goods • Purchase goods | 3.42 | The Company buys readymade goods from Thuntarin Company Limited for reselling to its customers with prices and general conditions similar to transactions with third parties. | Such transaction is an ordinary business operation with prices and general conditions similar to transactions with third parties. |
| 3. ThongMawin Capital Company Limited | 3.1 Sale of goods • Income from sales • Account Receivable - Beginning balance - Increase - Payment Ending balance | 0.41 0.02 0.41 (0.35) <u>0.08</u> | The Group has sold goods mostly office equipment and supplies to Thong Mawin Capital Company Limited with prices and general conditions similar to transactions with third parties. | Such transaction is an ordinary business operation with prices and general conditions similar to transactions with third parties. |
| 4. Ngernturbo Company Limited | 4.1 Sales of goods and rent space • Income from sales • Income from rental • Account Receivable - Beginning balance - Increase - Payment Ending balance | 20.27 1.47 1.75 20.27 (21.01) <u>1.01</u> | The Company sells goods mostly office supplies to Turbocash Company Limited with prices and general conditions similar to transactions with third parties. | Such transaction is an ordinary business operation with prices and general conditions similar to transactions with third parties. |

9.2.3 Measures and Procedures for Approval of Related Party Transactions or Connected Transactions

The Board of Directors' Meeting No. 1/2018 dated 26 March 2018 has approved the related party transactions policy and the principle on commercial transactions with general commercial conditions for transactions between the Company or its Subsidiaries and directors, executives or connected, which can be summarized as follows:

Regarding related party transactions of the Company and its subsidiaries, the Company shall follow the law on securities and exchange, including regulations, announcements, orders or provisions prescribed by the Capital Market Supervisory Board and the Stock Exchange; as well as follow the provisions on disclosure of related party transactions and other relevant criteria. An interested party shall not be able to take part in such transaction approval.

In case of any related party transaction required by law to be approved by the Board of Directors' meeting, the Audit Committee shall participate in the meeting to consider and give opinion about the necessity and reasonableness of the transaction. Ordinary business transactions or ordinary business supporting transaction that are commercial agreements with general commercial conditions and transactions that are commercial agreement with non-general commercial conditions shall be subject to the following principle:

(a) Commercial transaction with general commercial conditions

The Board of Directors has approved in principle that the management can approve related party transactions that are commercial agreements with general commercial conditions between the Company and its subsidiaries and directors, executives or

connected parties provided that such transactions are of the same nature as ones a person of ordinary prudence would enter into with other parties in general in similar circumstances with a bargaining power, free from the influence of being a director, executive or connected party (as the case maybe). The Company shall make a report of such transactions to submit to meetings of the Audit Committee and the Board of Directors on a quarterly basis.

(b) Commercial transaction with non-general commercial conditions

Commercial transaction with non-general commercial conditions shall be considered and approved by the Audit Committee before proposing to the Board of Directors and/or the shareholders' meeting (as the case may be) for approval. The law on securities and exchange, including regulations, announcements, orders or provisions prescribed by the Capital Market Supervisory Board and the Stock Exchange, as well as the provisions on disclosure of related party transactions and other relevant criteria shall all be applied.

In case that the Audit Committee has no expertise to consider any potential related party transaction, the Company will designate a knowledgeable specialist, such as an auditor or independent valuer, to provide opinion about the related party transaction for a review by the Audit Committee and/or the Board of Directors and/or shareholders (as the case may be) before making decision in order to be ensured that such transaction is necessary and reasonable based on the interest of the Company. The related party transactions are presented in the Company's annual Information Disclosure Report and notes to financial statements which have been reviewed by the Company's auditor.

9.2.4 Policy on Future Related Party Transactions

The Board of Directors shall manage future related party transactions pursuant to the law on securities and exchange, including regulations, announcements, orders or provisions prescribed by the Capital Market Supervisory Board and the Stock Exchange, as well as the provisions on disclosure of related party transactions of the Company or its subsidiaries under the accounting standards set by the Institute of Certified Accountants and Auditors of Thailand and other relevant criteria.

Moreover, in the case of a related party transaction, or a change to the terms and conditions for a related party transaction with its major shareholders, directors, executives, or persons connected to the Company, the directors with interest in the particular issue will not be present at the Board of Directors' meeting when the agenda concerning the approval on such transaction is being discussed.



Part 3

Financial Statements



- Board of Directors' Statement of Responsibility for Financial Reports
- Annual Financial Statements and Independent Auditor's Report of Certified Public Accountant

Board of Directors' Statement of Responsibility for Financial Reports

Dear Shareholders,

The Board of Directors is responsible for the separated and the consolidated financial statements of the Company and its subsidiaries, including financial information appears in the 56-1 One Report. The financial statements of the year ended 31 December 2021 were prepared in accordance with financial reporting standards using appropriated and consistent accounting policies, deliberated discretion, and reasonable estimation, as well as providing adequate information disclosure in the notes to financial statement, in order to accurately and transparently reflect the financial status, business performance and cash flows for the benefit of shareholders and general investors. Such financial statements were examined by the Certified Public Accountant from EY Office Company Limited. Who gave an unqualified opinion. During the financial statement audit, the Company provided the auditor with information and documents so that the auditor can examine and give opinion according to general accepted auditing standards.

The Board of Directors has established and maintained proper and effective risk management

system, internal control system, internal audit and governance in order to ensure that the accounting information is accurate, complete and adequate for sustaining the Company's assets and preventing any risks, frauds or significant irregular operations.

In this regard, the Board of Directors has appointed the Audit Committee entirely comprising independent directors to be in charge of reviewing the accounting policies and responsible for the quality of financial reports, the reviews of internal control system and internal audit, as well as arranging complete, sufficient and proper disclosure of related party transactions. The opinions of the Audit Committee were already included in the Audit Committee Report in the 56-1 One Report.

The Board of Directors is of the opinion that the Company's overall internal control system is proper and adequate enough to reasonably assure that the separated and consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2021 are reliable and comply with financial reporting standards, as well as relevant laws regulations.



Mr. Chatrachai Tuongratanaphan
Chairman of the Board



Mr. Adisak Tangmitrphracha
Chairman of Executive Committee

Independent Auditor's Report

Dohome Public Company Limited and its subsidiaries
Report and financial statements
31 December 2021

Independent Auditor's Report

To the Shareholders of Dohome Public Company Limited

Opinion

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

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Dohome Public Company Limited and its subsidiaries and of Dohome Public Company Limited as at 31 December 2021, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

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

Key audit matter and how audit procedures respond for are described below.

Allowance for obsolete and slow-moving inventories

As mentioned in the Note 5 to financial statements, Significant accounting judgements and estimates and the Note 12 to financial statements, Inventories, as at 31 December 2021, the balance of cost of inventories was amounting to Baht 11,897.0 million and the allowance for obsolete and slow-moving inventories was amounting to Baht 97.9 million. I especially focused on considering of allowance for obsolete and slow-moving inventories because the Group has various categories of products with large numbers of inventory items and the inventory balance is material to the financial statements. The Group considered setting up an allowance for obsolete and slow-moving inventories based on the physical condition and life cycle of inventory in each category, which requires management's judgement and estimation, in conjunction with the physical condition and the age analysis of inventories.

I evaluated the determination of allowance for obsolete and slow-moving inventories.

The procedures that I performed included:

- Gained an understanding of the methods and assumptions applied by the management in determining the allowance for obsolete and slow-moving inventories and reviewed the consistency of those methods and assumptions
- Assessed key assumptions about the life cycle of inventory by inquiry management and random comparison the life cycle of products with market benchmark, and used this information to consider the reasonableness of management's estimate
- Tested the correctness of the inventory aging report prepared by management and tested accuracy of the allowance and assessed the completeness and appropriateness of accounting record
- Assessed the physical condition during the observation of physical count of inventory
- Compared inventory holding periods with inventory movements to identify product groups with indicators of lower than normal inventory turnover

Other Matter

The financial statements of Dohome Public Company Limited for the year ended 31 December 2020 were audited by other auditor who, under his report dated 17 February 2021, expressed an unmodified opinion on those financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion.
The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

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



Sumalee Reewarabandith

Certified Public Accountant (Thailand) No. 3970

EY Office Limited

Bangkok: 17 February 2022

Financial Statements and Notes to Financial Statements

Dohome Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2021

(Unit: Baht)

| \ | Note | Consolidated financial statements | | | Separate financial statements | | |
|--|--------|-----------------------------------|-----------------------|-----------------------|-------------------------------|-----------------------|-----------------------|
| | | As at | As at | As at | As at | As at | As at |
| | | 31 December 2021 | 31 December 2020 | 1 January 2020 | 31 December 2021 | 31 December 2020 | 1 January 2020 |
| Assets | | | | | | | |
| Current assets | | | | | | | |
| Cash and cash equivalents | 9 | 301,046,512 | 99,518,485 | 204,016,407 | 296,732,246 | 95,108,932 | 191,615,341 |
| Short-term investment | | - | - | 65,831 | - | - | - |
| Trade and other receivables | 10, 35 | 1,570,852,738 | 903,187,885 | 718,742,329 | 1,570,852,738 | 903,187,885 | 718,944,329 |
| Current portion of lease receivables | 13 | 2,663,898 | 2,268,318 | - | 2,663,898 | 2,268,318 | - |
| Short-term loans to related parties | 35 | - | - | - | 239,100,000 | 226,100,000 | 251,000,000 |
| Derivative assets | 11 | - | 11,036 | 8,671 | - | 11,036 | 8,671 |
| Inventories | 12 | 11,796,051,432 | 8,559,714,303 | 7,048,156,030 | 11,796,051,432 | 8,559,714,303 | 7,048,156,030 |
| Other current assets | 35 | 302,958,548 | 184,606,979 | 178,449,815 | 297,896,709 | 183,437,036 | 174,800,049 |
| Total current assets | | 13,973,573,128 | 9,749,307,006 | 8,149,439,083 | 14,203,297,023 | 9,969,827,510 | 8,384,524,420 |
| Non-current assets | | | | | | | |
| Restricted fixed deposits at banks | | - | - | 242,343,976 | - | - | 242,343,976 |
| Financial assets measured at fair value through profit or loss | | - | - | 500,000 | - | - | 500,000 |
| Lease receivables | 13 | 23,594,946 | 20,523,749 | - | 23,594,946 | 20,523,749 | - |
| Investments in subsidiaries | 14 | - | - | - | 1,114,655,115 | 1,114,655,115 | 1,120,904,940 |
| Property, plant and equipment | 15 | 12,345,645,240 | 10,381,620,982 | 9,583,112,660 | 11,423,785,370 | 9,523,075,856 | 8,742,368,688 |
| Right-of-use assets | 16 | 793,783,421 | 523,904,290 | 232,098,077 | 1,160,241,512 | 905,551,031 | 629,008,746 |
| Intangible assets | 17 | 89,913,611 | 89,811,161 | 77,699,519 | 89,913,611 | 89,811,161 | 77,699,519 |
| Total non-current assets | | 13,252,937,218 | 11,015,860,182 | 10,135,754,232 | 13,812,190,554 | 11,653,616,912 | 10,812,825,869 |
| Total assets | | 27,226,510,346 | 20,765,167,188 | 18,285,193,315 | 28,015,487,577 | 21,623,444,422 | 19,197,350,289 |

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

Dohome Public Company Limited and its subsidiaries
Statement of financial position (continued)
As at 31 December 2021

(Unit: Baht)

| | Note | Consolidated financial statements | | | Separate financial statements | | |
|---|--------|-----------------------------------|-----------------------|-----------------------|-------------------------------|-----------------------|-----------------------|
| | | As at | As at | As at | As at | As at | As at |
| | | 31 December 2021 | 31 December 2020 | 1 January 2020 | 31 December 2021 | 31 December 2020 | 1 January 2020 |
| Liabilities and shareholders' equity | | | | | | | |
| Current liabilities | | | | | | | |
| Bank overdrafts and short-term loans | | | | | | | |
| from financial institutions | 18 | 8,494,210,334 | 6,852,308,925 | 5,731,705,487 | 8,494,210,334 | 6,852,308,925 | 5,731,705,487 |
| Trade and other payables | 19, 35 | 3,896,676,970 | 2,845,060,232 | 2,488,177,361 | 3,885,813,630 | 2,844,756,284 | 2,488,101,409 |
| Current portion of long-term loans | | | | | | | |
| from financial institutions | 20 | 688,434,000 | 800,809,981 | 803,018,166 | 688,434,000 | 800,809,981 | 803,018,166 |
| Current portion of lease liabilities | 21 | 50,997,951 | 56,233,269 | 52,240,333 | 60,660,721 | 65,527,704 | 76,912,333 |
| Income tax payable | | 155,904,417 | 90,236,288 | 25,608,078 | 152,452,585 | 86,872,936 | 21,691,957 |
| Derivative liabilities | 11 | 2,280,056 | 23,776,884 | 13,024,548 | 2,280,056 | 23,776,884 | 13,024,548 |
| Other current liabilities | | 36,792,551 | 6,411,058 | 4,042,949 | 32,942,365 | 5,446,799 | 3,336,619 |
| Total current liabilities | | 13,325,296,279 | 10,674,836,637 | 9,117,816,922 | 13,316,793,691 | 10,679,499,513 | 9,137,790,519 |
| Non-current liabilities | | | | | | | |
| Long-term loans from financial institutions | 20 | 2,737,151,188 | 2,738,556,748 | 2,536,120,272 | 2,737,151,188 | 2,738,556,748 | 2,536,120,272 |
| Lease liabilities | 21 | 202,704,218 | 205,082,339 | 175,941,206 | 571,642,264 | 583,683,154 | 548,179,875 |
| Deferred tax liabilities | 22 | 6,489,541 | 4,030,145 | 6,322,222 | 6,489,541 | 4,030,145 | 6,322,222 |
| Provision for long-term employee benefits | 23 | 35,845,812 | 31,668,142 | 25,068,108 | 35,845,812 | 31,668,142 | 25,068,108 |
| Derivative liabilities | 11 | 12,582,974 | - | - | 12,582,974 | - | - |
| Other non-current liabilities | | 26,696,262 | 21,237,955 | 17,279,811 | 26,696,262 | 21,237,955 | 17,279,811 |
| Total non-current liabilities | | 3,021,469,995 | 3,000,575,329 | 2,760,731,619 | 3,390,408,041 | 3,379,176,144 | 3,132,970,288 |
| Total liabilities | | 16,346,766,274 | 13,675,411,966 | 11,878,548,541 | 16,707,201,732 | 14,058,675,657 | 12,270,760,807 |

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

Dohome Public Company Limited and its subsidiaries**Statement of financial position (continued)****As at 31 December 2021**

(Unit: Baht)

| | Note | Consolidated financial statements | | | Separate financial statements | | |
|--|------|-----------------------------------|-----------------------|-----------------------|-------------------------------|-----------------------|-----------------------|
| | | As at | As at | As at | As at | As at | As at |
| | | 31 December 2021 | 31 December 2020 | 1 January 2020 | 31 December 2021 | 31 December 2020 | 1 January 2020 |
| Shareholders' equity | | | | | | | |
| Share capital | 24 | | | | | | |
| Registered | | | | | | | |
| 3,243,684,982 ordinary shares of Baht 1 each | | | | | | | |
| (2020: 2,165,520,000 ordinary shares of Baht 1 each) | | 3,243,684,982 | 2,165,520,000 | 1,856,160,000 | 3,243,684,982 | 2,165,520,000 | 1,856,160,000 |
| Issued and paid-up | | | | | | | |
| 2,422,170,022 ordinary shares of Baht 1 each | | | | | | | |
| (2020: 2,165,517,966 ordinary shares of Baht 1 each) | | 2,422,170,022 | 2,165,517,966 | 1,856,160,000 | 2,422,170,022 | 2,165,517,966 | 1,856,160,000 |
| Premium on ordinary shares | 24 | 5,552,669,684 | 3,646,985,816 | 3,646,985,816 | 5,552,669,684 | 3,646,985,816 | 3,646,985,816 |
| Capital reserve for share-based payments | 25 | 4,307,500 | - | - | 4,307,500 | - | - |
| Deficits on business combination | | | | | | | |
| under common control | | (598,386,370) | (598,386,370) | (598,386,370) | - | - | - |
| Retained earnings | | | | | | | |
| Appropriated | | | | | | | |
| Statutory reserve - the Company | 26 | 177,130,000 | 88,550,000 | 54,350,000 | 177,130,000 | 88,550,000 | 54,350,000 |
| Statutory reserve - subsidiaries | | 2,800,000 | 2,800,000 | 2,800,000 | - | - | - |
| Unappropriated | | 3,324,983,275 | 1,797,340,103 | 1,449,187,470 | 3,163,899,063 | 1,682,727,661 | 1,379,506,368 |
| Other components of shareholders' equity | | (5,930,339) | (13,052,593) | (4,452,617) | (11,890,424) | (19,012,678) | (10,412,702) |
| Equity attributable to owners of the Company | | 10,879,743,772 | 7,089,754,922 | 6,406,644,299 | 11,308,285,845 | 7,564,768,765 | 6,926,589,482 |
| Non-controlling interests of the subsidiaries | | 300 | 300 | 475 | - | - | - |
| Total shareholders' equity | | 10,879,744,072 | 7,089,755,222 | 6,406,644,774 | 11,308,285,845 | 7,564,768,765 | 6,926,589,482 |
| Total liabilities and shareholders' equity | | 27,226,510,346 | 20,765,167,188 | 18,285,193,315 | 28,015,487,577 | 21,623,444,422 | 19,197,350,289 |

