



SET_DV8-2021027

November 11, 2021

Subject Management Discussion and Analysis – Explanation of net profit for the quarter ended September 30, 2021 and the increase in the overall operations of more than 20 percent

Attn President

Stock Exchange of Thailand

DV8 Corporation Public Company Limited (“DV8” or the “Company”) would like to submit the reviewed financial statements for ended September 30, 2021. Such financial statements comprise of the consolidated financial statements and the separate financial statements as compared with the financial statements for ended November 30, 2020. The Company’s overall performance can be summarized as follows.

DV8 would like to highlight the company’s consolidated performance for ended September 30, 2021 as follows:

Company’s Performance (unit: THB million)	2021	2020	Change(+/-)	percentage (%)
Income from Media-advertising	70.62	67.99	2.26	4%
Sales income	79.66	8.32	71.34	858%
Income from constructing	14.02	-	14.02	0%
Total revenues	164.30	76.31	87.99	115%
Cost of Media-advertising	(63.00)	(40.97)	(22.03)	54%
Cost of sales	(71.45)	(12.30.)	(59.15)	481%
Cost of construction	(9.46)	-	(9.46)	0%
Total costs	(143.91)	(53.27)	(90.64)	170%
Gross profit (loss)	20.39	23.04	(2.64)	-11%
Gain from sales of other long term investments	-	14.00	(14.00)	0%
Other incomes	6.83	16.22	(9.38)	-58%
Profit before expense	1.27	15.02	(13.75)	-92%
Administrative expenses	(36.81)	(46.83)	10.01	-21%
Management benefit expenses	(22.00)	(12.80)	(9.20)	72%
Finance costs	(1.52)	(2.96)	1.44	-49%
Share of loss from associates	(1.65)	-	(1.65)	0%
Total expenses	(61.98)	(62.70)	0.71	-1%
Loss before income tax expense	(34.76)	(9.44)	(25.32)	258%
Income tax expense	(1.38)	-	(1.38)	0%
Net loss for the period	(36.14)	(9.44)	(26.70)	283%

Company's Performance (unit: THB million)	2021	2020	Change(+/-)	percentage (%)
Other comprehensive income for the period				
Components of other comprehensive income that will not be reclassified to profit or loss subsequently				
Gains on remeasurement of defined benefit plans	0.08	0.06	0.02	31%
Total comprehensive expense for the period	(36.06)	(9.38)	(26.68)	284%
Profit (loss) attributable to:				
Owners of the Company	(36.97)	(8.55)	(28.42)	322%
Non-controlling interests	0.83	(0.89)	1.72	-192%
Total loss for the period	(36.14)	(9.44)	(26.70)	283%
Comprehensive income (expense) attributable to:				
Owners of the Company	(36.88)	(8.49)	(28.40)	335%
Non-controlling interests	0.83	(0.89)	1.72	-192%
Total comprehensive expense for the period	(36.06)	(9.38)	(26.68)	332%

Operating results of the Company according to the consolidated financial statements for the 9-month period of 2021 ending September 30, 2021, the Company has total revenue of 164.30 million baht, consisting of advertising media revenue 70.62 million baht, sales revenue 79.66 million baht and revenue. From construction contracts of 14.02 million baht, total revenue increased by 6.83 million baht when compared to the same period of the year 2020, mainly due to the year 2021, there were more deliveries from the DCORP-DLI joint venture, including contract manufacturing. online media YouTube for the mall and produce mini-series, etc.

When deducting with total cost of 143.91 million baht, consisting of cost of advertising media of 63 million baht, cost of sales of 71.45 million baht, and cost of construction 9.46 million baht, the company has gross profit of 20.39 million baht and combined with other income of 6.83 million baht. Expenses 27.23 million baht and after deducting total expenses 61.98 million baht, including administrative expenses 36.81 million baht, executive compensation 22.00 million baht, financial costs 1.65 million baht, share of loss in associates 1.65 million baht.

As a result, the company had a loss before income tax of 34.76 million baht, mainly because the situation of COVID-19 has not been resolved and has become more severe. As a result, the company is unable to hold events as planned and the deteriorating economic conditions may cause partners to slow down the use of advertising media.



