

**DCON PRODUCTS**  
PUBLIC COMPANY LIMITED



# THE BLUEPRINT

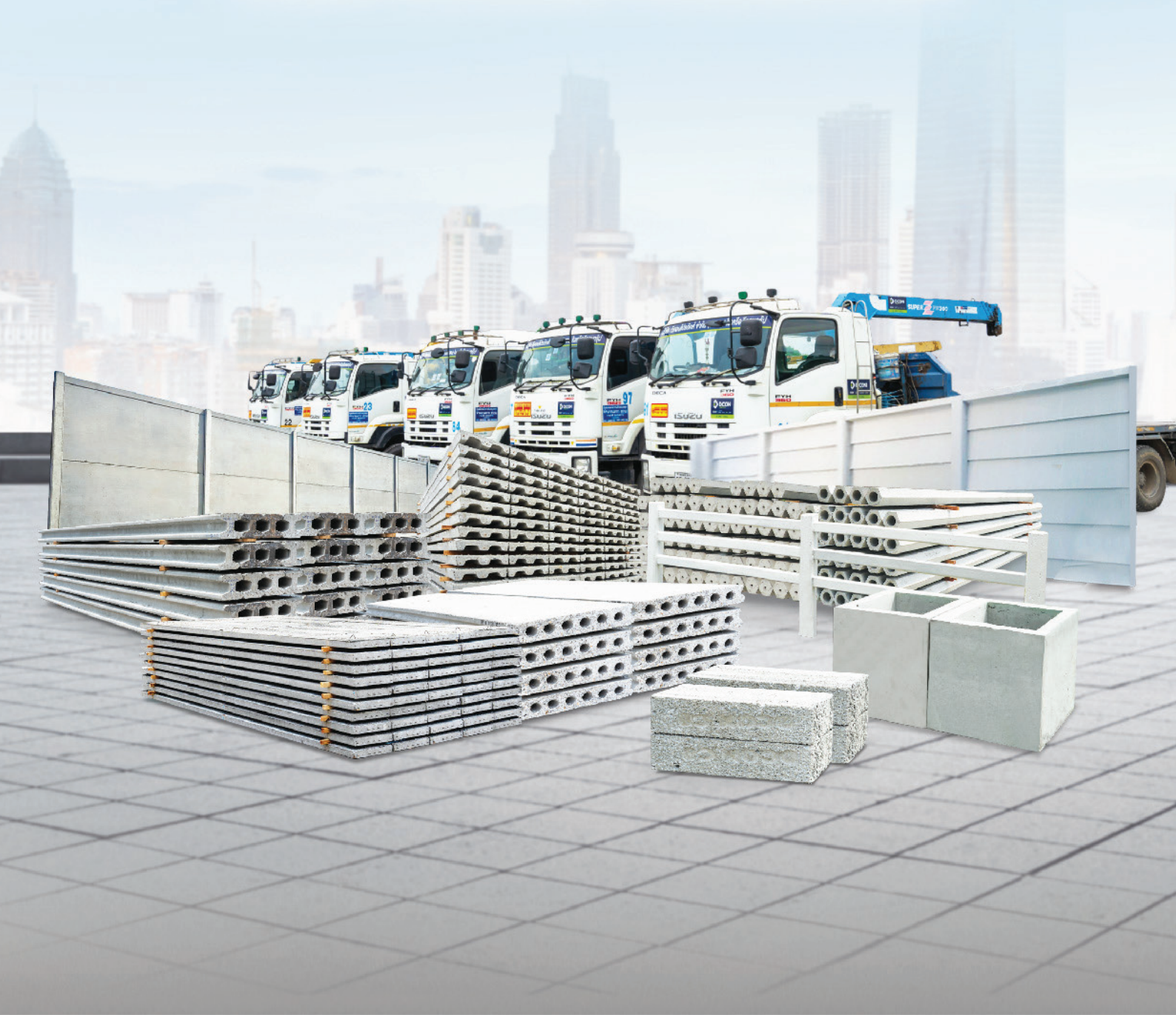
FOR LIVING CREATION



ANNUAL  
REPORT  
**2020**

# THE BLUEPRINT

## FOR LIVING CREATION





# Content

## ANNUAL REPORT 2021

Dcon Products Public Company Limited

Message from the President	<b>01</b>	Corporate Governance	<b>50</b>
Company Profile	<b>06</b>	Complaint Consideration Policy	<b>76</b>
Board of Directors	<b>10</b>	Corporate Social Responsibility	<b>84</b>
Nature of Business	<b>21</b>	Legal Disputes 2020	<b>85</b>
The Policy and Overview of Company's Business Operation	<b>33</b>	Financial Highlights	<b>86</b>
Risk Factors	<b>40</b>	Audit Committee Report	<b>88</b>
Dividend Payment Policy	<b>41</b>	Report of the Board of Director's Accountability to Financial Report	<b>90</b>
Organizational Chart	<b>42</b>		
Management	<b>43</b>	Management's Discussion and Analysis	<b>91</b>
Shareholders	<b>49</b>	Auditor's Report and Financial Statements 2019	<b>96</b>

( The Investors can study more details from " From 56-1" which disclosed in  
[www.sec.or.th](http://www.sec.or.th) or Company website at [www.dconproduct.com](http://www.dconproduct.com) )





# Vision

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

# Mission

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

## Dedication

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

## Operational Excellence

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

**D**CON

## Consumer Centric

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

## Novelty

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

# Quality policy

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

## Message from the Chairman of the Board of Directors



Dcon Products (Public) Co. Ltd was established on 6<sup>th</sup> of August 1996. On this 6<sup>th</sup> of August 2021 the company would be in its 25<sup>th</sup> year which is in itself an important anniversary as it could be said that the company has proved itself to be firm and strong and to carry on its ongoing business activities overcoming the economic crisis and the volatility of the government administrations on several occasions; despite these all, the company has grown successfully.