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

Dohome Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2021

(Unit: Baht)

| | Note | Consolidated financial statements | | Separate financial statements | |
|---|------|-----------------------------------|-----------------------|-------------------------------|-----------------------|
| | | 2021 | 2020 | 2021 | 2020 |
| Profit or loss: | | | | | |
| Revenues | | | | | |
| Sales | | 25,576,901,817 | 18,567,040,410 | 25,576,901,817 | 18,567,040,410 |
| Service income | | 207,700,733 | 159,621,726 | 207,700,733 | 159,621,726 |
| Other income | 27 | 133,178,383 | 126,299,991 | 134,703,135 | 128,023,317 |
| Total revenues | | 25,917,780,933 | 18,852,962,127 | 25,919,305,685 | 18,854,685,453 |
| Expenses | | | | | |
| Cost of sales | | 20,578,013,823 | 15,737,298,353 | 20,574,358,890 | 15,735,177,746 |
| Selling and distribution expenses | | 2,171,952,340 | 1,544,659,591 | 2,199,081,749 | 1,566,962,807 |
| Administrative expenses | | 663,592,931 | 442,418,112 | 686,564,410 | 465,954,136 |
| Other expenses | 29 | - | 664,582 | - | 2,114,794 |
| Total expenses | | 23,413,559,094 | 17,725,040,638 | 23,460,005,049 | 17,770,209,483 |
| Operating profit | | 2,504,221,839 | 1,127,921,489 | 2,459,300,636 | 1,084,475,970 |
| Finance income | 30 | 19,346,925 | 21,141,512 | 24,592,642 | 26,984,574 |
| Finance cost | 31 | (257,977,052) | (245,134,933) | (273,354,617) | (260,866,792) |
| Profit before income tax expenses | | 2,265,591,712 | 903,928,068 | 2,210,538,661 | 850,593,752 |
| Income tax expenses | 32 | (447,528,918) | (177,247,870) | (438,947,637) | (168,844,867) |
| Profit for the year | | 1,818,062,794 | 726,680,198 | 1,771,591,024 | 681,748,885 |
| Other comprehensive income: | | | | | |
| <i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i> | | | | | |
| Actuarial loss | | (1,661,194) | (743,213) | (1,661,194) | (743,213) |
| Less: Income tax effect | | 332,239 | 148,643 | 332,239 | 148,643 |
| Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax | | (1,328,955) | (594,570) | (1,328,955) | (594,570) |
| <i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i> | | | | | |
| Gain (loss) on cash flow hedges | | 8,902,818 | (10,749,971) | 8,902,818 | (10,749,971) |
| Less: Income tax effect | | (1,780,564) | 2,149,995 | (1,780,564) | 2,149,995 |
| Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax | | 7,122,254 | (8,599,976) | 7,122,254 | (8,599,976) |
| Other comprehensive income for the year | | 5,793,299 | (9,194,546) | 5,793,299 | (9,194,546) |
| Total comprehensive income for the year | | 1,823,856,093 | 717,485,652 | 1,777,384,323 | 672,554,339 |

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

Dohome Public Company Limited and its subsidiaries**Statement of comprehensive income (continued)****For the year ended 31 December 2021**

(Unit: Baht)

| | Note | Consolidated financial statements | | Separate financial statements | |
|--|------|-----------------------------------|-------------|-------------------------------|-------------|
| | | 2021 | 2020 | 2021 | 2020 |
| Profit attributable to | | | | | |
| Equity holders of the Company | | 1,818,062,794 | 726,680,198 | 1,771,591,024 | 681,748,885 |
| Non-controlling interests of the subsidiaries | | - | - | | |
| | | 1,818,062,794 | 726,680,198 | | |
| Total comprehensive income attributable to | | | | | |
| Equity holders of the Company | | 1,823,856,093 | 717,485,652 | 1,777,384,323 | 672,554,339 |
| Non-controlling interests of the subsidiaries | | - | - | | |
| | | 1,823,856,093 | 717,485,652 | | |
| Earnings per share | 33 | | | | |
| Basic earnings per share | | | | | |
| Profit attributable to equity holders of the Company | | 0.76335 | 0.30976 | 0.74384 | 0.29060 |
| Diluted earnings per share | | | | | |
| Profit attributable to equity holders of the Company | | 0.76326 | 0.30976 | 0.74375 | 0.29060 |

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

Dohome Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2021

(Unit: Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|---------------------|-------------------------------|---------------------|
| | 2021 | 2020 | 2021 | 2020 |
| Cash flows from operating activities | | | | |
| Profit before tax | 2,265,591,712 | 903,928,068 | 2,210,538,661 | 850,593,752 |
| Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities: | | | | |
| Depreciation and amortisation | 589,755,313 | 503,030,797 | 600,757,675 | 515,653,446 |
| Allowance for obsolete and slow-moving inventories | 18,241,113 | 16,715,784 | 18,241,113 | 16,715,784 |
| Reduction of inventory cost to net realisable value | 502,847 | 31,028 | 502,847 | 31,028 |
| Loss from liquidation of subsidiaries | - | - | - | 1,450,213 |
| Gain on sales/write-offs of equipment | (3,969,626) | (4,176,298) | (3,969,626) | (4,176,298) |
| Provision for long-term employee benefits | 3,482,828 | 6,044,756 | 3,482,828 | 6,044,756 |
| Expenses related to share-based payments | 13,079,964 | - | 13,079,964 | - |
| Reversal of allowance for expected credit losses | (10,432,498) | (17,836,583) | (10,432,498) | (17,836,583) |
| Unrealised (gain) loss on exchange rate | 803,744 | (597,318) | 803,744 | (597,318) |
| Loss from write-off of financial assets measured at fair value through profit or loss | - | 500,000 | - | 500,000 |
| Gain on lease terminations | (244,569) | - | (244,569) | - |
| Finance income | (19,346,925) | (21,141,512) | (24,592,642) | (26,984,574) |
| Finance cost | 257,977,052 | 245,134,933 | 273,354,617 | 260,866,792 |
| Profit from operating activities before changes in operating assets and liabilities | 3,115,440,955 | 1,631,633,655 | 3,081,522,114 | 1,602,260,998 |
| Operating assets (increase) decrease | | | | |
| Trade and other receivables | (644,451,516) | (175,094,944) | (644,451,514) | (174,892,971) |
| Inventories | (3,255,081,089) | (1,528,305,085) | (3,255,081,089) | (1,528,305,085) |
| Other current assets | (118,351,569) | (1,237,485) | (114,459,673) | (3,717,308) |
| Operating liabilities increase (decrease) | | | | |
| Trade and other payables | 865,197,640 | 374,695,811 | 865,986,348 | 375,130,790 |
| Other current liabilities | 30,381,493 | 2,368,109 | 27,495,563 | 2,110,180 |
| Cash flows from (used in) operating activities | (6,864,086) | 304,060,061 | (38,988,251) | 272,586,604 |
| Cash paid for long-term employee benefits | (966,352) | (187,935) | (966,352) | (187,935) |
| Cash received from interest income | 274,406 | 1,265,471 | 5,520,123 | 7,108,533 |
| Cash paid for interest expenses | (272,294,861) | (251,603,920) | (287,672,426) | (267,335,779) |
| Cash paid for income tax | (380,849,718) | (112,613,100) | (372,356,916) | (103,657,327) |
| Net cash flows used in operating activities | (660,700,611) | (59,079,423) | (694,463,822) | (91,485,904) |

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

Dohome Public Company Limited and its subsidiaries**Cash flow statement (continued)****For the year ended 31 December 2021**

(Unit: Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|-----------------------------------|------------------------|-------------------------------|------------------------|
| | 2021 | 2020 | 2021 | 2020 |
| Cash flows from investing activities | | | | |
| Decrease in restricted fixed deposits at banks | - | 242,343,976 | - | 242,343,976 |
| Decrease in short-term investment | - | 65,831 | - | - |
| Decrease (increase) in short-term loans to related parties | - | - | (13,000,000) | 24,900,000 |
| Increase in lease receivables | (7,618,190) | - | (7,618,190) | - |
| Cash received from lease receivables | 10,975,687 | 6,199,256 | 10,975,687 | 6,199,256 |
| Cash received from liquidation of subsidiaries | - | - | - | 4,799,612 |
| Cash paid for acquisitions of equipment and construction of buildings | (2,266,539,928) | (1,255,064,484) | (2,210,386,996) | (1,235,360,305) |
| Cash paid for acquisitions of intangible assets | (11,347,680) | (17,882,844) | (11,347,680) | (17,882,844) |
| Cash paid for investments in right-of-use assets | (291,936,804) | (268,422,000) | (291,936,804) | (268,422,000) |
| Proceeds from sales of equipment | 8,124,502 | 7,986,338 | 8,124,502 | 7,986,338 |
| Net cash flows used in investing activities | (2,558,342,413) | (1,284,773,927) | (2,515,189,481) | (1,235,435,967) |
| Cash flows from financing activities | | | | |
| Cash paid to non-controlling interests due to dissolution of subsidiaries | - | (175) | - | - |
| Increase in short-term loans from financial institutions | 1,641,901,409 | 1,120,603,438 | 1,641,901,409 | 1,120,603,438 |
| Cash received from long-term loans from financial institutions | 934,030,820 | 1,036,124,219 | 934,030,820 | 1,036,124,219 |
| Repayments of long-term loans from financial institutions | (1,047,812,361) | (835,895,928) | (1,047,812,361) | (835,895,928) |
| Payments of lease liabilities | (60,649,196) | (47,046,960) | (69,943,630) | (55,987,101) |
| Cash received from increase in share capital from exercise of warrants | 5,501,404 | - | 5,501,404 | - |
| Cash received from increase in share capital | 1,967,605,500 | - | 1,967,605,500 | - |
| Dividend paid | (20,054,111) | (34,375,056) | (20,054,111) | (34,375,056) |
| Net cash flows from financing activities | 3,420,523,465 | 1,239,409,538 | 3,411,229,031 | 1,230,469,572 |
| Net increase (decrease) in cash and cash equivalents | 201,480,441 | (104,443,812) | 201,575,728 | (96,452,299) |
| Cash and cash equivalents at beginning of year | 99,518,485 | 204,016,407 | 95,108,932 | 191,615,341 |
| Effects of exchange rate | 47,586 | (54,110) | 47,586 | (54,110) |
| Cash and cash equivalents at end of year | 301,046,512 | 99,518,485 | 296,732,246 | 95,108,932 |
| Supplemental cash flows information | | | | |
| Non-cash items consist of | | | | |
| Increase in right-of-use assets from lease liabilities | 61,288,783 | 80,181,029 | 61,288,783 | 80,105,751 |
| Transfer of property, plant and equipment to intangible assets | 646,941 | - | 646,941 | - |
| Transfer of property, plant and equipment to right-of-use assets | - | 36,189,470 | - | 36,189,470 |
| Transfer of property, plant and equipment to lease receivables | - | 5,687,353 | - | 5,687,353 |
| (Increase) decrease in accounts payable for purchases of equipment and construction of buildings | (183,419,817) | 19,767,775 | (172,071,717) | 20,430,751 |
| Increase in property, plant and equipment from provision for decommissioning costs | 4,439,752 | 5,234,667 | 4,439,752 | 5,234,667 |
| Stock dividend | 180,456,556 | 309,360,000 | 180,456,556 | 309,360,000 |

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



Dohome Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity

For the year ended 31 December 2021

(Unit: Baht)

| Note | Consolidated financial statements | | | | | | | | | | |
|--------|--|----------------------------|--|---|----------------------------------|--------------|----------------|--|----------------|--|--|
| | Equity attributable to owners of the Company | | | | | | | | | | Equity attributable to non-controlling interests of the subsidiaries |
| | Issued and paid-up share capital | Premium on ordinary shares | Capital reserve for share-based payments | Deficits on business combination under common control | Retained earnings | | | Other components of equity | | Total equity attributable to shareholders of the Company | |
| | | | | | Appropriated - statutory reserve | | Unappropriated | Other comprehensive income - Cash flow hedge reserve | | | |
| | | | | | The Company | Subsidiaries | | | | | |
| | 1,856,160,000 | 3,646,985,816 | - | (598,386,370) | 54,350,000 | 2,800,000 | 1,449,187,470 | (4,452,617) | - | 475 | 475 |
| | - | - | - | - | - | - | 726,680,198 | - | 726,680,198 | - | 726,680,198 |
| | - | - | - | - | - | - | (594,543) | (8,599,976) | (8,194,519) | - | (8,194,519) |
| | - | - | - | - | - | - | 726,085,655 | (8,599,976) | 717,485,679 | - | 717,485,679 |
| | - | - | - | - | - | - | - | - | - | (175) | (175) |
| 34 | 309,357,966 | - | - | - | - | - | (309,357,966) | - | - | - | - |
| 34 | - | - | - | - | - | - | (84,375,056) | - | (84,375,056) | - | (84,375,056) |
| 26 | - | - | - | - | 34,200,000 | - | (34,200,000) | - | - | - | - |
| | 2,165,517,966 | 3,646,985,816 | - | (598,386,370) | 88,550,000 | 2,800,000 | 1,797,340,103 | (13,052,593) | 683,110,623 | 300 | 683,110,923 |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | 2,165,517,966 | 3,646,985,816 | - | (598,386,370) | 88,550,000 | 2,800,000 | 1,797,340,103 | (13,052,593) | 7,089,754,922 | 300 | 7,089,755,222 |
| | - | - | - | - | - | - | 1,818,062,794 | - | 1,818,062,794 | - | 1,818,062,794 |
| | - | - | - | - | - | - | (1,328,955) | 7,122,254 | 5,793,299 | - | 5,793,299 |
| | - | - | - | - | - | - | 1,816,733,839 | 7,122,254 | 1,823,856,093 | - | 1,823,856,093 |
| 24, 25 | 695,500 | 13,578,368 | (8,772,464) | - | - | - | - | - | 5,501,404 | - | 5,501,404 |
| 24 | 75,500,000 | 1,892,105,500 | - | - | - | - | - | - | 1,967,605,500 | - | 1,967,605,500 |
| 25 | - | - | 13,079,964 | - | - | - | - | - | 13,079,964 | - | 13,079,964 |
| 24, 34 | 180,456,556 | - | - | - | - | - | (180,456,556) | - | - | - | - |
| 34 | - | - | - | - | - | - | (20,054,111) | - | (20,054,111) | - | (20,054,111) |
| 26 | - | - | - | - | 88,580,000 | - | (88,580,000) | - | - | - | - |
| | 2,422,170,022 | 5,552,669,684 | 4,307,500 | (598,386,370) | 177,130,000 | 2,800,000 | 3,324,983,275 | (5,930,339) | 10,879,743,772 | 300 | 10,879,744,072 |
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The accompanying notes are an integral part of the financial statements.



Dohome Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2021

| Separate financial statements | | | | | | | | (Unit: Baht) |
|---------------------------------------|----------------------------------|----------------------------|--|----------------------------------|----------------|--|----------------------------|--------------|
| Note | Issued and paid-up share capital | Premium on ordinary shares | Capital reserve for share-based payments | Retained earnings | | Other components | Total shareholders' equity | |
| | | | | Appropriated - statutory reserve | Unappropriated | Other comprehensive income - Cash flow hedge reserve | | |
| | | | | | | | | |
| Balance as at 1 January 2020 | | | | | | | | |
| | 1,856,160,000 | 3,646,985,816 | - | 54,350,000 | 1,379,506,368 | (10,412,702) | 6,926,589,482 | |
| | - | - | - | - | 681,748,885 | - | 681,748,885 | |
| | - | - | - | - | (594,570) | (8,599,976) | (9,194,546) | |
| | - | - | - | - | 681,154,315 | (8,599,976) | 672,554,339 | |
| 34 | 309,357,966 | - | - | - | (309,357,966) | - | - | |
| 34 | - | - | - | - | (34,375,056) | - | (34,375,056) | |
| 26 | - | - | - | 34,200,000 | (34,200,000) | - | - | |
| Balance as at 31 December 2020 | | | | | | | | |
| | 2,165,517,966 | 3,646,985,816 | - | 88,550,000 | 1,682,727,661 | (19,012,678) | 7,564,768,765 | |
| Balance as at 1 January 2021 | | | | | | | | |
| | 2,165,517,966 | 3,646,985,816 | - | 88,550,000 | 1,682,727,661 | (19,012,678) | 7,564,768,765 | |
| | - | - | - | - | 1,771,591,024 | - | 1,771,591,024 | |
| | - | - | - | - | (1,328,955) | 7,122,254 | 5,793,299 | |
| | - | - | - | - | 1,770,262,069 | 7,122,254 | 1,777,384,323 | |
| 24, 25 | 695,500 | 13,578,368 | (8,772,464) | - | - | - | 5,501,404 | |
| 24 | 75,500,000 | 1,892,105,500 | - | - | - | - | 1,967,605,500 | |
| 25 | - | - | 13,079,964 | - | - | - | 13,079,964 | |
| 24, 34 | 180,456,556 | - | - | - | (180,456,556) | - | - | |
| 34 | - | - | - | - | (20,054,111) | - | (20,054,111) | |
| 26 | - | - | - | 88,580,000 | (88,580,000) | - | - | |
| Balance as at 31 December 2021 | | | | | | | | |
| | 2,422,170,022 | 5,552,669,684 | 4,307,500 | 177,130,000 | 3,163,899,063 | (11,890,424) | 11,308,285,845 | |

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

Dohome Public Company Limited and its subsidiaries**Notes to financial statements****For the year ended 31 December 2021****1. General information****1.1 General information of the Company**

Dohome Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in retailing and wholesaling of construction materials, office equipment, and household products. The registered office of the Company is at 37 - 47 Srimongkol Road, Warinchamrab Sub-District, Warinchamrab District, Ubonratchathani.