DV8 would like to highlight the company's unconsolidated performance for the six month ended September 30,

2021 as follows:

Company's Performance (unit: THB million)	2021	2020	Change(+/-)	percentage (%)
Income from Media-advertising	70.62	67.99	2.26	4%
Sales income	0.07	0.10	(0.03)	-34%
Income from constructing	14.41	-	14.41	0%
Total revenues	85.09	68.09	17.00	25%
Cost of Media-advertising	(63.00)	(40.97)	(22.03)	54%
Cost of sales	(0.08)	(0.06)	(0.02)	38%
Cost of construction	(9.37)	-	(9.37)	0%
Total costs	(72.45)	(41.43)	(31.02)	75%
Gross profit (loss)	12.64	26.66	(14.02)	-53%
Gain from sales of other long term investments	-	14.00	(14.00)	0%
Other incomes	7.59	16.20	(8.61)	-53%
Profit before expense	20.23	56.86	(36.63)	-64%
Administrative expenses	(36.25)	(43.48)	7.24	-17%
Loss from impairment of investment in associates	-	(0.23)	(0.23)	0%
Management benefit expenses	(22.00)	(12.80)	(9.20)	72%
Finance costs	(1.30)	(0.92)	(0.38)	41%
Total expenses	(59.54)	(57.44)	(2.11)	4%
Loss before income tax expense	(39.31)	(0.58)	(38.74)	
Income tax expense	(1.30)	(0.92)	(0.38)	0%
Net loss for the period	(59.54)	(57.44)	(2.11)	4%
Other comprehensive income for the period	(39.31)	(0.58)	(38.74)	
Components of other comprehensive income that will not be reclassified to profit or loss subsequently				
Gains on remeasurement of defined benefit plans	0.08	0.06	0.02	31%
Total comprehensive expense for the period	(39.23)	(0.51)	(38.72)	7561%
Profit (loss) attributable to:				
Owners of the Company	(39.31)	(0.58)	(38.74)	6733%
Non-controlling interests				
Total loss for the period	(39.31)	(0.58)	(38.74)	6733%
Comprehensive income (expense) attributable to:				
Owners of the Company	(39.23)	(0.51)	(38.72)	7561%

Company's Performance (unit: THB million)	2021	2020	Change(+/-)	percentage (%)
Non-controlling interests				
Total comprehensive expense for the period	(39.23)	(0.21)	(38.72)	6733%

The Company's separate operating results for the 9-month period of 2021 ending on June 30, 2021. The company has total revenue of 85.09 million baht, consisting of advertising media revenue 70.62 million baht, sales revenue 0.07 million baht and revenue from sales. Construction contract 14.41 million baht, total revenue increased by 17.00 million baht. The main increase in income came from the company's contract to install LED screens according to the project to create awareness among the people with signs -- intelligent public relations" with the Ministry of Interior. when deducted from the total cost of 72.45 million baht. Consisting of cost of advertising media 63.00 million baht, cost of sales 0.08 million baht and cost of construction 9.37 million baht. The company has gross profit of 12.64 million baht and combined with other income 7.59 million baht. The company has a profit before expenses of 20.23 million baht and After deducting total expenses 59.54 million baht, which are administrative expenses 36.25 million baht, executive compensation 22.00 million baht, financial cost 1.30 million baht, the company has a net loss of 39.31 million baht. In the same year of 2020, the company's loss increased by 38.74 million baht.

The main reason is due to the situation of the epidemic of corona virus 2019 (COVID-19) that has become more severe than before. Together with the government has announced a request for cooperation in WFH 100% to stop the spread of the coronavirus. and the deteriorating economic conditions caused trade partners to slow down the use of advertising media. including the impact of the company's inability to organize various events As defined by 2 factors, resulting in the company's revenue decreased greatly.

The company has adjusted various strategies to increase sales to meet the goals that have been set as much as possible. by producing videos for Top Super Market, contracting to produce sound for radio programs, producing series through online channels, working with partners to organize online programs To help reduce risks from business operations

Progress on court's consideration and legal enforcement of the main debtors

1.1Media Agency Thai Co., Ltd. is a debtor in the Air Time Management Right Sale Contract. The debtor failed to follow the contract and the company filed a lawsuit to Thonburi Civil Court with the sued capital of 323,296,077. 43 Baht. As of now, the court made judgment on 16th July 2018 that the defendant is to pay 314,995,077.20 Baht together with 12% interest per year of the amount 243,362,657.56 Baht counting from 30th June 2018, and to pay 7.5% interest per year of the amount 68,756,301.30 Baht counting from the day of filing the

lawsuit (21st September 2017) onwards until the payment is completely made to the plaintiff. Also, the defendant is to pay costs instead of the plaintiff including lawyer's fee 10,000 Baht Later on May 21, 2020, the defendant's property was inspected. There were no assets found to be seized, attached or executed. The company has issued a warrant for the establishment of an enforcement officer. At present, the company has filed a petition with the Legal Execution Department to seize the debtor's assets. By setting the date of seizure or attachment on February 17, 2021 However The case defense officer seized the defendant (company) by finding that the defendant had no assets. To be used to pay debts to the plaintiff. The official therefore concluded that the defendant could not seize assets and will proceed the submit report to the paintiff in the next time. The execution officer postponed the schedule for the execution of the seizure of assets and the enforcement was not yet scheduled Due to the situation of the pear outbreak of the COVID-19 virus.