The company is aware that in the near future the concrete products industry would be changing in twofold of what it is today. The company has invested in the use of robots in the production from the first stage of designing of the products up to the production stage. As such these products are considered to be of high quality and would well respond to the future market's demand.

Therefore I would like to emphasize to all the shareholders to have confidence in the company and that the company itself notwithstanding would continue its business growth in the long-run.

Sincerely Yours

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

Associate Professor Dr. Tortrakul Yomnak  
Chairman of the Board

## Message from the Executive Managing Directors



Dear Shareholders:

While the economy is still in the downturn whereas the spread of the Covid-19 is still looming around, as such these affect the real estate industry quite significantly. The company has to bear the expenses of the Orrada Condominium Project with units not totally sold out and those arising from the Precast Factory opening as well.

DSC Products Company Ltd's revenue was not accounted in full of its production capacity in 2020; the company had a total revenue amounting to THB 928.01 million, a decrease from 2019 whereby the total revenue was THB 1,177.22 million or in terms of sale, a decrease of 21%. A profit of THB 92.43 million, a decrease of 30% as compared to 2019 whereby the total profit was posted at THB 131.61 million.

In 2021 DSC Products Company Ltd has placed its bid on its several Precast Projects with an expectation that the Precast would not be 75% less than its production; it has also tried to speed up the sale of the condominium units in its stock; it has also let out the units for rental purposes in order to increase its assets; it has also invested in the PRIN (Public) Co. Ltd by holding THB 123 million stocks in the said real estate development company registered with the Security Exchange of Thailand ; thus calculated in a ratio proportion of 10.1% of common shares with an average value of THB 1.47 (total investment of THB 180.5 million).

Besides the company has also started up 388 The DECO Bangna-Trad town home units, whereas it is expected that the income from this project could be accounted for by Q4. It is expected that in 2021 the net result of the company should improve as it has encountered the lowest curve when the economy was hardly hit in a downward turn, however it is expected that it was to pick up in the coming years.