As at 31 December 2021, the Company operates 16 large-size stores, 10 small-size stores (Dohome ToGo) and 1 distribution center (2020: 12 large-size stores, 11 small-size stores (Dohome ToGo) and 1 distribution center).

1.2 Coronavirus disease 2019 pandemic

The outbreak of new wave of Coronavirus disease 2019 (“COVID-19”) since the end of 2020 until now has affected on the operations of the Group for the year 2021 as below.

Due to a new wave of COVID-19 pandemic since the middle of December 2020, the government has ordered further temporary closures of retail stores, affecting the Company’s branches in Samutsakorn province and Rayong province. The Rama 2 branch and Phetkasem branch were closed from 19 December 2020 and normal operation resumed on 1 February 2021, in accordance with announcements of Samutsakorn provincial authorities and Map-Ta-Phut branch temporarily closed from 28 December 2020 and resumed normal operation on 27 January 2021 in accordance with announcements of Rayong provincial authorities.

COVID-19 pandemic intensified in the mid-July 2021, especially in the Bangkok metropolitan area and several nearby provinces, resulting in the announcement of stricter measures and enforcement by the government. Orders were issued for further temporary closures of 2 large branches, namely Petchkasem branch, Rama 2 branch since 22 July 2021 and the Dohome ToGo branches located in 7 department stores, namely Makro Charansanitwong, Makro Sathorn, Lotus Bangna, Big C Bang Phli, Cosmo Walk, Pantip Ngamwongwan since 21 July 2021 and Lotus Korat since 2 August 2021 and resumed normal operation on 1 September 2021, in accordance with the latest announcement by the government.

However, during those periods the Group was able to continue providing service as usual through its e-commerce and direct phone purchase channels via salespersons and sales representatives, except for the Rama 2 branch and Phetchkasem branch which were not able to provide service through any channels. Despite the impact of the COVID-19 pandemic on the Group in 2021, operating results improved, in terms of both revenue and profit.

2. Basis of preparation

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

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

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

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Dohome Public Company Limited (hereinafter called as “the Company”) and the following subsidiaries (hereinafter called as “the Group”).

| Company's name | Nature of business | Country of incorporation | Percentage of shareholding | |
|-------------------------------|--|--------------------------|----------------------------|------|
| | | | 2021 | 2020 |
| | | | (%) | (%) |
| Dohome Group Company Limited | Property investment | Thailand | 100 | 100 |
| Dohome Energy Company Limited | Production and distribution of electricity | Thailand | 100 | 100 |

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions among the Group have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- g) The difference between consideration under business combination under common control and the acquirer's interests in the carrying value of the acquiree is presented as “Deficits on business combination under common control” in equity and is derecognised when the investment is disposed of by transferring to retained earnings.

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

3. New financial reporting standards

a) Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

In addition, the Group has adopted the temporary exemptions from applying specific hedge accounting requirements in accordance with TFRS 9 Financial Instruments and TFRS 7 Disclosure of Financial Instruments, which apply to all hedging relationships directly affected by interest rate benchmark reform. Consequently, the Group can continue to apply hedge accounting for those hedging relationships in the period when there is uncertainty about the timing or the amount of interest rate benchmark-based cash flows of the hedged item or of the hedging instrument.

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

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

The Federation of Accounting Professions issued several 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 of the standards.

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

4. Significant accounting policies

4.1 Revenue and expense recognition

Sales of goods

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

Contract assets and contract liabilities

A contract asset is recognised where the Group recorded revenue for fulfillment of a contractual performance obligation before the customer paid consideration or before the requirements for billing.

A contract liability is recognised when the customer paid consideration or a receivable from the customer that is due before the Group fulfilled a contractual performance obligation.

For each customer contract, contract liabilities are set off against contract assets.

Service income

The Group recognises service contracts with a continuous service provision as revenue on a straight-line basis over the contract term, regardless of the payment pattern.

Interest income

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

Dividends

Dividends are recognised when the right to receive the dividends is established.

Finance cost

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

Other income and expenses

Other income and expenses are recognised on an accrual basis.

4.2 Cash and cash equivalents

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

4.3 Inventories

Inventories are valued at the lower of cost under the weighted average method and net realisable value.

Cost of inventories comprises all purchase costs and costs directly attributable to the acquisition of the inventory less all attributable discounts. The Group provides an allowance for obsolete and slow-moving inventories based on the physical condition and age analysis of inventories.

4.4 Investments in subsidiaries

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

4.5 Property, plant and equipment/Depreciation

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

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group. The carrying amount of the replaced part is derecognised.

The Group recognises repairs and other maintenance costs as expenses in profit or loss when incurred.

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

| | | |
|-------------------------------------|---------|-------|
| Buildings and building improvements | 10 - 40 | years |
| Machinery, tools, and equipment | 5 - 10 | years |
| Equipment and computer | 3 and 5 | years |
| Motor vehicles | 5 | years |
| Furniture and office equipment | 5 | years |

Depreciation is included in determining income.

No depreciation is provided on land and assets under construction and installation.

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

4.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.7 Intangible assets/Amortisation

Intangible assets, computer software are initially recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Cost of computer software maintenance are recognised as expenses in profit or loss when incurred.

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

| | | |
|-------------------|----|-------|
| Computer software | 10 | years |
|-------------------|----|-------|

No amortisation is provided on computer software under installation.

4.8 Leases

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

The Group as a lessor

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognised as a receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognised over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

The Group as a lessee

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

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

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

| | | |
|--------------------------------|------|-------|
| Land | 9-40 | years |
| Buildings | 28 | years |
| Machinery, tools and equipment | 5 | years |
| Motor vehicles | 5 | years |

Depreciation is included in determining income.

Lease liabilities

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

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

Short-term leases and leases of low-value assets

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

4.9 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets or other assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

4.10 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

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

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

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

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring-related costs.

4.11 Provisions

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

4.12 Financial instruments

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

Classification and measurement of financial assets

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

Financial assets at amortised cost

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

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

Financial assets at FVTPL

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

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Financial assets designated at FVOCI

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

Classification and measurement of financial liabilities

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

Regular way purchases and sales of financial assets

Regular way purchases and sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace are recognised on the trade date, i.e., the date on which the Group commits to purchase or sell the asset.

Derecognition of financial instruments

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

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

Impairment of financial assets

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

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

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

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

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

Offsetting of financial instruments

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

4.13 Derivatives and hedge accounting

Derivatives

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

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

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

Hedge accounting

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to a variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation

At the inception of a hedging relationship, the Group formally designates and documents the hedging relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation, at the inception of the hedge and on an ongoing basis, includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements, including analysis of the sources of hedge ineffectiveness and how the hedge ratio is determined.

A hedging relationship qualifies for hedge accounting if it meets all of the following hedge effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk is not the dominant factor in the value changes that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all of the qualifying criteria for hedge accounting are accounted for, as described below.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in profit or loss. The cash flow hedge reserve is adjusted to the lower (in absolute amounts) of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The way cash flow hedge reserve accumulated in other comprehensive income are subsequently accounted for, depends on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the reserve accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and is not recognised in other comprehensive income for the period. For any other cash flow hedges, the reserve accumulated in other comprehensive income is subsequently reclassified to profit or loss as a reclassification adjustment in the same period which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the cash flow hedge reserve accumulated in other comprehensive income must remain in equity if the hedged future cash flows are still expected to occur. Otherwise, the reserve will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, the way the reserve remaining in equity is accounted for depends on the nature of the underlying transaction as described above.

The Group designates only the spot element of forward contracts, the intrinsic value of the options and the financial instrument excluding the foreign currency basis spread as a hedging instrument. The change in fair value of the forward element of forward contracts, the time value of the options and the foreign currency basis spread of financial instrument that relates to the hedged item is separately accounted for as a cost of hedging which is recognised in other comprehensive income and accumulated in a separate component of equity under cost of hedging reserve.

4.14 Foreign currencies

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

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

Gains and losses on exchange rate are included in determining income.

4.15 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options (net of tax) are shown as a deduction from share premiums.

4.16 Equity-settled share-based payment transactions

The Group recognises share-based payment transactions when it receives services provided by employees, based on the fair value of the share options on the grant date. The expenses are recorded over the vesting period, in accordance with the conditions regarding length of service rendered by employees stipulated in the share-based payment plan, together with a corresponding increase in “capital reserve for share-based payments” in shareholders’ equity.

4.17 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 interim dividends are approved by the Board of Directors.

4.18 Fair value measurement

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

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

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

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

4.19 Income tax

Income tax expenses represent the sum of corporate income tax currently payable and deferred tax.

Current tax

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

Deferred tax

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

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

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

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

4.20 Related party transactions

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

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

5. Significant accounting judgements and estimates

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

Leases**The Group as a lessee***Determining the lease term with extension and termination options*

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

Estimating the incremental borrowing rate

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

**Reduction of inventory cost to net realisable value**

In determining a reduction of inventory cost to net realisable value, the management makes judgement and estimates net realisable value of inventory based on the amount of the inventories are expected to realise. These estimates take into consideration fluctuations of selling price directly relating to events occurring after the end of the reporting period. Also, the management makes judgement and estimates the expected loss from obsolete and slow-moving inventories based on the physical condition and age analysis of inventories.

Allowance for expected credit losses of trade receivables and contract assets

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

Property, plant and equipment and depreciation

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

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Allowance for impairment of non-financial assets

In determining allowance for impairment of a non-financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next 5 years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Post-employment benefits under defined benefit plans

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

Equity-settled share-based payment transactions

Estimating fair value for the share-based payment transactions requires management to exercise judgement, and to apply assumptions, including as to the expected life of the share options, share price volatility, dividend yield and risk-free interest rate.

Litigation

The Group has contingent liabilities as a result of litigation. The Group's management has used judgement to assess the results of the litigation and believes that no loss will result. Therefore, no contingent liabilities are recorded at the end of reporting period.

6. Financial risk management

6.1 Financial risk

The Group is exposed to a variety of financial risks, namely market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management plan focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain exposures.

The Group has a treasury committee to manage financial risk. The Group's risk policies cover a range of areas, including foreign exchange risk, interest rate risk, price risk, credit risk and liquidity risk. Hedging principles are in accordance with policies approved by the Board of Directors, for communication and as control tools by treasury committee for financial management across all Group entities.

In cases where all relevant criteria are met, hedge accounting is applied by the Group to reduce the impact of accounting mismatches between the hedging instrument and the hedged item. This will effectively result in recognising interest expenses at a fixed interest rate for hedged floating rate loans and inventory at the fixed foreign currency rate for hedged purchases.

6.1.1 Market risk

a) Foreign exchange risk

The Group's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies.

As at 31 December 2021 and 2020, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

(Unit: Thousand Baht)

| Foreign Currency | Average exchange rate | | Consolidated/Separate financial statements | | | |
|------------------|-----------------------|-------|--|------|-----------------------|--------|
| | | | Financial assets | | Financial liabilities | |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| USD | 33.47 | 29.95 | 350 | 419 | 34,314 | 26,558 |
| RMB | 5.52 | 4.58 | - | - | 125,029 | 86,532 |

The Group manages its foreign currency risk by hedging transactions that is expected to occur within a maximum 12-month period for hedges of forecasted purchases.

When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of the derivative to match the terms of the hedged exposure. For hedges of forecast transactions, the derivative covers the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting or payable that is denominated in the foreign currency.

Foreign currency option contracts are designated as hedging instruments in cash flow hedges of forecast purchases in the foreign currency. These forecast transactions are high probable.

Derivatives held by the Group as hedging instruments as at 31 December 2021 and 2020 are as follows.

(Unit: Thousand Baht)

| Currency | Forward rate | | Consolidated/Separate financial statements | |
|----------|---------------|---------------|--|-------|
| | | | Foreign currency options | |
| | 2021 | 2020 | 2021 | 2020 |
| USD | 32.69 - 33.92 | 29.81 - 30.07 | 162,609 | 5,820 |
| RMB | 5.17 - 5.30 | 4.59 - 4.63 | 152,822 | 9,215 |

b) Interest rate risk

The Group's exposure to interest rate risk arises from changes in the interest rate on interest bearing liabilities and assets. These exposures are managed partly by using natural hedges that arise from offsetting interest rate sensitive assets and liabilities, and partly through fixed rate borrowings and the use of derivative financial instruments such as interest rate swaps. By entering into agreements for long-term borrowings carrying interest at floating rates and then swapping these for fixed rates, the Group obtains lower interest rates.

As at 31 December 2021, the Group had contracts that swapped the interest rates on loans/principal of Baht 660 million for fixed rates, with a tenor of 4 years. (2020: Baht 795 million, with a tenor of 5 years)

Cash flow interest rate risk is the risk that changes in market interest rates will impact the cash flows from floating interest rate bearing liabilities and assets. Therefore, borrowing at floating rates exposes the Group to cash flow interest rate risk. The Group manages this risk by using the above interest rate swaps that convert interest rates to fixed rates.

6.12 Credit risk

Credit risk mainly arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost, derivative financial instruments and credit exposures to customers, including outstanding receivables.

a) Risk management

The Group manages credit risk by grouping the risk of banks and financial institutions. The Group elects to enter into transactions with financial institutions that are rated at least “B” by an independent, reputable credit rating agency.

If customers are independently rated by a reputable financial institution, these ratings are used. Where no credit rating is available, the Group assesses risk based on the credit quality of the customer, taking into account financial position, credit history and other factors. Individual risk limits are set based on these assessments in accordance with regulations set by the Board of Directors. Compliance with customer credit limits is regularly reviewed by line management.

Sales to retail customers are required to be settled in cash or using major credit cards to mitigate credit risk. There are no significant concentrations of credit risk, whether through exposure to individual customers or specific industry sectors.

b) Security

For some trade receivables, the Group has obtained security in the form of guarantees or letters of credit which can be called upon if the counterparty defaults under the terms of the agreement.

c) Impairment of financial assets

The Group has financial assets that must be considered in accordance with the expected credit loss model as follows.

- Trade and other receivables
- Lease receivables
- Loans to related parties

Although Group has cash and cash equivalents that meet the criteria for impairment consideration, the Group has determined that any impairment of these items is immaterial.

Trade receivables and contract assets

The Group applies the simplified approach to measure expected credit losses, whereby expected loss allowance is calculated over the life of all trade receivables and contract assets. In determining expected credit losses, the management groups trade receivables based on common credit risk characteristics and on the time past due. Details of the expected credit losses are disclosed in Note 10 to the financial statements.

The Group writes off trade receivables and contract assets when there is no reasonable expectation of recovery. Indicators that there is no expectation of recovery include the refusal of a debtor to comply with a repayment plan, failure to make contractual payments or inability to contact a debtor.

Expected credit losses on trade receivables and contract assets are presented as losses netted against operating profit. Subsequent recoveries of written-off amounts are recorded as a reversal against the same transaction.

For the assessment of expected credit losses on loans to related parties, the Company has loans to related parties measured at amortised cost, with a 12-month expected credit loss recognised for loan receivables with an insignificant increase in credit risk and a lifetime expected credit loss recognised for loan receivables with a significant increase in credit risk.

6.13 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, marketable securities and access to available funding from committed credit facilities that is adequate to settle obligations when due at the end of the reporting period. Management regularly monitors the cash flow projections of the Group taking into account the Group's liquidity reserves (based on undrawn borrowing facilities) and cash and cash equivalents.

a) Financing arrangements

The undrawn credit facilities of the Group as at 31 December 2021 and 2020 are as detailed in Note 20 to the financial statements.

b) Maturity of financial liabilities

The amounts and contractual maturities of financial liabilities, which are long-term borrowings from financial institutions and lease liabilities, are disclosed in Notes 20 and 21 to the financial statements, respectively.

Bank overdrafts, short-term borrowings from financial institutions and trade and other payables are due within 1 year.

Derivative contracts mature within 1 year.

6.2 Capital management

The objectives of the Company's capital management are to maintain their ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders, and 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.

The Group determines capital level based on debt-to-equity ratio, which is calculated by dividing total debt by equity. As at 31 December 2021 and 2020, the Group had debt-to-equity ratios as below.

(Unit: Thousand Baht)

| | Consolidated financial statements | |
|----------------------|-----------------------------------|------------|
| | 2021 | 2020 |
| Total debt | 16,346,766 | 13,675,412 |
| Equity | 10,879,744 | 7,089,755 |
| Debt-to-equity ratio | 1.50% | 1.93% |

7. Fair value measurement of financial instruments

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

As at 31 December 2021 and 2020, the Group had the assets and liabilities that were measured at fair value at each level as follows.

| | (Unit: Thousand Baht) | | | |
|--|--------------------------------------|------|----------------------------------|--------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Financial assets measured at fair value | | | | |
| Hedging derivatives | | | | |
| Foreign currency options (Level 2) | - | | - | 11 |
| Financial liabilities measured at fair value | | | | |
| Hedging derivatives | | | | |
| Foreign currency options (Level 2) | 2,280 | | 2,280 | - |
| Interest rate swap contracts (Level 2) | 12,583 | | 12,583 | 23,777 |

During the current year, there were no transfers within the fair value hierarchy.

8. Segment information

The Group reports segment information for business segments and geographical segments in a manner consistent with the internal reports 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 the executives board that makes strategic decisions.