1.2 Muse Group Bangkok Co., Ltd. is a debtor in the Hiring Contract for Golf European Thailand Classic project. Afterwards, the debtor failed to make payment following the contract. The company filed a lawsuit on 15th July 2016 to the Civil Court of Southern Bangkok with total sued capital of 113,574,762.20 Baht. Later, on 27th November 2017, the court made judgment for the debtor to pay to the company in the amount of 18,253,248.40 together with 7.5% interest per year counting from 15th June 2015 until the payment is complete. However, on 26th January 2018, the company appealed against the subordinate court. Then, on 25th March 2019, the Civil Court of Southern Bangkok read the judgment of the Appeal Court that the debtor is to pay 57,201,682.21 Baht together with 7.5% interest per year counting from 14th July 2016 onwards until the payment is completely made to the plaintiff. The fees in the appeal court are to be waived. The case is currently in the proceeding of the Supreme Court.

1.3 MIC Broadcast Co., Ltd. This debtor has been sued for 3 times based on different sources of obligation as described below.

1.3.1 Case 1: Filing a lawsuit based on a Program Co-production Contract towards the Civil Court. The capital which is the subject of this case is 1,024,774.96 Baht. On December 28th, 2017, the debtor was absent to appear in the Court and the plea was not filed. Therefore, the Court has ordered that the Defendant is absent from filing the testimony and proceeding and the Plaintiff is entitled to unilateral witness investigation.

Subsequently, the Court issued the judgment indicating the Company wins the case and the full debt settlement must be made accordingly. At present, the defendant fails to pay the judgment. The company has investigated the property and found no assets to seize, attach or execute the case, and the debtor has not submitted the financial statements for many years on July 22, 2020, the Company submitted an application for the appointment of an executing officer to the court. On September 29, 2020, the Company has prepared a letter of authority to set up a legal officer for execution.

1.3.2 Case 2: Filing a lawsuit based on a Program Publicizing Right Permission (Movies Right) Contract. In this case, both parties could compromise so the court made judgment based on a compromising contract. The 1st defendant admitted owing 20,528,521.12 Baht to the plaintiff. The 2nd defendant admitted owing 10,329,384.24 Baht and agreed to pay to the plaintiff in the amount of 8,827,500 Baht by paying at least 300,000 Baht per month for 29 months (until November 2020), and the rest of 11,755,021.12 Baht is to be paid by the 1st defendant by December 2020. In this case, the debtors are following the compromising sentence. On April 28, 2020, the Company, as a plaintiff, submitted a statement not to proceed with the case with regards to the 2nd defendant.

1.3.3 Case 3: Filing a lawsuit based on a Program Publicizing Right Permission (Edge Sport Publicizing Right) Contract. In this case, both parties could compromise so the court made judgment based on a compromising contract. The defendant admitted owing to the plaintiff as sued and agreed to pay 44,223,200 Baht by dividing into 2 periods for 22,111,600 Baht per time. The first period will be at the end of December 2018 and the second period starts will be at the end of June 2019. If the debtor fails to pay, it shall be deemed as the failure of payment as a whole and the debtor agrees for the plaintiff to enforce payment in the full amount together with interest. As of now, the debtor

failed to pay as sentenced so the court has already issued legal enforcement letter to seize assets according to the process. At present, it is under investigation process to find the defendant's assets.

1.4 IT Professional Co., Ltd. A debtor in a sale contracts of electric and air conditioning system installation services, totaling 2 contracts. The company filed a lawsuit against this debtor on 1st November 2018 towards the Civil Court as in the 2 following cases:

1.4.1 **Case 1:** Total sued capital: 27,089,318.75 Baht (including interest). This case is currently in the progress of witness investigation.

On April 3, 2021, the Civil Court sent a warrant to inform that In the said case, the Appeal Court held the hearing on May 5, 2021. Later, the Appeal Court postponed the hearing of the verdict to July 5, 2021.