Business segments

The Group operates in a single business, retailing and wholesaling of construction materials, office equipment, and household products. The management considers that the Group has only one major business segment. The chief operating decision maker reviews the operating results in the same dimension as presented on the financial statements.

Geographical segments

The Group operates in a single geographic area, being Thailand. Therefore, the management considers that the Group has only one major geographic segment. The chief operating decision maker reviews the operating results in the same dimension as presented on the financial statements.

Financial information by timing of revenue recognition for the years 2021 and 2020

(Unit: Thousand Baht)

| | Consolidated/Separate financial statements | |
|--|--|------------|
| | 2021 | 2020 |
| Revenues recognised at a point in time - | | |
| revenues from sales | 25,576,902 | 18,567,040 |
| Revenues recognised over time - | | |
| rendering of transportation service | 207,701 | 159,622 |
| Total | 25,784,603 | 18,726,662 |

For the years 2021 and 2020, the Group has no major customer with revenues of 10% or more of the Group's revenues.

9. Cash and cash equivalents

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|----------------------------------|-----------------------------------|--------|-------------------------------|--------|
| | 2021 | 2020 | 2021 | 2020 |
| Cash on hand | 56,853 | 51,003 | 56,803 | 50,953 |
| Cashier cheque | 171,000 | - | 171,000 | - |
| Deposits held at call with banks | 73,194 | 48,515 | 68,929 | 44,156 |
| Total | 301,047 | 99,518 | 296,732 | 95,109 |

The weighted average effective interest rates of deposits held at call with banks were 0.05% to 0.50% per annum (2020: 0.05% to 0.75% per annum).

10. Trade and other receivables

Details of trade and other receivables and aging of trade receivables as at 31 December 2021 and 2020

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|-----------|----------------------------------|-----------|
| | 2021 | 2020 | 2021 | 2020 |
| Trade receivables - unrelated parties | | | | |
| Aged on the basis of due dates | | | | |
| Not yet due | 1,178,972 | 590,170 | 1,178,972 | 590,170 |
| Due | | | | |
| Not over 3 months | 322,210 | 265,187 | 322,210 | 265,187 |
| 3 - 6 months | 36,885 | 12,739 | 36,885 | 12,739 |
| 6 - 12 months | 37,008 | 12,438 | 37,008 | 12,438 |
| Over 12 months | 119,350 | 146,432 | 119,350 | 146,432 |
| Total | 1,694,425 | 1,026,966 | 1,694,425 | 1,026,966 |
| Less: Allowance for expected credit losses | (129,430) | (139,862) | (129,430) | (139,862) |
| Total trade receivables - unrelated parties, net | 1,564,995 | 887,104 | 1,564,995 | 887,104 |
| Total trade receivables - net | 1,564,995 | 887,104 | 1,564,995 | 887,104 |
| Other receivables | | | | |
| Other receivables - related parties (Note 35) | 1,091 | 1,772 | 1,091 | 1,772 |
| Others | 4,767 | 14,312 | 4,767 | 14,312 |
| Total other receivables | 5,858 | 16,084 | 5,858 | 16,084 |
| Total | 1,570,853 | 903,188 | 1,570,853 | 903,188 |

The normal credit terms are between 30 days and 90 days. The Group provided the expected credit loss after deduction of collateral given by customers.

The movements of allowance for expected credit losses of trade receivables for the years 2021 and 2020

(Unit: Thousand Baht)

| | Consolidated/Separate financial statements | |
|---|--|----------|
| | 2021 | 2020 |
| Beginning balance brought forward | 139,862 | 103,559 |
| Changes in accounting policy | - | 54,140 |
| Beginning balance | 139,862 | 157,699 |
| Provision for expected credit losses (reversal) | 23,384 | (5,189) |
| Write-offs | (33,816) | (12,648) |
| Ending balance | 129,430 | 139,862 |

11. Financial assets and financial liabilities

As at 31 December 2021 and 2020, all financial assets and financial liabilities of the Group are measured amortised cost except hedging derivative assets and derivative liabilities under hedge accounting which are measured fair value through other comprehensive income.

12. Inventories

(Unit: Thousand Baht)

| | Consolidated/Separate financial statements | |
|--|--|-----------|
| | 2021 | 2020 |
| Finished goods | 11,708,673 | 8,547,965 |
| Goods in transit | 188,291 | 93,918 |
| Total | 11,896,964 | 8,641,883 |
| Less: Allowance for obsolete and slow-moving inventories | (97,884) | (79,643) |
| Allowance for inventory cost in excess of net realisable value | (3,029) | (2,526) |
| Inventories - net | 11,796,051 | 8,559,714 |

During the year 2021, the Group recorded allowance for obsolete and slow-moving inventories amounting to Baht 18.24 million (2020: Baht 16.72 million) and allowance for inventory cost in excess of net realisable value amounting to Baht 0.50 million (2020: Baht 0.03 million). This was included in cost of sales.

13. Lease receivables

(Unit: Thousand Baht)

| | Consolidated/Separate financial statements | |
|--|--|--------|
| | 2021 | 2020 |
| The gross receivable in the lease contracts | | |
| Due within 1 year | 9,930 | 9,889 |
| Due between 2 to 5 years | 36,272 | 36,028 |
| Due more than 5 years | 11,994 | 15,136 |
| Total | 58,196 | 61,053 |
| The present value of minimum lease payments receivable | | |
| Due within 1 year | 2,664 | 2,268 |
| Due between 2 to 5 years | 15,535 | 11,365 |
| Due more than 5 years | 8,060 | 9,159 |
| Total | 26,259 | 22,792 |
| Less: Allowance for expected credit loss | - | - |
| Net | 26,259 | 22,792 |
| Unearned finance income | 31,937 | 38,261 |

Unearned finance income is calculated based on discount rates ranging 0.71% to 6.11% per annum.

The significant terms of the leasing arrangements are:

- the lease term covers a major part of the economic life of the assets although title to the asset is not transferred by the end of the lease term;
- the lessor is not obliged to refund the lease amount which the lessee agrees to pay to the lessor at the commencement date of the lease contract; and
- If the lessee cancels the lease contract, the lessee must be responsible for losses incurred by the lessee or associated with the cancellation of the contract.

14. Investments in subsidiaries

Details of investments in subsidiaries as at 31 December 2021 and 2020

(Unit: Thousand Baht)

| Company | Separate financial statements | | | | | |
|-------------------------------|-------------------------------|---------|-------------------------|------|-----------|-----------|
| | Called-up capital | | Shareholding percentage | | Cost | |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| | | | (%) | (%) | | |
| Dohome Group Company Limited | 400,000 | 400,000 | 100 | 100 | 1,054,655 | 1,054,655 |
| Dohome Energy Company Limited | 60,000 | 60,000 | 100 | 100 | 60,000 | 60,000 |
| Total | | | | | 1,114,655 | 1,114,655 |

During the years 2021 and 2020, no dividends were received from above subsidiaries.



15. Property, plant and equipment

The movements of property, plant and equipment account for the years 2021 and 2020

| | Consolidated financial statements | | | | | | | (Unit: Thousand Baht) | |
|--|-----------------------------------|------------------------------------|--------------------------------|------------------------|----------------|--------------------------------|--|-----------------------|--|
| | Land and land improvements | Building and building improvements | Machinery, tools and equipment | Equipment and computer | Motor vehicles | Furniture and office equipment | Assets under construction and installation | Total | |
| As at 1 January 2020 | | | | | | | | | |
| Cost | 3,975,945 | 5,740,507 | 524,308 | 126,598 | 242,081 | 1,178,057 | 296,249 | 12,083,745 | |
| Less: Accumulated depreciation | - | (1,307,471) | (283,019) | (88,360) | (184,224) | (601,369) | - | (2,464,443) | |
| Net book value | 3,975,945 | 4,433,036 | 241,289 | 38,238 | 57,857 | 576,688 | 296,249 | 9,619,302 | |
| For the year ended 31 December 2020 | | | | | | | | | |
| Beginning net book value brought forward | 3,975,945 | 4,433,036 | 241,289 | 38,238 | 57,857 | 576,688 | 296,249 | 9,619,302 | |
| Changes in accounting policy | - | - | - | - | (36,189) | - | - | (36,189) | |
| Beginning net book value | 3,975,945 | 4,433,036 | 241,289 | 38,238 | 21,668 | 576,688 | 296,249 | 9,583,113 | |
| Acquisitions | - | 7,004 | 10,468 | 9,524 | 6,763 | 89,809 | 1,126,692 | 1,250,260 | |
| Disposals/write-offs | - | - | (3,083) | (283) | - | (444) | - | (3,810) | |
| Transfer in (out) | 108,340 | 541,528 | 40,706 | 15,328 | - | 68,887 | (783,486) | (8,697) | |
| Transfer to lease receivables | - | - | - | - | (5,687) | - | - | (5,687) | |
| Adjustments | - | (1,881) | - | - | - | - | - | (1,881) | |
| Depreciation | - | (229,385) | (53,424) | (16,678) | (12,104) | (120,086) | - | (431,677) | |
| Ending net book value | 4,084,285 | 4,750,302 | 235,956 | 46,129 | 10,640 | 614,854 | 639,455 | 10,381,621 | |
| As at 31 December 2020 | | | | | | | | | |
| Cost | 4,084,285 | 6,280,487 | 533,438 | 148,873 | 109,867 | 1,328,820 | 639,455 | 13,125,225 | |
| Less: Accumulated depreciation | - | (1,530,185) | (297,482) | (102,744) | (99,227) | (713,966) | - | (2,743,604) | |
| Net book value | 4,084,285 | 4,750,302 | 235,956 | 46,129 | 10,640 | 614,854 | 639,455 | 10,381,621 | |



(Unit: Thousand Baht)

| | Consolidated financial statements | | | | | | | Total |
|--|-----------------------------------|------------------------------------|--------------------------------|------------------------|----------------|--------------------------------|--|-------------|
| | Land and land improvements | Building and building improvements | Machinery, tools and equipment | Equipment and computer | Motor vehicles | Furniture and office equipment | Assets under construction and installation | |
| For the year ended 31 December 2021 | | | | | | | | |
| Beginning net book value | 4,084,285 | 4,750,302 | 235,956 | 46,129 | 10,640 | 614,854 | 639,455 | 10,381,621 |
| Acquisitions | 47,067 | 1,029 | 77,176 | 4,115 | 21,731 | 164,374 | 2,134,467 | 2,449,959 |
| Cost of assets decommissioning | - | 4,440 | - | - | - | - | - | 4,440 |
| Interest capitalised as cost of assets | - | - | - | - | - | - | 16,952 | 16,952 |
| Disposals/write-offs | - | (888) | (2,265) | (252) | (1) | (749) | - | (4,155) |
| Transfer in (out) | - | 1,436,745 | 152,497 | 25,547 | - | 124,109 | (1,738,898) | - |
| Transfer to intangible assets | - | - | - | - | - | - | (647) | (647) |
| Depreciation | - | (277,421) | (53,949) | (18,003) | (22,055) | (131,097) | - | (502,525) |
| Ending net book value | 4,131,352 | 5,914,207 | 409,415 | 57,536 | 10,315 | 771,491 | 1,051,329 | 12,345,645 |
| As at 31 December 2021 | | | | | | | | |
| Cost | 4,131,352 | 7,721,149 | 759,872 | 170,579 | 113,699 | 1,601,788 | 1,051,329 | 15,549,768 |
| Less: Accumulated depreciation | - | (1,806,942) | (350,457) | (113,043) | (103,384) | (830,297) | - | (3,204,123) |
| Net book value | 4,131,352 | 5,914,207 | 409,415 | 57,536 | 10,315 | 771,491 | 1,051,329 | 12,345,645 |



(Unit: Thousand Baht)

| | Separate financial statements | | | | | | | Total |
|--|-------------------------------|------------------------------------|--------------------------------|------------------------|----------------|--------------------------------|--|-------------|
| | Land and land improvements | Building and building improvements | Machinery, tools and equipment | Equipment and computer | Motor vehicles | Furniture and office equipment | Assets under construction and installation | |
| As at 1 January 2020 | | | | | | | | |
| Cost | 3,191,952 | 5,735,092 | 478,327 | 126,599 | 242,081 | 1,178,057 | 283,957 | 11,236,065 |
| Less: Accumulated depreciation | - | (1,302,056) | (281,498) | (88,360) | (184,224) | (601,369) | - | (2,457,507) |
| Net book value | 3,191,952 | 4,433,036 | 196,829 | 38,239 | 57,857 | 576,688 | 283,957 | 8,778,558 |
| For the year ended 31 December 2020 | | | | | | | | |
| Beginning net book value brought forward | 3,191,952 | 4,433,036 | 196,829 | 38,239 | 57,857 | 576,688 | 283,957 | 8,778,558 |
| Changes in accounting policy | - | - | - | - | (36,189) | - | - | (36,189) |
| Beginning net book value | 3,191,952 | 4,433,036 | 196,829 | 38,239 | 21,668 | 576,688 | 283,957 | 8,742,369 |
| Acquisitions | - | 7,004 | 10,469 | 9,524 | 6,763 | 89,809 | 1,106,324 | 1,229,893 |
| Disposals/write-offs | - | - | (3,083) | (283) | - | (444) | - | (3,810) |
| Transfer in (out) | 108,340 | 541,528 | 11,591 | 15,328 | - | 68,887 | (754,370) | (8,696) |
| Transfer to lease receivables | - | - | - | - | (5,687) | - | - | (5,687) |
| Adjustments | - | (1,881) | - | - | - | - | - | (1,881) |
| Depreciation | - | (229,385) | (50,858) | (16,679) | (12,104) | (120,086) | - | (429,112) |
| Ending net book value | 3,300,292 | 4,750,302 | 164,948 | 46,129 | 10,640 | 614,854 | 635,911 | 9,523,076 |
| As at 31 December 2020 | | | | | | | | |
| Cost | 3,300,292 | 6,280,487 | 458,342 | 148,873 | 109,867 | 1,328,820 | 635,911 | 12,262,592 |
| Less: Accumulated depreciation | - | (1,530,185) | (293,394) | (102,744) | (99,227) | (713,966) | - | (2,739,516) |
| Net book value | 3,300,292 | 4,750,302 | 164,948 | 46,129 | 10,640 | 614,854 | 635,911 | 9,523,076 |



Unit: Thousand Baht)

| | Separate financial statements | | | | | | | Total |
|--|-------------------------------|------------------------------------|--------------------------------|------------------------|----------------|--------------------------------|--|-------------|
| | Land and land improvements | Building and building improvements | Machinery, tools and equipment | Equipment and computer | Motor vehicles | Furniture and office equipment | Assets under construction and installation | |
| For the year ended 31 December 2021 | | | | | | | | |
| Beginning net book value | 3,300,292 | 4,750,302 | 164,948 | 46,129 | 10,640 | 614,854 | 635,911 | 9,523,076 |
| Acquisitions | 47,067 | 1,029 | 77,176 | 4,115 | 21,731 | 164,374 | 2,066,966 | 2,382,458 |
| Cost of assets decommissioning | - | 4,440 | - | - | - | - | - | 4,440 |
| Interest capitalised as cost of assets | - | - | - | - | - | - | 16,952 | 16,952 |
| Disposals/write-offs | - | (888) | (2,265) | (252) | (1) | (749) | - | (4,155) |
| Transfer in (out) | - | 1,436,745 | 106,155 | 25,547 | - | 122,653 | (1,691,100) | - |
| Transfer to intangible assets | - | - | - | - | - | - | (647) | (647) |
| Depreciation | - | (277,421) | (49,864) | (18,003) | (22,055) | (130,996) | - | (498,339) |
| Ending net book value | 3,347,359 | 5,914,207 | 296,150 | 57,536 | 10,315 | 770,136 | 1,028,082 | 11,423,785 |
| As at 31 December 2021 | | | | | | | | |
| Cost | 3,347,359 | 7,721,149 | 638,434 | 170,579 | 113,699 | 1,600,332 | 1,028,082 | 14,619,634 |
| Less: Accumulated depreciation | - | (1,806,942) | (342,284) | (113,043) | (103,384) | (830,196) | - | (3,195,849) |
| Net book value | 3,347,359 | 5,914,207 | 296,150 | 57,536 | 10,315 | 770,136 | 1,028,082 | 11,423,785 |

As at 31 December 2021, certain land, land improvements, buildings and structures of the Group and the Company, with net book value amounting to Baht 8,765.29 million and Baht 7,952.67 million, respectively (2020: Baht 7,442.09 million and Baht 6,658.89 million, respectively) are mortgaged as collateral for credit facilities, overdrafts and short-term and long-term borrowings from financial institutions as discussed in Notes 18 and 20 to the financial statements.

During the year 2021, borrowing costs totaling Baht 16.95 million (2020: Baht 9.73 million) on loans obtained specifically to financial construction of new branches were capitalised as cost of assets. The Group applied capitalisation rates of 2.39% to 2.68% per annum (2020: 2.58% to 3.07% per annum), representing the actual borrowing cost of the loans used to finance the construction of new branches.

As at 31 December 2021, certain items of buildings and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to Baht 701 million (2020: Baht 629 million).

Depreciation was charged to the following categories of expenses.

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|-----------------------------------|-----------------------------------|---------|-------------------------------|---------|
| | 2021 | 2020 | 2021 | 2020 |
| Cost of sales | 53,465 | 50,137 | 49,279 | 47,572 |
| Selling and distribution expenses | 438,701 | 369,438 | 438,701 | 369,438 |
| Administrative expenses | 10,359 | 12,102 | 10,359 | 12,102 |
| Total | 502,525 | 431,677 | 498,339 | 429,112 |

16. Right-of-use assets

The movements of right-of-use assets account for the years 2021 and 2020

(Unit: Thousand Baht)

| | Consolidated financial statements | | | | |
|-------------------------------|-----------------------------------|-----------|--------------------------------|----------------|----------|
| | Land | Buildings | Machinery, tools and equipment | Motor vehicles | Total |
| As at 1 January 2020 | 75,686 | 72,558 | 48,050 | 36,189 | 232,483 |
| Additions | 308,845 | 33,676 | 14,467 | - | 356,988 |
| Adjustments/Reclassifications | - | - | - | (8,682) | (8,682) |
| Depreciation | (7,014) | (26,217) | (13,614) | (10,040) | (56,885) |
| As at 31 December 2020 | 377,517 | 80,017 | 48,903 | 17,467 | 523,904 |
| Additions | 341,920 | 11,306 | - | - | 353,226 |
| Write-offs | - | (8,008) | - | - | (8,008) |
| Depreciation | (17,477) | (33,822) | (15,068) | (8,972) | (75,339) |
| As at 31 December 2021 | 701,960 | 49,493 | 33,835 | 8,495 | 793,783 |

(Unit: Thousand Baht)

| | Separate financial statements | | | | |
|-------------------------------|-------------------------------|-----------|--------------------------------|----------------|-----------|
| | Land | Buildings | Machinery, tools and equipment | Motor vehicles | Total |
| As at 1 January 2020 | 472,596 | 72,558 | 48,050 | 36,189 | 629,393 |
| Additions | 308,771 | 33,676 | 14,467 | - | 356,914 |
| Adjustments/Reclassifications | - | - | - | (8,682) | (8,682) |
| Depreciation | (22,203) | (26,217) | (13,614) | (10,040) | (72,074) |
| As at 31 December 2020 | 759,164 | 80,017 | 48,903 | 17,467 | 905,551 |
| Additions | 341,920 | 11,306 | - | - | 353,226 |
| Write-offs | - | (8,008) | - | - | (8,008) |
| Depreciation | (32,665) | (33,822) | (15,068) | (8,972) | (90,527) |
| As at 31 December 2021 | 1,068,419 | 49,493 | 33,835 | 8,495 | 1,160,242 |

17. Intangible assets

The movements of intangible assets account for the years 2021 and 2020

(Unit: Thousand Baht)

| | Consolidated/Separate financial statements | | |
|-------------------------------------|--|--------------------------------------|-----------|
| | Computer software | Computer software under installation | Total |
| As at 1 January 2020 | | | |
| Cost | 183,660 | - | 183,660 |
| Less: Accumulated amortisation | (105,961) | - | (105,961) |
| Net book value | 77,699 | - | 77,699 |
| For the year ended 31 December 2020 | | | |
| Beginning net book value | 77,699 | - | 77,699 |
| Additions | 2,042 | 15,841 | 17,883 |
| Transfer in | 8,696 | - | 8,696 |
| Amortisation | (14,467) | - | (14,467) |
| Ending net book value | 73,970 | 15,841 | 89,811 |
| As at 31 December 2020 | | | |
| Cost | 194,399 | 15,841 | 210,240 |
| Less: Accumulated amortisation | (120,429) | - | (120,429) |
| Net book value | 73,970 | 15,841 | 89,811 |

(Unit: Thousand Baht)

| | Consolidated/Separate financial statements | | |
|---|--|--------------------------------------|-----------|
| | Computer software | Computer software under installation | Total |
| For the year ended 31 December 2021 | | | |
| Beginning net book value | 73,970 | 15,841 | 89,811 |
| Additions | 2,819 | 8,529 | 11,348 |
| Transfer in (out) | 19,634 | (19,634) | - |
| Transfer from property, plant and equipment | 647 | - | 647 |
| Amortisation | (11,892) | - | (11,892) |
| Ending net book value | 85,178 | 4,736 | 89,914 |
| As at 31 December 2021 | | | |
| Cost | 217,468 | 4,736 | 222,204 |
| Less: Accumulated amortisation | (132,290) | - | (132,290) |
| Net book value | 85,178 | 4,736 | 89,914 |

18. Bank overdrafts and loans from financial institutions

(Unit: Thousand Baht)

| | Consolidated/Separate financial statements | |
|--|--|-----------|
| | 2021 | 2020 |
| Short-term loans from financial institutions | 8,494,210 | 6,852,309 |

Certain bank overdrafts and short-term loans from financial institutions are guaranteed by pledge of land, structures or future structures thereon as described in Note 15 to the financial statements.

As at 31 December 2021, bank overdrafts and short-term loans bear interest rates between 1.45% and 2.97% per annum (2020: 1.65% and 3.25% per annum).

19. Trade and other payables

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|-----------|-------------------------------|-----------|
| | 2021 | 2020 | 2021 | 2020 |
| Trade payables - unrelated parties | 3,226,322 | 2,516,770 | 3,226,322 | 2,516,770 |
| Other payables - related parties (Note 35) | - | - | 1,628 | 787 |
| Other payables - unrelated parties | 411,223 | 219,089 | 399,113 | 218,789 |
| Accrued expenses | 192,657 | 87,006 | 192,276 | 86,215 |
| Deposits and retentions | 66,475 | 22,195 | 66,475 | 22,195 |
| Total | 3,896,677 | 2,845,060 | 3,885,814 | 2,844,756 |

20. Long-term loans from financial institutions

The repayment dates of long-term loans from financial institutions as at 31 December 2021 and 2020

(Unit: Thousand Baht)

| | Consolidated/Separate financial statements | |
|---|---|-----------|
| | 2021 | 2020 |
| Long-term loans from financial institutions | | |
| Due within 1 year | 688,434 | 800,810 |
| Due between 1 year and 2 years | 666,409 | 731,524 |
| Due between 2 years and 5 years | 1,759,903 | 1,673,241 |
| Due more than 5 years | 310,839 | 333,792 |
| Total | 3,425,585 | 3,539,367 |

The movements of long-term loans from financial institutions account during the years 2021 and 2020

(Unit: Thousand Baht)

| | Consolidated/Separate financial statements | |
|-----------------------------------|---|-----------|
| | 2021 | 2020 |
| Beginning balance | 3,539,367 | 3,339,139 |
| Additions | 934,030 | 1,036,124 |
| Repayments | (1,047,812) | (835,896) |
| Ending balance | 3,425,585 | 3,539,367 |
| Less: Portion due within one year | (688,434) | (800,810) |
| Portion due more than one year | 2,737,151 | 2,738,557 |

The interest rates on the long-term loans from financial institutions mostly are floating, with effective rates ranging from 2.75% to 3.38% per annum (2020: 2.40% to 3.55% per annum).

The long-term loans from financial institutions are guaranteed by pledge of land, structures or future structures thereon as described in Note 15 to the financial statements.

The loan agreements contain several covenants which relating to the shareholding of the major shareholders, and the maintenance of certain financial ratios prescribed in the agreements.

As at 31 December 2021 and 2020, the Group has undrawn borrowing facilities as follows.

(Unit: Thousand Baht)

| | Consolidated/Separate financial statements | |
|-----------------|---|---------|
| | 2021 | 2020 |
| Overdrafts | 64,000 | 63,700 |
| Long-term loans | 1,924,669 | 532,200 |
| Working capital | 2,380,005 | 917,622 |
| Others | 287,269 | 117,084 |

21. Lease liabilities

As at 31 December 2021 and 2020, the Group has lease contracts for land, buildings, machinery tool and equipment, and motor vehicles. The future minimum lease payments, to which the Group is committed, are as follows.

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|-----------|----------------------------------|-----------|
| | 2021 | 2020 | 2021 | 2020 |
| The gross payable in the lease contracts | | | | |
| No later than 1 year | 60,381 | 65,486 | 85,053 | 90,158 |
| More than 1 year but not later than 5 years | 64,114 | 120,403 | 162,802 | 243,763 |
| More than 5 years | 283,079 | 227,622 | 756,465 | 701,009 |
| Total | 407,574 | 413,511 | 1,004,320 | 1,034,930 |
| Less: Deferred finance cost | (153,872) | (152,196) | (372,017) | (385,719) |
| Net present value - lease liabilities | 253,702 | 261,315 | 632,303 | 649,211 |

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|---------|----------------------------------|---------|
| | 2021 | 2020 | 2021 | 2020 |
| The present value of minimum lease payments due | | | | |
| No later than 1 year | 50,998 | 56,233 | 60,661 | 65,528 |
| More than 1 year but not later than 5 years | 34,526 | 120,112 | 77,161 | 243,472 |
| More than 5 years | 168,178 | 84,970 | 494,481 | 340,211 |
| Net present value - lease liabilities | 253,702 | 261,315 | 632,303 | 649,211 |

The movements of lease liabilities account for the years 2021 and 2020

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|-----------------------------------|--------------------------------------|----------|----------------------------------|----------|
| | 2021 | 2020 | 2021 | 2020 |
| Beginning balance brought forward | 261,316 | 40,570 | 649,211 | 40,570 |
| Changes in accounting policy | - | 187,611 | - | 584,522 |
| Beginning balance | 261,316 | 228,181 | 649,211 | 625,092 |
| Additions | 61,289 | 80,181 | 61,289 | 80,106 |
| Terminations | (8,254) | - | (8,253) | - |
| Payments | (60,649) | (47,047) | (69,944) | (55,987) |
| Ending balance | 253,702 | 261,315 | 632,303 | 649,211 |
| Less: Portion due within one year | (50,998) | (56,233) | (60,661) | (65,528) |
| Portion due more than one year | 202,704 | 205,082 | 571,642 | 583,683 |

As at 31 December 2021, lease liabilities included lease liabilities arising from agreements with leasing companies amounting to Baht 14 million (2020: Baht 27 million).

22. Deferred income tax

The analysis of deferred tax assets and deferred tax liabilities is as follows.

(Unit: Thousand Baht)

| | Consolidated/Separate financial statements | |
|--|---|----------|
| | 2021 | 2020 |
| Deferred tax assets | | |
| Deferred tax assets to be recovered within 1 year | 2,869 | 3,072 |
| Deferred tax assets to be recovered over 1 year | 57,993 | 56,875 |
| Total | 60,862 | 59,947 |
| Deferred tax liabilities | | |
| Deferred tax liabilities to be settled within 1 year | (915) | (2,401) |
| Deferred tax liabilities to be settled over 1 year | (66,437) | (61,576) |
| Total | (67,352) | (63,977) |
| Deferred tax liabilities - net | (6,490) | (4,030) |

The movements of deferred tax liabilities account for the years 2021 and 2020

(Unit: Thousand Baht)

| | Consolidated/Separate financial statements | |
|---|---|----------|
| | 2021 | 2020 |
| Beginning balance | (4,030) | (19,753) |
| Changes in accounting policy | - | 13,431 |
| Decrease in profit or loss (Note 32) | (1,011) | (7) |
| Increase (decrease) in other comprehensive income | (1,449) | 2,299 |
| Ending balance | (6,490) | (4,030) |

The movements in each component of deferred tax assets and deferred tax liabilities during the years 2021 and 2020

(Unit: Thousand Baht)

| | Consolidated/Separate financial statements | | | |
|---|--|---|---|------------------------------|
| | As at 31 December 2020 | Increase (decrease) to profit or loss | Increase (decrease) to other comprehensive income | As at 31 December 2021 |
| Deferred tax assets | | | | |
| Provision for long-term employee benefits | 6,334 | 503 | 332 | 7,169 |
| Allowance for diminution in value of inventories | 16,434 | 3,749 | - | 20,183 |
| Provision for decommissioning | 392 | 593 | - | 985 |
| Allowance for expected credit loss | 27,972 | (2,087) | - | 25,885 |
| Leased assets | 686 | (686) | - | - |
| Derivative liabilities | 4,755 | - | (1,783) | 2,972 |
| Leases - leasee | 2,819 | (960) | - | 1,859 |
| Others | 555 | 1,254 | - | 1,809 |
| Total | 59,947 | 2,366 | (1,451) | 60,862 |
| Deferred tax liabilities | | | | |
| Derivative assets | (2) | - | 2 | - |
| Leases - lessor | (1,712) | (976) | - | (2,688) |
| Depreciation of assets | (62,263) | (2,401) | - | (64,664) |
| Total | (63,977) | (3,377) | 2 | (67,352) |
| Deferred tax liabilities - net | (4,030) | (1,011) | (1,449) | (6,490) |

(Unit: Thousand Baht)

| | Consolidated/Separate financial statements | | | | |
|---|--|------------------------------------|---|---|------------------------------|
| | As at 31 December 2019 | Changes in accounting policy | Increase (decrease) to profit or loss | Increase (decrease) to other comprehensive income | As at 31 December 2020 |
| Deferred tax assets | | | | | |
| Provision for long-term employee benefits | 5,014 | - | 1,171 | 149 | 6,334 |
| Allowance for diminution in value of inventories | 13,084 | - | 3,349 | - | 16,434 |
| Provision for decommissioning | 603 | - | (211) | - | 392 |
| Allowance for expected credit loss | 20,712 | 10,828 | (3,567) | - | 27,972 |
| Leased assets | 876 | - | (190) | - | 686 |
| Derivative liabilities | - | 2,605 | - | 2,150 | 4,755 |
| Leases - leasee | - | - | 2,819 | - | 2,819 |
| Others | 790 | - | (235) | - | 555 |
| Total | 41,079 | 13,433 | 3,136 | 2,299 | 59,947 |

(Unit: Thousand Baht)

| Consolidated/Separate financial statements | | | | |
|--|------------------------------------|--|---|------------------------------|
| As at 31 December 2019 | Changes in accounting policy | Increase (decrease) to profit or loss | Increase (decrease) to other comprehensive income | As at 31 December 2020 |
| Deferred tax liabilities | | | | |
| Derivative assets | - | (2) | - | (2) |
| Leases - lessor | - | (1,712) | - | (1,712) |
| Depreciation of assets | (60,832) | (1,431) | - | (62,263) |
| Total | (60,832) | (3,143) | - | (63,977) |
| Deferred tax liabilities - net | (19,753) | (7) | 2,299 | (4,030) |

23. Provision for long-term employee benefits

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

(Unit: Thousand Baht)

| Consolidated/Separate financial statements | |
|---|---------|
| | |
| | 2021 |
| | 2020 |
| Beginning balance | 31,668 |
| Included in profit or loss: | |
| Current service cost | 3,169 |
| Interest cost | 314 |
| Included in other comprehensive income: | |
| Actuarial loss (gain) arising from | |
| Demographic assumptions changes | - |
| Financial assumptions changes | (1,647) |
| Experience adjustments | 3,308 |
| Total | 1,661 |
| Benefits paid during the year | (966) |
| Ending balance | 35,846 |

As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefits is 13 years (2020: 13 years).

Expected maturity analysis of undiscounted retirement between the year 2022 and 2065 (2020: between 2021 and 2030) is as follows.

(Unit: Thousand Baht)

| | Consolidated/Separate financial statements | |
|---|---|--------|
| | 2021 | 2020 |
| No later than 1 year | 12,999 | 12,776 |
| More than 1 year but not later than 3 years | 1,097 | 1,086 |
| More than 3 years | 28,504 | 21,623 |
| Total | 42,600 | 35,485 |

Significant actuarial assumptions

| | Consolidated/Separate financial statements | |
|----------------------|---|---------------|
| | 2021 | 2020 |
| | (% per annum) | (% per annum) |
| Discount rate | 2.3 | 1.7 |
| Salary increase rate | 4.0 | 4.0 |
| Turnover rate | 11.5 - 45.8 | 11.5 - 45.8 |

The result of sensitivity analysis for significant assumptions that affect the increase (decrease) in present value of long-term employee benefit obligations as at 31 December 2021 and 2020

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|----------------------|--------------------------------------|---------|----------------------------------|---------|
| | 2021 | 2020 | 2021 | 2020 |
| Discount rate | | | | |
| Increase by 1% | (2,426) | (2,034) | (2,426) | (2,034) |
| Decrease by 1% | 2,841 | 2,389 | 2,841 | 2,389 |
| Salary increase rate | | | | |
| Increase by 1% | 2,397 | 1,664 | 2,397 | 1,664 |
| Decrease by 1% | (2,091) | (1,450) | (2,091) | (1,450) |
| Turnover rate | | | | |
| Increase by 20% | (6,082) | (5,076) | (6,082) | (5,076) |
| Decrease by 20% | 9,391 | 7,909 | 9,391 | 7,909 |

24. Share capital/Premium on ordinary shares

Registered share capital

The movements of registered share capital for the years 2021 and 2020

| | Registered ordinary shares | Registered share capital | Registration date |
|---------------------------|-------------------------------|-----------------------------|----------------------|
| | (Thousand shares) | (Thousand Baht) | |
| As at 1 January 2020 | 1,856,160 | 1,856,160 | |
| Increase in share capital | 309,360 | 309,360 | 20 July 2020 |
| As at 31 December 2020 | 2,165,520 | 2,165,520 | |
| Decrease in share capital | (2) | (2) | 9 April 2021 |
| Increase in share capital | 1,078,167 | 1,078,167 | 19 April 2021 |
| As at 31 December 2021 | 3,243,685 | 3,243,685 | |

On 22 July 2020, the Annual General Meeting of the Company's shareholders passed the resolutions to approve an increase of Baht 309.36 million in the registered capital of the Company from Baht 1,856.16 million to Baht 2,165.52 million, by issuing 309,360,000 shares with a par value of Baht 1 each to support the distribution of a share dividend.