On that date, the Court of Appeal has reversed the verdict to dismiss the plaintiff's case. Without disqualifying the plaintiff to file a lawsuit against the defendant in a new case within the age limit. Restore the court in the Court of First Instance for the plaintiff and the defendant's appeal. Fees other than those ordered by the court to be returned to be folded At present, the said case, the Company is in the process of filing a petition for the judgment of the Court of Appeal.

1.4.2 **Case 2:** Total sued capital: 63,408,087.02 Baht (including interest).

On December 27th, 2019, the Civil Court issued the judgment indicating the Company wins the case and the Defendant is obligated to pay the Company the sum of 59,914,962.62 Baht with the interest rate of 7% per annum from January 1st, 2018, onwards until the debt is fully settled to the Plaintiff but the interest to the date of prosecution must not exceed 3,493,124.00 Baht as the Plaintiff's request and the cost must be paid by the Defendant in lieu of the Plaintiff where the

attorney's fee and the legal cost are fixed at 150,000 Baht and 10,000 Baht. Subsequently, on May 1, 2020, the defendant submitted an appeal and an application for stay of execution to the court.

On March 31, 2021, the Appeal Court made an amendment to the The defendant must pay an amount of 49.46 million baht with interest at the rate of 7 percent per annum of the principal until the payment is completed to the plaintiff, but the interest until the date of filing will not exceed 3.49 million baht. In addition, according to the judgment of the Court of First Instance The case is under trial in the Supreme Court.

1.5 Siam Hin Pradub Co., Ltd. A debtor under the sentence of the Civil Court of Southern

Bangkok. The court sentenced the debtor to pay to the company for 73,544,313.75 Baht together with an amount of interest. However, the debtor has not yet managed to pay. Afterwards, the company proceeded to investigate for the debtor's assets to make legal enforcement but the debtor does not have enough assets to cover the debt. Later, the company filed a lawsuit against the debtor in a bankruptcy case towards the Central Bankruptcy Court on 11th December 2015. Then, on 7th March 2016, the Central Bankruptcy Court sentenced the debtor to go bankrupt. Subsequently, on July 25th, 2016, the Company filed the request to receive the debt repayment to the receiver as the 1st creditor. The debtor stated the refusal of the composition prior to bankruptcy and the meeting of the creditor unanimously resolved that the receiver is required to report to the Court in order to sentence the debtor as the bankrupt. Afterward, the receiver has conducted the attachment against the deposit accounts of the debtor and the machinery was partially seized and auctioned and it is currently in the progress of following-up and additionally investigating against his properties.

The factory is currently being appraised for sale. The case is being finalised by the Executing Officer and Receiver.

1.6 94 Entertainment Co.,Ltd. A debtor under a Program Co-production Contract who owed

co-production costs. Later, on 8th December 2016, the company filed a lawsuit towards the Civil Court for the total amount of sued capital of 44,418,907.18 Baht. On 15th May 2017, the court made judgment based on a compromising contract (the defendant agreed to pay to the plaintiff in the amount of 39,304,000 Baht within 3 years by paying at least 500,000 Baht per



month in the 1st year, and at least 700,000 Baht per month in the 2nd year, and at least 1,000,000 Baht per month in the 3rd year, starting from the first payment within 10th August 2017). After the court made judgment as per the compromising contract, the debtor failed to pay accordingly. The court has already issued legal enforcement letter to seize assets according to the process and conducts the investigation against properties but there was nothing found. The Company is currently in the progress of prosecution of a bankruptcy case against the debtor. At present, the company has filed a petition with the Legal Execution Department to seize the debtor's assets. By setting the date of seizure or attachment on February 17, 2021

Progress Report of Business Plan for overall operation for the Year Ended December 31st, 2020

The management has strongly set its goal to grow sustainably. We would like to present the progress of the following projects;

1. Investment in the power operator business in Philippines

The meeting of the Board of the Directors of the Company held on January 26, 2017 has resolved to approve the purchase of the ordinary shares of Negros PH Solar Inc. ("NPSI"), in the Philippines, which is the solar power operator, from the existing shareholders of NPSI in the amount of 10,000 ordinary shares, representing 40 percent of the total issued shares of NPSI, which is the maximum shareholding percentage allowed under the laws of the Philippines. The shares acquisition transaction was subject to the approval from the meeting of the shareholders and upon certain conditions precedent under the share purchase agreement have been fulfilled. Currently, the status of the project is pending for the construction license approval process of the project, which delays due to change in policy on procedure and the license approval process of the licensing agency, which is the Department of Energy, Ministry of Energy, the Philippines. It is still in the process of reviewing additional documentation from the Ministry of Energy and we have not been able to conclude any progress.