On 8 April 2021, the Annual General Meeting of the Company's shareholders passed the resolutions to approve a decrease in the registered share capital of Baht 2,034 by cancelling 2,034 unissued shares; an increase in the registered share capital of Baht 1,078.16 million, from Baht 2,165.52 million to Baht 3,243.68 million, by issuing 1,078,167,016 ordinary shares with a par value of Baht 1 each to support the distribution of a share dividend of 180,459,831 shares; a capital increase of 866,207,185 shares under a general mandate; and 31,500,000 shares for the exercise of warrants No.1 allocated to the Company's employees to purchase the Company's ordinary shares.

Issued and paid-up share capital and premium on ordinary shares

The movements of issued and paid-up share capital and premium on ordinary shares for the years 2021 and 2020

| | Issued and paid-up ordinary shares | Issued and paid-up share capital | Premium on ordinary shares | Registration date |
|--|---------------------------------------|-------------------------------------|-------------------------------|----------------------|
| | (Thousand shares) | (Thousand Baht) | (Thousand Baht) | |
| As at 1 January 2020 | 1,856,160 | 1,856,160 | 3,646,986 | |
| Increase due to stock dividend | 309,358 | 309,358 | - | 20 July 2020 |
| As at 31 December 2020 | 2,165,518 | 2,165,518 | 3,646,986 | |
| Increase due to stock dividend | 180,457 | 180,457 | - | 5 May 2021 |
| Increase due to exercise of warrants | 695 | 695 | 13,578 | 5 July 2021 |
| Increase in share capital under a general mandate | 75,500 | 75,500 | 1,892,106 | 14 July 2021 |
| As at 31 December 2021 | 2,422,170 | 2,422,170 | 5,552,670 | |

25. Warrants

Details of warrants as at 31 December 2021

| Warrant | Grant date | Term | Exercisable date | Exercise price per 1 ordinary share (Baht) | Exercise ratio (Warrant to ordinary share) |
|---------|---------------|---------|--|---|--|
| ESOP-W2 | 12 April 2021 | 4 years | The last business day of every quarter beginning 2 to 4 years from the grant date of the warrants | 22.00 | 1:1 |
| ESOP-W3 | 12 April 2021 | 5 years | The last business day of every quarter for 5 years from the grant date of the warrants | 7.91 | 1:1 |

ESOP-W2 and ESOP-W3 are warrants to purchase ordinary shares issued to management of the Group. The estimated fair value of the warrants are Baht 4.83 and Baht 12.63 per unit, respectively, calculated by applying the Black-Scholes-Merton model. Significant assumptions are as below.

| | ESOP-W2 and ESOP-W3 |
|-------------------------------|------------------------|
| Weight average of share price | 20.70 Baht per share |
| Expected dividend yield | 0.97 % |
| Expected volatility | 37.04 -38.92 % |
| Risk-free interest rate | 0.60 - 0.80 % |

The movements of number of warrants for the year 2021

| | ESOP-W2 (Unit) | ESOP-W3 (Unit) |
|------------------------|-------------------|-------------------|
| As at 1 January 2021 | - | - |
| Issued | 150,000 | 1,391,000 |
| Exercised | - | (695,500) |
| As at 31 December 2021 | 150,000 | 695,500 |

The Group recognised expense incurred in relation to the warrant scheme as employee expenses, and recognised an equal amount as “Capital reserve for share-based payments” in shareholders’ equity for the year ended 31 December 2021, amounting to Baht 13.08 million.

26. Statutory reserve

(Unit: Thousand Baht)

| | Consolidated/Separate financial statements | |
|-------------------|---|--------|
| | 2021 | 2020 |
| Beginning balance | 88,550 | 54,350 |
| Increase | 88,580 | 34,200 |
| Ending balance | 177,130 | 88,550 |

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

27. Other income

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|----------------------------------|--------------------------------------|---------|----------------------------------|---------|
| | 2021 | 2020 | 2021 | 2020 |
| Subsidy | 82,107 | 52,702 | 82,107 | 52,702 |
| Revenue from rent and services | 14,804 | 18,853 | 16,328 | 20,632 |
| Revenue from credit card fees | 8,893 | 5,546 | 8,893 | 5,546 |
| Revenue from scrap sales | 3,709 | 2,516 | 3,709 | 2,516 |
| Gain from disposals of equipment | 3,970 | 4,261 | 3,970 | 4,261 |
| Gain on exchange rate | 4,402 | 11,605 | 4,402 | 11,605 |
| Others | 15,293 | 30,817 | 15,294 | 30,761 |
| Total | 133,178 | 126,300 | 134,703 | 128,023 |

28. Expenses by nature

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|------------|----------------------------------|------------|
| | 2021 | 2020 | 2021 | 2020 |
| Purchases and changes in finished goods | 20,555,084 | 15,670,414 | 20,555,615 | 15,670,859 |
| Employee expenses | 1,585,631 | 1,037,785 | 1,585,631 | 1,037,785 |
| Depreciation and amortisation | 589,755 | 503,031 | 600,758 | 515,653 |
| Allowance for obsolete and slow moving inventories | 18,241 | 16,716 | 18,241 | 16,716 |
| Allowance for inventory cost in excess of net realisable value | 503 | 31 | 503 | 31 |
| Reversal of allowance for expected credit loss | (10,432) | (17,836) | (10,432) | (17,836) |

29. Other expenses

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--------------------------------|--------------------------------------|------|----------------------------------|-------|
| | 2021 | 2020 | 2021 | 2020 |
| Loss from write-offs of assets | - | 85 | - | 85 |
| Others | - | 580 | - | 2,030 |
| Total | - | 665 | - | 2,115 |

30. Finance income

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|--------|----------------------------------|--------|
| | 2021 | 2020 | 2021 | 2020 |
| Interest income - financial institutions | 101 | 1,266 | 99 | 1,256 |
| Interest income - trade receivables | 12,422 | 5,254 | 17,670 | 11,107 |
| Interest income - leases | 6,824 | 14,622 | 6,824 | 14,622 |
| Total | 19,347 | 21,142 | 24,593 | 26,985 |

31. Finance cost

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|---------|----------------------------------|---------|
| | 2021 | 2020 | 2021 | 2020 |
| Interest expenses - financial institutions | 245,698 | 233,747 | 245,698 | 233,747 |
| Interest expenses - leases | 12,279 | 11,388 | 27,657 | 27,120 |
| Total | 257,977 | 245,135 | 273,355 | 260,867 |

32. Income tax expenses

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|---------|----------------------------------|---------|
| | 2021 | 2020 | 2021 | 2020 |
| Current income tax | | | | |
| Current income tax charge | 456,580 | 177,241 | 447,999 | 168,838 |
| Adjustment in respect of income tax of previous year | (10,062) | - | (10,062) | - |
| Deferred tax | | | | |
| Deferred tax relating to origination and reversal of temporary differences | 1,011 | 7 | 1,011 | 7 |
| Income tax expenses reported in profit or loss | 447,529 | 177,248 | 438,948 | 168,845 |

The reconciliation between accounting profit and income tax expenses for the years 2021 and 2020

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|---------|----------------------------------|---------|
| | 2021 | 2020 | 2021 | 2020 |
| Accounting profit before tax | 2,265,592 | 903,928 | 2,210,539 | 850,594 |
| Applicable tax rate | 20% | 20% | 20% | 20% |
| Accounting profit before tax multiplied by applicable tax rate | 453,118 | 180,786 | 442,108 | 170,119 |
| Adjustment in respect of income tax of previous year | (10,062) | - | (10,062) | - |
| Eliminations | (1,178) | (1,535) | - | - |
| Utilisation of previously unrecognised tax losses | - | (69) | - | - |
| Tax losses for which no deferred tax asset was recognised | - | 17 | - | - |
| Tax effects of: | | | | |
| Income not subject to tax | (1,251) | (677) | - | - |
| Non deductible expenses | 10,445 | 5,551 | 10,445 | 5,551 |
| Additional deductible expenses | (3,543) | (6,825) | (3,543) | (6,825) |
| Total | 447,529 | 177,248 | 438,948 | 168,845 |

The income tax recognised directly to equity for the years 2021 and 2020

(Unit: Thousand Baht)

| | Consolidated/Separate Financial statements | |
|---|---|------|
| | 2021 | 2020 |
| Current income tax | | |
| Direct cost attributable to the issue of new shares | 3,567 | - |

33. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year, after adjusting the number of ordinary shares used to calculate earnings per share for the year 2021 in proportion to the change in the number of shares as a result of the distribution of the stock dividend of 180.46 million shares on 5 May 2021, as if the stock dividend had been issued at the beginning of the earliest period reported. For the purpose of comparing earnings per share, the Company has also adjusted the number of ordinary shares in issue for the year 2020.

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year, after adjusting the number of ordinary shares used to calculate earnings per share for the year 2021 in proportion to the change in the number of shares as a result of the distribution of the stock dividend of 180.46 million shares on 5 May 2021, as if the stock dividend had been issued at the beginning of the earliest period reported. For the purpose of comparing earnings per share, the Company has also adjusted the number of ordinary shares in issue for the year 2020, reflecting the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that such conversion took place either at the beginning of the period or, if later, the date of the issue of the potential ordinary shares.

Details of calculation of basic earnings per share and diluted earnings per share are as below.

| | Consolidated financial statements | | | | | |
|---|-----------------------------------|-----------------|--|---------------------------------|--------------------|----------------------|
| | Profit for the year | | Weighted average number of ordinary shares | | Earnings per share | |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| | (Thousand Baht) | (Thousand Baht) | (Thousand shares) | (Thousand shares) (Adjusted) | (Baht) | (Baht) (Restated) |
| Basic earnings per share | | | | | | |
| Profit attributable to equity holders of the Company | 1,818,063 | 726,680 | 2,381,698 | 2,345,975 | 0.76335 | 0.30976 |
| Effect of dilutive potential ordinary shares | | | | | | |
| Warrant ESOP-W2 | - | - | 2 | - | | |
| Warrant ESOP-W3 | - | - | 286 | - | | |
| Diluted earnings per share | | | | | | |
| Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares | 1,818,063 | 726,680 | 2,381,986 | 2,345,975 | 0.76326 | 0.30976 |

| Separate financial statements | | | | | |
|---|-----------------|--|------------------------------|--------------------|-------------------|
| Profit for the year | | Weighted average number of ordinary shares | | Earnings per share | |
| 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| (Thousand Baht) | (Thousand Baht) | (Thousand shares) | (Thousand shares) (Adjusted) | (Baht) | (Baht) (Restated) |
| Basic earnings per share | | | | | |
| Profit attributable to equity holders of the Company | | 1,771,591 | 681,749 | 2,381,698 | 2,345,975 |
| | | | | 0.74384 | 0.29060 |
| Effect of dilutive potential ordinary shares | | | | | |
| Warrant ESOP-W2 | | - | - | 2 | - |
| Warrant ESOP-W3 | | - | - | 286 | - |
| Diluted earnings per share | | | | | |
| Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares | | 1,771,591 | 681,749 | 2,381,986 | 2,345,975 |
| | | | | 0.74375 | 0.29060 |

34. Dividends paid

| Dividends | Approved by | Total dividends | Dividend per share |
|---|--|-----------------|--------------------|
| | | (Million Baht) | (Baht) |
| Cash dividends for 2020 | Annual General Meeting of Shareholders on 8 April 2021 | 20.05 | 0.0093 |
| Stock dividends for 2020 | Annual General Meeting of Shareholders on 8 April 2021 | 180.46 | 0.0833 |
| Total dividends paid during the year 2021 | | 200.51 | 0.0926 |
| Cash dividends for 2019 | Annual General Meeting of Shareholders on 22 July 2020 | 34.37 | 0.0185 |
| Stock dividends for 2019 | Annual General Meeting of Shareholders on 22 July 2020 | 309.36 | 1.0000 |
| Total dividends paid during the year 2020 | | 343.73 | 1.0185 |

35. Related party transactions

The relationship between the Company and related parties

| Company name | Country of incorporation | Relationship with the Company |
|--|--------------------------|----------------------------------|
| Dohome Group Company Limited | Thailand | Subsidiary |
| Dohome Energy Company Limited | Thailand | Subsidiary |
| Kiddee Logistics Company Limited (Liquidated in 2020) | Thailand | Subsidiary |
| Dohome Automation Company Limited (Liquidated in 2020) | Thailand | Subsidiary |
| Dohome Holdings Company Limited | Thailand | Common directors and shareholder |
| Amplus Holding Limited | Hongkong | Common directors and shareholder |
| Ngernturbo Company Limited | Thailand | Common directors |
| Thun Thong Mawin Company Limited | Thailand | Common directors |
| Thun Tarin Company Limited | Thailand | Common directors |
| TMPC trading Company Limited | Thailand | Common directors |
| Dohome Express Company Limited | Thailand | Common directors |
| TMPC Property Company Limited (Liquidated in 2021) | Thailand | Common directors |
| ASM Consultant Company Limited | Thailand | Common directors |
| ASM Real Estate Company Limited | Thailand | Common directors |
| ASM Land Company Limited (Liquidated in 2020) | Thailand | Common directors |
| S.Ubon Wasadu Company Limited | Thailand | Common directors |
| Ubon Wasadu Company Limited | Thailand | Common directors |
| AN Capital Company Limited | Thailand | Common directors |
| Aladdin Shop Online Company Limited | Thailand | Common directors |
| NTBG Company Limited | Thailand | Common directors |
| NTBX Company Limited | Thailand | Common directors |
| Money Ok Company Limited | Thailand | Common directors |
| Ngenturbo Insurance Broker Company Limited | Thailand | Common directors |

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

(Unit: Thousand Baht)

| | | Transfer pricing policy | Consolidated financial statements | | Separate financial statements | |
|--------------------|---|----------------------------|--------------------------------------|---------|----------------------------------|---------|
| | | | 2021 | 2020 | 2021 | 2020 |
| Sales of goods | | | | | | |
| Related parties | Market price | | 20,703 | 6,602 | 20,703 | 6,602 |
| Total | | | 20,703 | 6,602 | 20,703 | 6,602 |
| Service income | | | | | | |
| Subsidiaries | Contract price | | - | - | 540 | 540 |
| Total | | | - | - | 540 | 540 |
| Interest income | | | | | | |
| Subsidiaries | 1.50% - 2.40% p.a. (2020: 1.50% - 3.25% p.a.) | | - | - | 5,248 | 5,853 |
| Total | | | - | - | 5,248 | 5,853 |
| Rental income | | | | | | |
| Subsidiaries | Contract price | | - | - | 985 | 1,239 |
| Related party | Contract price | | 1,473 | 192 | 1,473 | 192 |
| Total | | | 1,473 | 192 | 2,458 | 1,431 |
| Purchases of goods | | | | | | |
| Subsidiary | Market price | | - | - | 12,472 | 7,560 |
| Related party | Market price | | 3,423 | 329 | 3,423 | 329 |
| Total | | | 3,423 | 329 | 15,895 | 7,889 |
| Guarantee fees | | | | | | |
| Subsidiary | 1.50% p.a. | | - | - | 24,402 | 24,876 |
| Total | | | - | - | 24,402 | 24,876 |
| Rental expenses | | | | | | |
| Subsidiary | Contract price | | - | - | 24,672 | 18,504 |
| Related party | Contract price | | 1,058 | 721 | 1,058 | 721 |
| Total | | | 1,058 | 721 | 25,730 | 19,225 |
| Dividend paid | | | | | | |
| Related parties | As declared | | 68,343 | 119,067 | 68,343 | 119,067 |
| Total | | | 68,343 | 119,067 | 68,343 | 119,067 |

The balances of the accounts between the Group and those related parties as at 31 December 2021 and 2020

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|-------|----------------------------------|---------|
| | 2021 | 2020 | 2021 | 2020 |
| Trade and other receivables - related parties (Note 10) | | | | |
| Related parties | 1,091 | 1,772 | 1,091 | 1,772 |
| Total | 1,091 | 1,772 | 1,091 | 1,772 |
| Other current assets - prepaid expenses | | | | |
| Related party | 10,508 | - | 10,508 | - |
| Total | 10,508 | - | 10,508 | - |
| Trade and other payables- related parties (Note 19) | | | | |
| Subsidiary | - | - | 1,628 | 787 |
| Total | - | - | 1,628 | 787 |
| Short-term loans to related parties | | | | |
| Subsidiaries | - | - | 239,100 | 226,100 |
| Total | - | - | 239,100 | 226,100 |

The movements of short-term loans to related parties - subsidiaries for the years 2021 and 2020

(Unit: Thousand Baht)

| | Separate financial statements | |
|-------------------|-------------------------------|----------|
| | 2021 | 2020 |
| Beginning balance | 226,100 | 251,000 |
| Additions | 259,600 | 9,000 |
| Repayments | (246,600) | (33,900) |
| Ending balance | 239,100 | 226,100 |

As at 31 December 2021, short-term loans to related parties represent promissory notes, denominated in Thai Baht with interest rates ranging from 1.50% to 2.40% per annum (2020: 1.50% to 3.25% per annum). The loans are due at call.

Directors and management's benefits

During the years ended 31 December 2021 and 2020, the Group had employee benefit expenses payable to its directors and management as below.

(Unit: Thousand Baht)

| | Consolidated/Separate financial statements | |
|------------------------------|--|--------|
| | 2021 | 2020 |
| Short-term employee benefits | 25,252 | 9,582 |
| Post-employment benefits | 3,483 | 3,704 |
| Total | 28,735 | 13,286 |

Guarantee

As at 31 December 2021, a subsidiary had provided guarantee of loans from financial institutions to the Company totaling Baht 3,873 million (2020: Baht 2,730 million).

36. Commitments and contingent liabilities

36.1 Capital commitments

As at 31 December 2021 and 2020, the Group had capital commitments as follows.

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|---------|----------------------------------|---------|
| | 2021 | 2020 | 2021 | 2020 |
| Acquisitions of property, plant and equipment | 918,817 | 221,069 | 901,938 | 189,175 |

36.2 Leases of low-value assets and service commitments

As at 31 December 2021 and 2020, the Group had future minimum payments required under the non-cancellable leases of copying machine and service agreements as follows.

(Unit: Thousand Baht)

| Payable | Consolidated/Separate financial statements | |
|----------------------------|--|-------|
| | 2021 | 2020 |
| In up to 1 year | 1,533 | 896 |
| In over 1 to up to 4 years | 986 | 1,257 |

36.3 Letter of credit for purchase of goods commitments

As at 31 December 2021 and 2020, the Group had letter of credit for purchase of goods commitments as follows.

(Unit: Thousand)

| | Consolidated/Separate financial statements | | | |
|-----|--|------------------------|---------------------|------------------------|
| | 2021 | | 2020 | |
| | Other currencies | Equivalents to Baht | Other currencies | Equivalents to Baht |
| USD | 2,127 | 71,076 | 915 | 27,477 |
| RMB | 16,951 | 88,847 | 12,714 | 58,640 |

36.4 Guarantees

As at 31 December 2021, there were outstanding bank guarantees issued by banks on behalf of the Group, primarily in respect of electricity use, rental and service agreements, and sales and purchases of goods amounting to Baht 258 million (2020: Baht 149 million).

36.5 Litigations and contingent liabilities

Real Time Transport Co., Ltd. (“plaintiff”) filed a lawsuit with the Court requesting the Company pay losses from cancelling a transportation service agreement. Later, on 27 May 2020, the Court of First Instance ruled for the Company to pay for the amount of Baht 17 million with a penalty at the rate of 7.50% per annum from 17 June 2019 until full payment is made to the plaintiff. On 15 September 2020, the Company filed an appeal with the Appeal Court. On 30 November 2021, the Appeal Court reversed the judgement delivered by previous courts on the grounds that the Company exercised its right to terminate the agreement lawfully and in good faith. Currently, the plaintiff is applying for an extension for the submission of a petition to the Supreme Court to 28 February 2022.

The Company’s management and legal advisor believed that the Company would not incur material losses, therefore the Company has not set a provision for this claim.

37. Events after the reporting period

On 17 February 2022, the meeting of the Company’s Board of Directors passed the following resolutions to propose the following matters for approval by the Annual General Meeting of shareholders to be held in April 2022.

- An appropriation of net profit for the year 2021 to statutory reserve
- A decrease in the registered share capital of Baht 820.7 million from Baht 3,243.7 million to Baht 2,423.0 million, by cancelling 820,669,460 unissued shares.
- An increase in the registered share capital of Baht 484.6 million, from Baht 2,423.0 million to Baht 2,907.6 million, by issuing 484,603,100 ordinary shares with a par value of Baht 1 each to support the distribution of a share dividend of 484,434,000 shares and the adjustments of warrants No.1, ESOP-W2 and ESOP-W3 allocated to the Company’s employees to purchase the Company’s ordinary shares of 169,100 shares.
- The payment of stock dividend by issuing 484,434,000 new ordinary shares with a par value of Baht 1 per share to the Company’s shareholders at a ratio of 5 existing shares to 1 share dividend totaling Baht 484.4 million, and the payment of cash dividend of Baht 0.02222 per share, totaling Baht 53.8 million. The combined dividend payment amounted to Baht 538.3 million, or Baht 0.22222 per share.

38. Reclassifications

The Group reclassified certain amounts in the statement of financial position as at 31 December 2020 and the comprehensive income statements for the year 2020 to conform to the current year's classification as follows.

(Unit: Thousand Baht)

| Consolidated financial statements | | Separate financial statements | |
|--------------------------------------|---------------------------|----------------------------------|---------------------------|
| As reclassified | As previously reported | As reclassified | As previously reported |

Statement of financial position as at 31 December 2020

| | | | | |
|-----------------------------|---------|---------|---------|---------|
| Trade and other receivables | 903,188 | 996,447 | 903,188 | 996,447 |
| Other current assets | 184,607 | 91,348 | 183,437 | 90,178 |
| Leasehold rights | - | 32,894 | - | 32,894 |
| Right-of-use assets | 523,904 | 491,010 | 905,551 | 872,657 |

(Unit: Thousand Baht)

| Consolidated financial statements | | Separate financial statements | |
|--------------------------------------|---------------------------|----------------------------------|---------------------------|
| As reclassified | As previously reported | As reclassified | As previously reported |

Statement of comprehensive income for the year 2020

| | | | | |
|-----------------------------------|------------|------------|------------|------------|
| Sales | 18,567,040 | 18,617,758 | 18,567,040 | 18,617,758 |
| Other income | 126,300 | 147,442 | 128,023 | 155,008 |
| Selling and distribution expenses | 1,544,660 | 1,595,378 | 1,566,963 | 1,617,681 |
| Finance income | 21,142 | - | 26,985 | - |

The reclassifications had no effect to previously reported profit or shareholders' equity.

39. Approval of financial statements

The financial statements were authorised for issue by the Company's Board of Directors on 17 February 2022. The directors have the power to amend and reissue the financial statements.

Annex

- Annex 1
- Annex 2



Annex 1

Information of Directors, Management, Controlling Person, Financial Controller, Accounting Controller, and Company Secretary

Information of Directors

1. Mr. Chatrchai Tuongratanaphan (Age 65)

- Chairman of the Board of Directors (appointed on 28 May 2018)
- Independent Director (appointed on 28 May 2018)
- Member of Audit Committee (appointed on 28 May 2018)
- Chairman of Nomination and Remuneration Committee (appointed on 28 May 2018)

Educational Qualifications / Training Program :

- Doctor of Philosophy in International Business, United States International University
- Master's degree in international marketing, United States International University
- Bachelor of Science (Chemistry), Mahidol University

Training Course for Director :

- Director Certification Program (DCP), Thai Institute of Directors Association (IOD)
- Board Nomination & Compensation Program (BNCP), Thai Institute of Directors Association (IOD)

Training in 2021 : - none -

Work Experiences in the Past 5 Years in Brief :

Positions in other listed companies on SET :

- Present - Independent Director/Member of Nomination and Remuneration Committee of Rojukiss International Public Co., Ltd.

Positions in non-listed companies :

- Present - Independent Director of Vat Refund Center (Thailand) Co., Ltd.
- Present - Advisor to Thai Resellers Association

Family Relationship between Director and Executive :

- none -



2. Mr. Adisak Tangmitrphracha (Age 68)

- Vice Chairman of the Board of Directors (appointed on 28 May 2018)
- Chairman of Executive Committee (appointed on 28 May 2018)
- Member of Risk Management Committee (appointed on 28 May 2018)
- Managing Director (appointed on 28 May 2018)
- Authorized Director to sign on behalf of the Company as stipulated in the Company Certificate

Educational Qualifications / Training Program :

- Bachelor's Degree in Engineering, Khon Kaen University

Training Course for Director :

- Director Accreditation Program (DAP) Thai Institute of Directors Association (IOD)

Training in 2021 : - none -

Work Experiences in the Past 5 Years in Brief :

Positions in other listed companies on SET : - none -

Positions in non-listed companies :

- Present - Director, Dohome Group Co., Ltd.
- Present - Director, Dohome Energy Co., Ltd.
- Present - Director, AN Capital Co., Ltd.
- Present - Director, ASM Real Estate Co., Ltd.
- Present - Director, Dohome Express Co., Ltd.
- Present - Director, ASM Consultant Co., Ltd.
- Present - Director, Dohome Holding Co., Ltd.
- Present - Director, S.Ubon Watsadu Co., Ltd.
- Present - Director, Aladdin Shoponline Co., Ltd.
- Present - Director, Ubon Watsadu Co., Ltd.
- Present - Director, Ngernturbo Insurance Broker Co., Ltd.
- Present - Director, NTBG Co., Ltd.
- Present - Director, NTBX Co., Ltd.
- Present - Director, Amplus Holding Ltd.

Family Relationship between Director and Executive :

Spouse of Mrs. Nattaya Tangmitrphracha, Father of Ms. Ariya Tangmitrphracha, Mrs. Salitip Ruangsuttipap and Mr. Maruay Tangmitrphracha



Proportion of Direct
Shareholding

11.27%

Proportion of Indirect
Shareholding

11.74%

Proportion of
Shareholding by
Spouse and
Minor Children

8.45%

3. Mrs. Nattaya Tangmitrphracha (Age 67)

- Director (appointed on 28 May 2018)
- Deputy Executive Committee (appointed on 28 May 2018)
- Member of Nomination and Remuneration Committee (appointed on 28 May 2018)
- Deputy Managing Director (appointed on 28 May 2018)
- Authorized Director to sign on behalf of the Company as stipulated in the Company Certificate

Training Course for Director :

- Director Accreditation Program (DAP) Thai Institute of Directors Association (IOD)

Training in 2021 : - none -

Work Experiences in the Past 5 Years in Brief :

Positions in other listed companies on SET : - none -

Positions in non-listed companies :

- Present - Director, Dohome Group Co., Ltd.
- Present - Director, Dohome Energy Co., Ltd.
- Present - Director, AN Capital Co., Ltd.
- Present - Director, ASM Real Estate Co., Ltd.
- Present - Director, Dohome Express Co., Ltd.
- Present - Director, ASM Consultant Co., Ltd.
- Present - Director, Dohome Holding Co., Ltd.
- Present - Director, S.Ubon Watsadu Co., Ltd.
- Present - Director, Aladdin Shoponline Co., Ltd.
- Present - Director, Ubon Watsadu Co., Ltd.
- Present - Director, Ngernturbo Insurance Broker Co., Ltd.
- Present - Director, NTBG Co., Ltd.
- Present - Director, NTB Co., Ltd.
- Present - Director, Amplus Holding Ltd.

Family Relationship between Director and Executive :

Spouse of Mr. Adisak Tangmitrphracha, Mother of Ms. Ariya Tangmitrphracha, Mrs. Salitip Ruangsuttipap and Mr. Maruay Tangmitrphracha



Proportion of Direct
Shareholding

8.45%

Proportion of Indirect
Shareholding

11.74%

Proportion of
Shareholding by
Spouse and
Minor Children

11.27%

4. Ms. Ariya Tangmitrphracha (Age 39)

- Director (appointed on 28 May 2018)
- Member of Executive Committee (appointed on 28 May 2018)
- Deputy Managing Director - Operations and Procurement (appointed on 28 May 2018)
- Assistant Managing Director - Procurement (appointed on 28 May 2018)
- Authorized Director to sign on behalf of the Company as stipulated in the Company Certificate

Educational Qualifications / Training Program :

- Bachelor's Degree in Marketing, Chulalongkorn University

Training Course for Director :

- Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD)
- Director Certification Program (DCP), Thai Institute of Directors Association (IOD)
- Financial Statements for Directors (FSD), Thai Institute of Directors Association (IOD)
- Advanced Audit Committee Program (AAP), Thai Institute of Directors Association (IOD)

Training in 2021 : - none -

Work Experiences in the Past 5 Years in Brief :

Positions in other listed companies on SET : - none -

Positions in non-listed companies :

- Present - Director, Dohome Group Co., Ltd.
- Present - Director, Dohome Energy Co., Ltd.
- Present - Director, Ngernturbo Co., Ltd.
- Present - Director, AN Capital Co., Ltd.
- Present - Director, ASM Real Estate Co., Ltd.
- Present - Director, Dohome Express Co., Ltd.
- Present - Director, ASM Consultant Co., Ltd.
- Present - Director, TMPC Trading Co., Ltd.
- Present - Director, S.Ubon Watsadu Co., Ltd.
- Present - Director, Ubon Watsadu Co., Ltd.
- Present - Director, BCP Development Co., Ltd.
- Present - Director, Amplus Holding Ltd.

Family Relationship between Director and Executive :

Daughter of Mr. Adisak and Mrs. Nattaya Tangmitrphracha, Elder sister of Mrs. Salitip Ruangsuttipap and Mr. Maruay Tangmitrphracha



Proportion of Direct
Shareholding
5.64%

Proportion of Indirect
Shareholding
3.35%

Proportion of
Shareholding by
Spouse and
Minor Children
0.03%

5. Mrs. Salitip Ruangsuttipap (Age 38)

- Director (appointed on 28 May 2018)
- Member of Executive Director (appointed on 28 May 2018)
- Deputy Managing Director - Accounting, Finance and Organization Support (appointed on 28 May 2018)
- Authorized Director to sign on behalf of the Company as stipulated in the Company Certificate

Educational Qualifications / Training Program :

- Bachelor's Degree in Economics, Thammasat University

Training Course for Director :

- Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD)
- Director Certification Program (DCP), Thai Institute of Directors Association (IOD)
- Financial Statements for Directors (FSD), Thai Institute of Directors Association (IOD)
- Advanced Audit Committee Program (AAP), Thai Institute of Directors Association (IOD)
- Company Secretary Program (CSP), Thai Institute of Directors Association (IOD)

Training in 2021 :

- Curriculum projects Logistics: Strategy & Management, Chulalongkorn University

Work Experiences in the Past 5 Years in Brief :

Positions in other listed companies on SET : - none -

Positions in non-listed companies :

- Present - Director, Dohome Group Co., Ltd.
- Present - Director, Dohome Energy Co., Ltd.
- Present - Director, Ngernturbo Co., Ltd.
- Present - Director, AN Capital Co., Ltd.
- Present - Director, ASM Real Estate Co., Ltd.
- Present - Director, Dohome Express Co., Ltd.
- Present - Director, ASM Consultant Co., Ltd.
- Present - Director, TMPC Trading Co., Ltd.
- Present - Director, Thong Mawin Capital, Co., Ltd.
- Present - Director, Thuntarin Co., Ltd.
- Present - Director, Money OK Co., Ltd.
- Present - Director, S.Ubon Watsadu Co., Ltd.
- Present - Director, Ubon Watsadu Co., Ltd.
- Present - Director, Amplus Holding Ltd.

Family Relationship between Director and Executive :

Daughter of Mr. Adisak and Mrs. Nattaya Tangmitrphracha, Younger sister of Ms. Ariya Tangmitrphracha, and Elder sister of Mr. Maruay Tangmitrphracha

* Directors holding shares through Custodian, totaling 60,000,000 shares.



Proportion of Direct Shareholding
5.64%*

Proportion of Indirect Shareholding
3.35%

Proportion of Shareholding by Spouse and Minor Children
- none -

6. Mr. Maruay Tangmitrphracha (Age 30)

- Director (appointed on 3 July 2019)
- Member of Executive Committee (appointed on 3 July 2019)
- Deputy Managing Director - information technology and E-commerce (appointed on 3 July 2019)
- Authorized Director to sign on behalf of the Company as stipulated in the Company Certificate

Educational Qualifications / Training Program :

- Global MBA Program, University of Michigan
- Bachelor's Degree in Information and Communication Engineering, Chulalongkorn University

Training Course for Director :

- Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD)

Training in 2021 :

- Sustainable Leadership Course on Digital Transformation Process Rethink Academy

Work Experiences in the Past 5 Years in Brief :

Positions in other listed companies on SET : - none -

Positions in non-listed companies :

- 2021 - Present Director, Ngernturbo Co., Ltd.
- Present Director, Dohome Group Co., Ltd.
- Present Director, Dohome Express Co., Ltd.
- Present Director, TMPC Trading Co., Ltd.
- Present Director, S.Ubon Watsadu Co., Ltd.
- Present Director, Aladdin Shoponline Co., Ltd.
- Present Director, Ubon Watsadu Co., Ltd.
- Present Director, ASM Real Estate Co., Ltd.
- Present Director, ASM Consultant Co., Ltd.
- Present Director, AN Capital Co., Ltd.
- Present Director, Amplus Holding Ltd.

Family Relationship between Director and Executive :

Son of Mr. Mr.Adisak Tangmitrphracha and Mrs. Nataya Tangmitrphracha,
Brother of Ms. Ariya Tangmitrphracha and Mrs. Salitip Ruangsuttipap



Proportion of Direct
Shareholding
5.64%

Proportion of Indirect
Shareholding
3.35%

Proportion of
Shareholding by
Spouse and
Minor Children
- none -



7. Mr. Suvait Theeravachirakul (Age 62)

- Director, Independent Director (appointed on 26 April 2019)
- Independent Director (appointed on 26 April 2019)
- Chairman of Audit Committee (appointed on 26 April 2019)
- Member of Nomination and Remuneration Committee (appointed on 26 April 2019)
- Member of Risk Management Committee (appointed on 26 April 2019)

Educational Qualifications / Training Program :

- Master of Business Administration, Wagner College
- Bachelor's Degree in Accounting, Ramkhamhaeng University
- Executive Program in Capital Market (CMA), Capital Market Academy
- Senior Executive Certificate in Anti-Corruption Strategic Management, Sanya Dhamasakti National Anti-Corruption Institute (SDI),
- Top Executive Program in Energy Literacy Thailand Energy Academy (TEA), Thailand Energy Academy
- Top Executive Program in Commerce and Trade (TEPCoT), Commerce Academy, UTCC
- Top Executive Program on China Business Insights and Network (T E P C I A N), Beijing Language and Culture University (BLCU), Thai Chamber of Commerce and UTCC
- Effective Coaching & Mentoring, MBK Training Center
- Digital Transformation, MBK Training Center
- Workforce Analysis for new business, MBK Training Center
- How to adapt to survive in the current situation, MBK Training Center
- Just Right, MBK Training Center
- Agile leader, MBK Training Center

Training Course for Director :

- Successful Formulation & Execution the Strategy (SFE), Thai Institute of Directors Association (IOD)
- Director Certification Program (DCP), Thai Institute of Directors Association (IOD)
- Audit Committee Program (ACP), Thai Institute of Directors Association (IOD)

Training in 2021 : - none -

Work Experiences in the Past 5 Years in Brief :

Positions in other listed companies on SET :

- 2009 - Present Chief of Executive Officers, MBK Plc.
- 2002 - Present Director, Member of Executive Committee and President, MBK Plc.
- 2020 - Present Independent Director and Member of the Audit committee, Kiattana Transport Plc.
- 2007- Present Independent Director and Member of Audit Committee, IFS Capital (Thailand) Plc.
- 2017 - Present Chairman of Audit Committee, Thai Rung Car Plc.
- 2005 - 2019 Independent Member and Risk Management Committees, Thai Rung Car Plc.