Posting to the Company's Board meeting which came to an agreement that NPSI is not able to complete the set criteria in the agreement, due to not being able to acquire the construction license which is a critical part that will take effect in many aspects of the project which resulted in an unsatisfied view by the Company to further invest in this project. The Company will proceed with recollection of the project deposit from NPSI board members in the amount of USD 600,000 or THB 21,234,000 approximately which this amount, the shareholders of NPSI have forwarded to their (Escrow Agent). The Company received the deposit for the sale shares in the amount of THB 21.23 million from the escrow agent on November 28, 2017.

For the two investment items in the total amount of approximately THB 34,102,184.62, the Company paid for such payment on the condition that the Company can demand for a return of the capital investment from NPSI's shareholders if NPSI may not operate the project and if the shareholders of NPSI refuse to return the capital



investment, the Company is entitled to file a suit against NPSI's shareholders under the conditions stipulated under the agreement. The cancellation of the investment in NPSI resulted in the Company's entitlement in the full refund of the capital investment. Currently, the Company is under the negotiation for the counterparty to return the capital investment. In this connection, the counterparty agreed to enter into the agreement to return the capital investment which has the payment period for the total amount within August 15, 2018 which is overdue. The Company, therefore, send a notice dated August 23, 2018 demanding for all debt repayment.

The Board of Directors issued the meeting resolution No.12/2018 dated November 9, 2018 to appoint OCAMPO & SURALVO LAW which is a legal advisor in the Philippines to claim against NPSI for the refund of capital investment. Currently, the property investigation process has been completed and it is now on the process of preparing documents and information to enter into the court procedures.

2. Investment in the business of broadcasting the Football Leagues in Philippines

The Meeting of the Board of Directors No. 18/2017 of DCORP was held on November 7, 2017. The Company would like to inform that the meeting resolved to approve the entry into the joint investment with Triple CH Holdings Company Limited ("Triple CH"), the Company registered under the laws of Samoa which its office locates in the Hong Kong Special Administrative Region of the People's Republic of China and being the licensee who is authorized to broadcast live Premier League, UEFA Champions League and La Liga in Philippines. For the joint investment between Triple CH and the Company, the Company invests in 35 percent joint cooperation and contribute investment amount of THB 30,000,000 for the purpose of operation of business of broadcasting the Football Leagues in Philippines. In this regard, the Company has entered into the Business Collaboration and Investment Agreement on November 9, 2017 under which the parties agree on the terms and conditions for the joint investment and sharing of profits (on pro rata basis) from the business of broadcasting the Football Leagues. The entry into such investment by the Company is considered the ordinary course of business of the Company.

The Company will receive 35 percent of profit generated from the live broadcasting of the Football Leagues after deducting costs and expenses incurred in connection with obtaining the rights to broadcasting the Football Leagues. Further, Triple CH agrees to guarantee its performance under the Business Collaboration and Investment Agreement for the period of 18 months from December 1, 2017 that the profit to be obtained by the Company must not be less than the investment amount paid by the Company.

Triple CH has been granted the right to broadcast Premier League, UEFA Champions League and La Liga in Philippines for the next season 2018/2019. Therefore, on March 8, 2018, the Company has paid the last installment of the capital investment in the amount of THB 10,000,000 to Triple CH according to the conditions in the agreement. Currently, it is on process of seeking for sponsor and the result thereon.

At present, the contract period has ended, but Triple CH has not yet repaid the investment amount in accordance with the terms of the Triple CH guarantee. Subsequently, on June 11th, 2019 and July 5th, 2019, the Company has



already delivered a letter demanding repayment. As a result, Triple CH has requested for the indulgence of the payment for a period of 12 months and the Company has made the written notice and sent to the Triple CH through email to call for such repayment within June 30th, 2020.