- 2005 - 2017 Member of Audit Committees, Thai Rung Car Plc.
- 2017 - Present Vice Chairman of the Board of Director, Patum Rice Mill and Granary Plc.
- 2016 - Present Member of Nomination and Remuneration Committee, Patum Rice Mill and Granary Plc.
- 2009 - Present Vice Chairman of Executive Committee, Patum Rice Mill and Granary Plc.
- 2007 - 2018 Chairman of Executive Committee, Royal Orchid Hotel (Thailand) Plc.
- 2000 - 2007 Member of Executive Committee, Royal Orchid Hotel (Thailand) Plc.

Positions in non-listed companies :

- Present Chairman of the Board of Director and Director, Subsidiaries and Associates of MBK Plc.
- 2019 - Present Director, Duang Capital Co., Ltd.

Family Relationship between Director and Executive :

- none -



Proportion of Direct Shareholding
0.00%

Proportion of Indirect Shareholding
- none -

Proportion of Shareholding by Spouse and Minor Children
- none -

8. Mr. Tarin Thaniyavarn (Age 37)

- Director (appointed on 3 July 2019)
- Independent Director (appointed on 3 July 2019)
- Member of Audit Committee (appointed on 17 February 2021)
- Chairman on Risk Management Committee (appointed on 17 February 2021)

Educational Qualifications / Training Program :

- MBA, Business Administration, Finance, The Wharton School, University of Pennsylvania
- BBA, Finance, Thammasat University
- HBA, Exchange Program, The University of Western Ontario - Richard Ivey School of Business

Training Course for Director :

- Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD)

Training in 2021 : - none -

Work Experiences in the Past 5 Years in Brief :

Positions in other listed companies on SET : - none -

Positions in non-listed companies :

- 2021 - Present Group Executive Director, Charoen Pokphand Group Co., Ltd.
- 2021 - Present Managing Director e-commerce business, EK-Chai Distribution system Co., Ltd.
- 2021 - Present Chief Executive Officer, Ascend Commerce Group Co., Ltd.
- 2018 - Present Country Head, Thailand Grabtaxi (Thailand) Co., Ltd.
- 2015 - Present EVP, Group Strategy and Government Relation / EVP, Chief Commercial Officer Lazada Group
- 2007 - 2015 Project Leader BCG, The Boston Consulting Group

Family Relationship between Director and Executive :

- none -



Proportion of Direct Shareholding

- none -

Proportion of Indirect Shareholding

- none -

Proportion of Shareholding by Spouse and Minor Children

- none -



Details about the company's executives

Mr. Chayanon Horpattaporn

(Age 33)

Assistant Managing Director - Accounting and Finance Department

Educational Qualifications / Training Program :

- MBA, Kellogg School of Management, Northwestern University
- Bachelor's Degree of Business Administration (International Program), Thammasat University
- TLCA CFO CPD 8/2020 Topic "Strategic Financial Communication", Thai Listed Companies Association
- Disclosure of Management Discussion and Analysis (MD&A), Thai Listed Companies Association
- TLCA CFO Professional Development Program 2/2020 Topic "Transfer Pricing", Thai Listed Companies Association
- The impact of the COVID-19 Situation to Financial Statements, Investment Banking Club, Association of Thai Securities Companies
- Personal Data Protection Act - the Role and Function of the Enterprise, Investment Banking Club, Association of Thai Securities Companies
- CFO's Orientation Course for New IPOs, Capital Market Knowledge Development Promotion Center, (TSI)
- TLCA CFO CPD No. 1/2021 Entitled "Economic update for CFO" Thai Listed Companies Association
- TLCA CFO CPD No. 3/2021 "How to Manage the Company's Finance & Accounting and Communicate with Stakeholders during COVID-19 Crisis" Thai Listed Companies Association
- TLCA CFO CPD No. 4/2021 "How finance leaders are adapting within the new normal"
- Thai Listed Companies Association TLCA CFO CPD No. 8/2021 Entitled "The modern CFO: Driving Digital Transformation of the Finance and Accounting" Thai Listed Companies Association
- VAT often wrong issues and correction techniques, NYC Management Co., Ltd.

Work Experiences in the Past 5 Years in Brief :

- 2019 - Present Assistant Managing Director - Accounting and Finance Department, Dohome Public Company Limited
- 2018 - 2019 Vice President, Investment Banking Department, Yuanta Securities (Thailand) Company Limited
- 2017 - 2018 Executive Director, Orion Advisory Company Limited
- 2015 - 2017 Assistant Vice President, KASIKORNBANK Public Company Limited

Family Relationship between Director and Executive :

- none -



Proportion of Direct Shareholding
0.02%

Proportion of Indirect Shareholding
- none -

Proportion of Shareholding by Spouse and Minor Children
- none -



Mr. Aphiyuch Fookul

(Age 47)

Assistant Managing Director – Information Technology

Educational Qualifications / Training Program :

- Bachelor of Science in Computer Science, Ubon Ratchathani Rajabhat University
- Sustainable Leadership Course on Digital Transformation Process Rethink Academy

Work Experiences in the Past 5 Years in Brief :

- 2018 - Present Assistant Managing Director - Information Technology
- 2015 - 2018 Manager of System and Information Development
- 2014 - 2015 Manager of Programmer

Family Relationship between Director and Executive :

- none -



Proportion of Direct Shareholding

0.00%

Proportion of Indirect Shareholding

- none -

Proportion of Shareholding by Spouse and Minor Children

- none -



Mrs. Jintana Koontawee (Age 52)

Assistant Managing Director - Operations

Educational Qualifications / Training Program :

- Diploma of Marketing, Chanapolkhan Technological College

Work Experiences in the Past 5 Years in Brief :

- 2018 - Present Assistant Managing Director - Operations
- 2016 - 2018 Manager of Retail Setup
- 2014 - 2016 Manager of Ubon Ratchathani Store

Family Relationship between Director and Executive :

- none -



Proportion of Direct
Shareholding
0.00%

Proportion of Indirect
Shareholding
- none -

Proportion of
Shareholding by
Spouse and
Minor Children
- none -

Ms. Pannee Phiwnaun**(Age 37)**

Assistant Managing Director - Marketing Administration

Educational Qualifications / Training Program :

- Bachelor of Business Administration (General Management), Ubon Ratchathani University

Work Experiences in the Past 5 Years in Brief :

- 2018 - Present Assistant Managing Director - Marketing Administration
- 2017 - 2018 Manager of Overseas Trade Administration Center
- 2016 - 2017 Head of Trade Administration Center
- 2014 - 2016 Domestic purchasing officer

Family Relationship between Director and Executive :

- none -

Proportion of Direct
Shareholding**0.00%**Proportion of Indirect
Shareholding**- none -**Proportion of
Shareholding by
Spouse and
Minor Children**- none -**



Mrs. Nongyao Sa-art (Age 54)

Assistant Managing Director - Human Resources

Educational Qualifications / Training Program :

- Bachelor's Degree in Management, Eastern University of Management and Technology

Work Experiences in the Past 5 Years in Brief :

- 2018 - Present Assistant Managing Director - Human Resources
- 2014 - 2018 Manager of Personnel and Facility

Family Relationship between Director and Executive :

- none -



Proportion of Direct
Shareholding

0.01%

Proportion of Indirect
Shareholding

- none -

Proportion of
Shareholding by
Spouse and
Minor Children

- none -

Information of the Person Supervising Accounting

Mrs. Pornsiri Loesprapaporn (Age 38)

First Assistance Vice President Accounting

Educational Qualifications / Training Program :

- Master's Degree Department of Accounting, Faculty of Commerce and Accountancy, Chulalongkorn University
- Bachelor's Degree Department of Accounting, Faculty of Business Administration, Kasetsart University
- Techniques for auditing accounting-financial reports To prevent and manage corruption in the organization, Dharmniti
- Understand TFRS about property, plant and equipment and various non-renewable assets, (DBD)
- TLCA CFO Professional Development Program 2/2020 Topic "Transfer Pricing" Thai Listed Companies Association
- TLCA CFO Professional Development Program 1/2020 "Update on IFRS9 and other new standards" Thai Listed Companies Association
- VAT Common Mistakes and Correction Techniques, NYC Thailand
- Inventory Accounting, Dharmniti

Work Experiences in the Past 5 Years in Brief :

- 2018 - Present First Assistance Vice President Accounting
- 2017 - 2018 Head of Costing & CAPEX, Srinanaporn Marketing Plc.
- 2015 - 2017 Accounting Division Manager, Osotspa Plc.
- 2010 - 2015 Accountant, PTT Exploration and Production Plc

Family Relationship between Director and Executive :

- none -



Proportion of Direct Shareholding

- ๓๓ -

Proportion of Indirect Shareholding

- none -

Proportion of Shareholding by Spouse and Minor Children

- none -



Information of the Company Secretary

Ms. Mayuree Seeta (Age 40)

Educational Qualifications / Training Program :

- Master's Degree Business Economics Program, Thammasat University
- Bachelor's Degree in Accountancy, Ubon Ratchathani Rajabhat University
- Disclosure of Management Discussion and Analysis (MD&A), Thai Listed Companies Association
- The impact of the COVID-19 Situation to Financial Statements, Investment Banking Club, Association of Thai Securities Companies
- Fundamentals for Corporate Secretaries, Thai Listed Companies Association
- Training FEASIBILITY STUDY, Thammasat University
- Seminar on ESG: Opportunities and Risks that companies should know Thai Listed Companies Association
- Seminar Road to Certify with CAC No. 4/2564
- Corporate Sustainability Strategy, Class 3, The Stock Exchange of Thailand

Training Course for Director :

- Company Secretary Program (CSP), Thai Institute of Directors Association (IOD)
- Board Reporting Program (BRP), Thai Institute of Directors Association (IOD)
- Effective Minute Taking (EMT), Thai Institute of Directors Association (IOD)

Work Experiences in the Past 5 Years in Brief :

- 2019 - Present Investor Relation
- 2017 - Present Company Secretary
- 2017 - Present Corporate Governance Director
- 2016 - 2017 Assistant Accounting Manager, Teo Hong Silom The Company's Limited
- 2014 - 2016 Assistant Accounting and Finance Manager, Dohome Co., Ltd.

Family Relationship between Director and Executive :

- none -



Proportion of Direct Shareholding
0.00%

Proportion of Indirect Shareholding
- none -

Proportion of Shareholding by Spouse and Minor Children
- none -

Annex 2

Information of the Head of Internal Audit

Ms. Pikun Somwan
(Age 49)

Educational Qualifications / Training Program :

- Bachelor's Degree in Accounting, The Eastern University of Management and Technology

Training Course for Director :

- Financial Statements for Directors (FSD), Thai Institute of Directors Association (IOD)
- Company Secretary Program (CSP), Thai Institute of Directors Association (IOD)
- Company Reporting Program (CRP), Thai Institute of Directors Association (IOD)
- Board Reporting Program (BRP), Thai Institute of Directors Association (IOD)
- Effective Minutes Taking (EMT), Thai Institute of Directors Association (IOD)

Work Experiences in the Past 5 Years in Brief :

- 2021 - Present Director of Internal Audit
- 2018 - Present Advisor to the Executive Committee
- 2018 - 2021 Director, Dohome Dohome Public Company Limited.
- 2016 - 2018 Internal Audit Manager, Dohome Co., Ltd.
- 2015 - 2016 Company secretary, Dohome Co., Ltd.
- 2014 - 2015 Accounting Manager, Dohome Co., Ltd.

Family Relationship between Director and Executive :

- none -



Proportion of Direct Shareholding

0.01%

Proportion of Indirect Shareholding

- none -

Proportion of Shareholding by Spouse and Minor Children

- none -



Centre of retail, wholesale, construction materials, repair and decorations

Large branch

| | | |
|-------------------|---|------------------|
| Ubon Ratchathani | 34-47 Srimongkhon Road, Warinchamrab Sub-District, Warinchamrab District, Ubon Ratchathani Province 34190 | Tel. 045-959-888 |
| Nakhon Ratchasima | 412 Moo 2, Ratchasima-Chokchai Road, Nongbuasala Sub-District, Muang District, Nakhon Ratchasima Province 30000 | Tel. 044-009-888 |
| Rangsit | 185/5 Moo 4, Rangsit-Nakhonnayok Road, Rangsit Sub-District, Thunyaburi District, Pathumthani Province 12110 | Tel. 02-023-8844 |
| Khonkaen | 678 Moo 2, Mittraphap Road, Sila Sub-District, Muang District, Khonkaen Province 40000 | Tel. 043-009-899 |
| Udonthani | 888 Moo 11, Mittraphap Road, Moomon Sub-District, Muang District, Udonthani Province 41000 | Tel. 042-180-909 |
| Rama II | 88/8 Moo 2, Rama II Road, Chaimongkhon Sub-District, Muang District, Samutsakorn Province 74000 | Tel. 034-119-699 |
| Bangbuathong | 88 Moo 5, Outer Ring Road, Laharn Sub-District, Bangbuathong District, Nonthaburi Province 11110 | Tel. 02-023-8877 |
| Chiangmai | 88/8 Moo 3, Chiangmai-Lamphun Superhighway Road, Umong Sub-District, Muang District, Lamphun Province 51000 | Tel. 052-135-299 |
| Bangna | 88/8 Moo 5, Bangna-Trad Road, Samak Sub-District, Bangpakong District, Chachoengsao Province 24180 | Tel. 033-050-898 |
| Petchkasem | 88/88 Moo 11, Tambol Aomnoi, Amphur Krathumban, Samutsakorn Province 74130 | Tel. 034-114-419 |
| Surin | 483 Moo 10, Nok Mueng, Mueng Surin, Surin 32000 | Tel. 044-069-989 |
| Maptaput | 288/88 Sukhumvit Road, Maptaput, Mueng Rayong, Rayong 21150 | Tel. 033-010-899 |
| Laem Chabang | 88/111 Moo 4 Bang Lamung Subdistrict, Bang Lamung District, Chonburi Province 20150 | Tel. 033-678-899 |
| Bowin | 88/888 Moo 4 Mapyangphon Subdistrict, Pluak Daeng District, Rayong Province 21140 | Tel. 033-679-800 |
| Chonburi | 178 Moo 7 Nong Tamlueng Subdistrict, Phan Thong District, Chonburi Province 20160 | Tel. 033-048-788 |
| Surat Thani | 88/8 Moo 5 Kanchanawithi Road, Bang Kung Subdistrict, Mueang Surat Thani District Surat Thani Province 84000 | Tel. 077-954-988 |

Small branches (Dohome ToGo)

| | | |
|---------------------------------------|--|-------------------|
| Makro Sathorn | 1 Narathiwat-Ratchanakarin Road, Thungwatdon Sub-district, Sathorn District, Bangkok 10210 | Tel. 061-028-2777 |
| Big C Bang Phli | 89 Moo 9, Theparal Road, Tambol Bangpleeyai, Amphur Bangplee, Samutprakarn Province 10540 | Tel. 061-028-4774 |
| Tesco Lotus Korat | 719/5 Mitrapap Road, Tambol Nai Mueang, Amphur Mueang, Nakhon Ratchasima Province 30000 | Tel. 063-021-4411 |
| Tesco Lotus Bangna | 14/9 Moo 13 Bangkaew, Bang Pli, Samut Prakarn 10540 | Tel. 063-021-4433 |
| Chatchawan Market, Khlong 7 | 99/14 Moo 4 Bueng Kham Phoi, Lamlukka, Pathum Thani 12150 | Tel. 061-027-1777 |
| Thai Somboon Market, Rangsit Khlong 3 | 58/109 Moo 4, Khlong Sam, Khlong Luang, Pathum Thani 12150 | Tel. 061-029-5777 |
| Ruaysap Market, Bang Pli | 55 Moo 6, Bang Phriang, Bang Bo, Samut Prakarn 10560 | Tel. 061-028-3000 |
| Thai Rung Thip, Khlong Dan | 98 Moo7, Khlong Dan, Bang Bo, Samut Prakarn 10550 | Tel. 061-029-0077 |
| Thab Yao Market, Lat Krabang | 398/4 Pracha Phatthana Road, Thap Yao, Lat Krabang, Bangkok 10520 | Tel. 061-023-5335 |
| Maruay Market | 9/78 Moo 18 Bueng Kham Phoi, Lumlukka, Pathum Thani 12150 | Tel. 045-352-888 |



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