On December 4, 2020, the Company filed a lawsuit with the Southern Bangkok Civil Court by suing the two defendants for payment of 29.24 million baht with default interest at the rate of 7.5 percent per year from June 30, 2020 until the date of the filing, etc. And total interest of 30.18 million baht and interest at the rate of 7.5% per annum of the principal amount of 29.24 million baht. From the day following the filing date until both defendants pay for the solution to complete. Currently in the process of submitting a summons and a copy of the indictment to correct both defendants By the court to make a two-site determination and set the guidelines for prosecution or testimony on May 24, 2021. Due to the Covid-19 situation As a result, the court has ordered to cancel the appointment to point two places or take the same witness testimony on May 24, 2021 and to reschedule on October 11, 2021, on which date the defendant did not come to the court as scheduled. The court has considered the plaintiff's case unilaterally. and on November 11, 2021, the court ordered the 1st defendant to pay 30.18 million baht plus interest at the rate of 7.5% per annum of the 29.24 million baht principal from the date of the lawsuit (December 4, 2020) until April 10, 2021. and a rate of 5 percent per year from April 11, 2021 onwards until the payment is completed to the plaintiff if the 1st defendant fails to comply with the verdict to the 2nd defendant to pay the debt instead with the two defendants to pay the costs on behalf of the plaintiff

Investment in the Entertainment Attraction Business

The Meeting of the Board of Directors No. 13/2560 of DCORP was held on December 12, 2017. The Company would like to inform that the meeting resolved to approve the change of details of investment in the Project of The Marvel Experience: Theme Entertainment Attraction – TMX (“**Project**”) of Hero Experience Company Limited (“**Hero Experience**”), by means of subscription of newly issued shares of Hero Experience and acquisition of shares from the existing shareholder (the “Share Acquisition Transaction”). The Company will acquire shares equivalent to 37.5 percent, and has expended THB 324,999,779.28 in negotiation process in acquiring such shares. In carrying on TMX Business, core revenues will be generated in 4 categories: 1) Revenue from ticket sales, 2) Revenue from toys and souvenir, 3) Revenue from food and beverages, and 4) Revenue from sponsorship and other barter systems.

However, on January 21, 2019 Hero Experience held the Extraordinary General Meeting No. 1/2019 at which it proposed an agenda for consideration regarding termination of the Project operation due to the fact that Hero Experience has a lack of liquidity problem, and the Project has not been operated in accordance with the plan. The meeting resolved to terminate the Project with 62.5 percent of the votes in favor and 37.5 percent of the votes against. The management of Hero Experience has scheduled cessation of the operation of the Project on January 29, 2019.



The Company, as the shareholder of 37.5 percent in Hero Experience, shall carefully co-consider with the major shareholder regarding the management of Hero Experience's assets in order to limit the negative effect on the Company.

The Company has inquired the management of Hero Experience Company on the status of the creditor and the payment method, Hero Experience's management reported that as of April 5, 2019, Hero Experience has a total of 10 creditors who have sued Hero Experience and demanded it to pay the debt with interest, including late payment penalties. Such debt with interest is divided into principal amount of THB 32.36 million and late payment penalties of THB 1.24 million, totaling THB 33.60 million plus interest rate of 7.5 - 15.0 percent per year of the said amount from the day following the filing date until the debt is paid in full. Hero Experience has completely recorded the debts payable to creditors in the financial statements, except for the late payment penalties and interest of 7.5 - 15.0 percent per year. As mentioned above, Hero Experience has appointed the lawyer to be responsible for these lawsuits and assigned the lawyer to negotiate with 10 creditors which the negotiation was completed in 10 creditors and inform them of future operating policies, including the Company's payment plan. The lawyers of both parties made an appointment to reconcile according to the policy that had been prior clarified to the creditor on the date specified in the summons.

According to the resolution of the Extraordinary General Meeting of Shareholders No. 1/2020 held on June 15, 2020, it was resolved to approve the Company to enter the business rehabilitation And on July 9, 2020, Hero Experience Co., Ltd. filed a petition for business rehabilitation to the Central Bankruptcy Court. The court has issued an order to accept the petition. And an appointment for a hearing on 6 October 2020

With a total of 3 objections. Later, both parties requested to postpone the case Which the court considered that If both parties can negotiate an agreement, it will benefit the judgment. For the sake of justice Therefore, the petition hearing was postponed on December 9, 2020. Later on that date, the Central Bankruptcy Court once again negotiated the mediation, but could not agree. The court therefore called for another hearing of the petition on March 9, 2021. And on April 28, 2021, the court dismissed the request.

Processing, manufacturing and selling of products from Hinoki wood

Demeter Innovation Company Limited ("D Innovation") which is a subsidiary of the Company conducted a consumer popularity survey and found out that there is a greater emphasis on health care throughout the world which can be seen from the fact that everyone focuses on various forms of exercise including food consumption or use products that are more focused on health. D Innovation, therefore, sees that business that is in line with consumer healthcare is a good investment. Therefore, it conducted a study to find products that are good for the health of consumers and found that the products made from Hinoki wood, a soft pine tree, which is very famous in Japan, is a clean product and good for the health of consumers. Hinoki wood has many special properties: it has oil inside the wood which prevents it from becoming a fungus, has no moisture and has a unique fragrance.



From the above reasons, the Resolution of the Extraordinary General Meeting of the Shareholders of D Innovation No. 1/2008 dated September 3, 2018 resolved D Innovation to establish a subsidiary named Hinoki Wood Work Company Limited ("Hinoki WW"), with registered capital of THB 1,000,000, by holding 99.98 percent of shares. Hinoki WW was established on September 13, 2018. As a result, Hinoki WW is an indirect subsidiary of the Company with the business objectives to processing, manufacturing and selling Hinoki wood products. In this regard, this transaction was also approved by the Investment Committee of the Company and thereafter presented and acknowledged by the Board of Directors of the Company during the Board Meeting No. 12/2018 on November 9, 2018.

Hinoki WW has ordered the purchase of Hinoki wood for the production within the investment budget of THB 18 million. The product will be produced under the brand named WA. The first product that the Hinoki Woodwork Company produced and sold is a hinoki wood cutting board which has 5 sizes (S, M, L, XL, XXL) to reach widest target group as much as possible.

However, Hinoki could not achieve its sales target and due to a lack of a clear marketing strategy, along with unfavorable market conditions, Hinoki continues to report operating losses. Management is studying ways to best rehabilitate the company.

3. Investment in In-Store Media and Point of Purchase Radio

The meeting of the Board of Directors number 2/2020 on February 27th 2020 resolved to approve the purchase of assets of N.E.X.T Co.,Ltd (NEXT) for THB 40 million. The purchase price includes assets, rights to operate in-store radio programs and retention of key personnel previously at NEXT. Upon successful completion, the company will receive 6 concessions, 249 items of equipment as well as intellectual property rights.

NEXT has delivered the rights to operate the advertising media business of Actmedia (Thailand) Co.,Ltd, CP All Public Co.,Ltd. Siam Makro Public Co.,Ltd. and Central Food Retail Co.,Ltd. With the company already, the total value of 29,321,009.47 baht for the contract of the company Central Family Mart Co., Ltd. and AEON (Thailand) Co., Ltd., totaling 566,154.41, cannot deliver the contract on time as requested for approval to extend the concession

The Board of Directors therefore resolved to change the value of the property purchase agreement with NEXT from the original value of 40,000,000 baht (forty million baht) to 39,433,845.59 baht (thirty nine million four hundred thirty three thousand eight hundred forty-five baht and fifty nine baht). Satang) as well as the advertising rights agreement between CP All Public Co.ltd. has changed to a joint investment agreement with Plan BCS Co.ltd., which is in accordance with Resolutions of the Board of Directors Meeting No. 8/2020 on August 13, 2020.

6.Business investment DCORP-DLI Joint Venture for e-bidding

On May 9, 2020, the Company entered into a joint venture agreement. "Project for creating of awareness among people by smart Public billboards" with Delighting International Co., Ltd. "DLI" and named



"DCORP-DLI Joint Venture" for Electronic Bidding (e-bidding) No. 8/2020 Wages to raise awareness to the public with intelligent publicity signs according to the announcement of the Office of the Permanent Secretary of Interior dated May 8, 2020 (TOR)

On June 18, 2020, Office of the Permanent Secretary for Interior TU 0203.4 / 9467 Announcement of DCORP-DLI Joint Venture Wins the Bidding for a Wage Tender Project to Create Public Publicity with Smart Publicity Signs by Electronic Contest Method Project value 301,250,000 baht including VAT (Three hundred one million two hundred and fifty thousand baht) Project duration 2020-2022 (3 years)

On August 5, 2020, DCORP-DLI joint venture entered into an agreement with the Office of the Permanent Secretary of Interior. TU 0203.4 / 9467 In the bidding of a wage bidding project to create awareness among the public with an intelligent publicity sign with an electronic contest method Project value 301,250,000 baht including VAT (Three hundred one million two hundred and fifty thousand baht) Project period 2020-2022 (3 years) has been completed.

On August 13, 2020, the company opened a regular Krung Thai Bank account to be used as a letter of guarantee for pre-employment contract with the public awareness building project with a smart public relations sign worth 45,187,500 baht on 18 September 2020 through the DCORP Joint Venture. -DLI receives an advance payment from Office of the Permanent Secretary of Great Thai amount 45,187,500 baht and 25,000,000 baht placed with DV8 as collateral under the contract.

On October 20, 2020, DCORP-DLI Joint Venture has submitted plans and procedures for the construction of digital signage according to the Public Awareness Creation Project with Smart Publicity Boards in 76 provinces to the parcel acceptance committee. Correct and complete the employment contract.

On November 3, 2020, DCORP-DLI joint venture has sent LED screens to storage locations as specified by the agency to be used for public awareness building projects with smart publicity signs from 14 provinces to the inspection committee. Receive the parcel correctly and completely according to the employment contract

On March 25, 2021, DCORP-DLI joint venture has sent LED screens to storage locations as specified by the agency to be used for public awareness building projects with smart publicity signs from 27 provinces to the inspection committee. Receive the parcel correctly and completely according to the employment contract



7. Business investment Application developer for data analysis

on January 21, 2021 has approved to invest in the ordinary shares of Revolution of Digital Employee Experience Co.,Ltd. ("ReDEX") Does the business in management and data processing by being an application developer for data analysis for organizational management and online corporate personnel. Which is equivalent to 40 percent of registered and paid-up capital of ReDEX. The total value of investment is not more than Baht 10,000,000.

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

Condition

Investment is divided into 2 phases as follows:

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

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

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

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

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

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

(2.3) The payment of the newly issued shares as an additional premium at not more than Baht 400 per share, which is worth not more than Baht 4,000,000, shall be paid within May 31, 2022 with the conditions as follows.

2.3.1 ReDEX has to perform net profits not less than Baht 25 million which will be considered from the ReDEX's financial report during February 1, 2021 to March 31, 2022, the Company will therefore pay this additional premium.

2.3.2 If ReDEX has made net profits of less than Baht 25 million but not less than Baht 15 million within March 31, 2022, the Company will pay this additional premium equal to the proportional shareholding in ReDEX held by the Company multiply by the difference between the net profits that ReDEX makes.

2.3.3 And if ReDEX performs net profits of less than Baht 15 million within March 31, 2022, the Company shall not pay this additional premium.



After entering the transaction, the company will be in charge of all ReDEX's finances and appoint a representative of the company to be a director of ReDEX and have the authority to bind the company. Will be defined as a joint signing between the representative directors And Director of ReDEX.

As at March 31, 2021, the Company is considering the business's fair value. Accordingly, the fair value of assets and liabilities acquired as at the date of acquisition is the estimated value and may be adjusted.

In accordance with TFRS3, management is required to make a preliminary assessment of the fair values of businesses acquired as at the acquisition date. During the measurement period, which must not exceed one year from the acquisition date, the acquirer shall retrospectively adjust the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date. Finalisation of the fair values for certain acquisitions of businesses acquired during 2020 is dependent on determination of the ultimate purchase price and completion of the purchase price allocation exercise.

At the Board of Directors Meeting No. 10/2021 held on October 31, 2021, it was resolved to approve the disposition of investment in ReDEX to unrelated persons in the amount of 20,000 shares with a par value of 100 baht per share.

Accounting for 40 percent of all issued and sold shares of ReDEX at a price of 325 baht per share, representing a total trading value of 6.5 million baht.

8. Establishment of the Company's Subsidiary in the United Arab Emirates (UAE)

At the Board of Directors Meeting No. 7/21, dated August 11, 2021, it was resolved to approve the establishment of the Company's subsidiary. in the United Arab Emirates (UAE) in Dubai to expand the scope of the company's business, expand investments and to diversify business risks. The details of the establishment of subsidiaries are as follows:

Name of the investor company: DV8 LLC (DV8 Limited Liability Company)

Investment Objectives: Operate a trading business (Allowing Retail , Wholesale & Online Sales)

Registered capital: AED 3,000,000

Investment Proportion Shareholding structure of the new company: DV8 Public Company Limited 100%

At the meeting of the Board of Directors No. 9/21, dated October 28, 2021, it was resolved to liquidate DV8 Limited Liability Company due to the performance of the aforementioned business operations that did not meet the stated goals. and the investment to operate such business is quite high. Does not affect the operations of the company in any way

Regarding the business operation and progress tracking of the Company, the Company shall conduct in accordance with the laws, regulation and relevant notification of the Securities and Exchange Commission and the SET.

Please be informed accordingly.

Your sincerely,
Demeter Corporation Public Company Limited

A handwritten signature in blue ink, consisting of several overlapping loops and lines, positioned above the name and title.

- *Sureeporn Udampolvanich* -

(Ms. Sureeporn Udampolvanich)
Chief Executive Officer