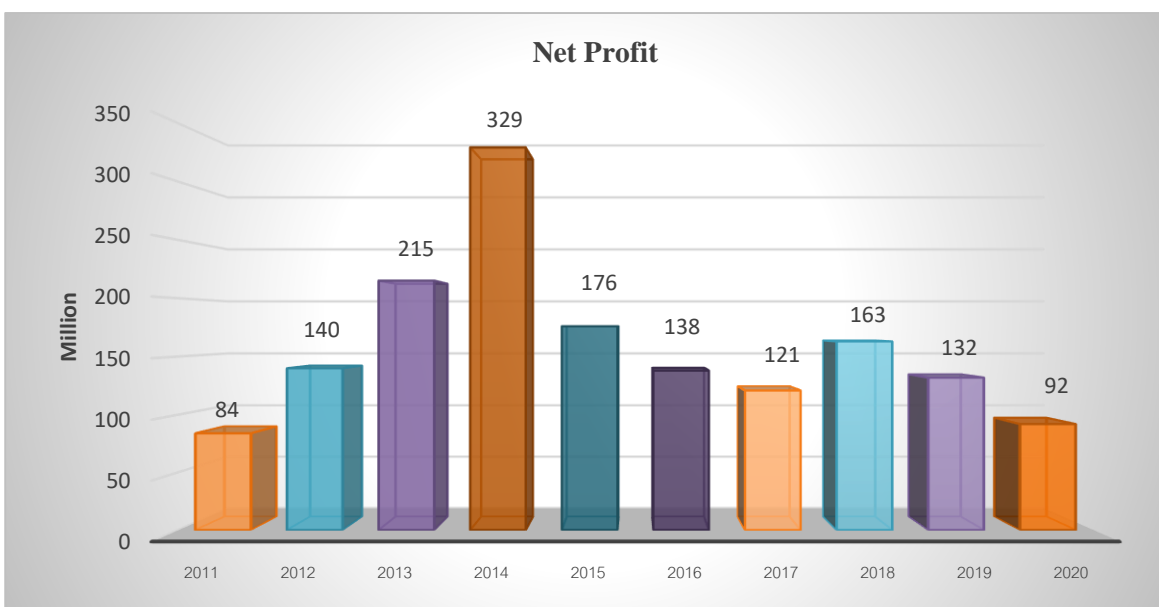
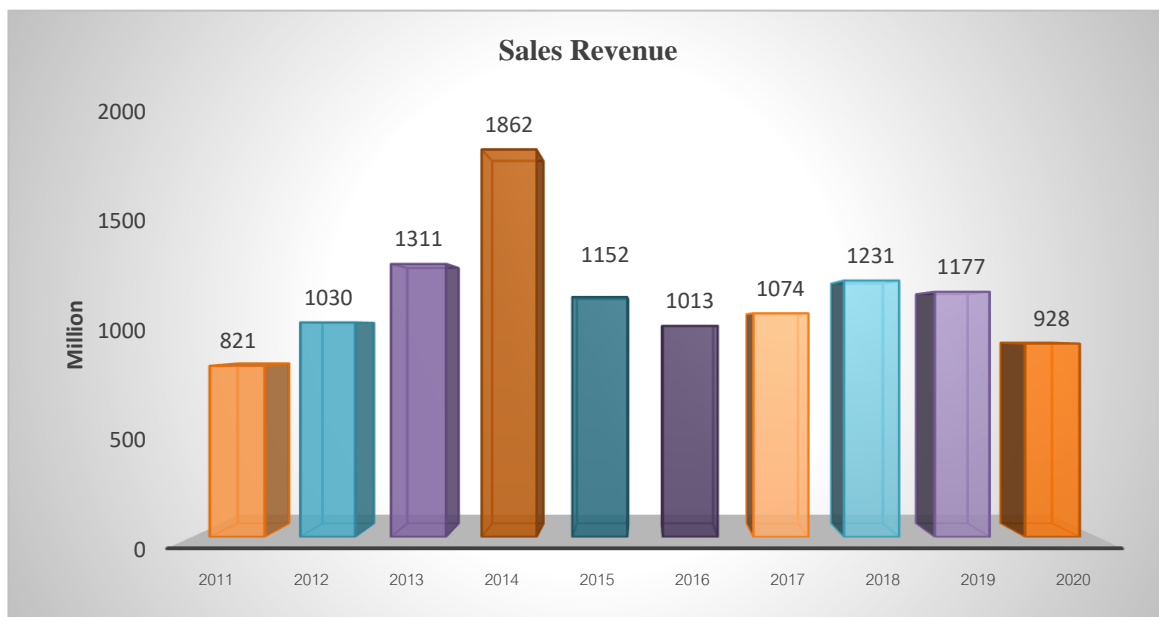
DSC Products Company Ltd has a policy of allocating dividends of not less than 25% of its net earnings in each year. This year the directors have considered to pay out 0.80 satangs per share which is equal to 46.62% of the company's net revenue.

The company management would take precautions in its business operations so to enable that the shareholders get the maximum profits despite the economic crisis and the Covid-19 pandemic.

Yours sincerely

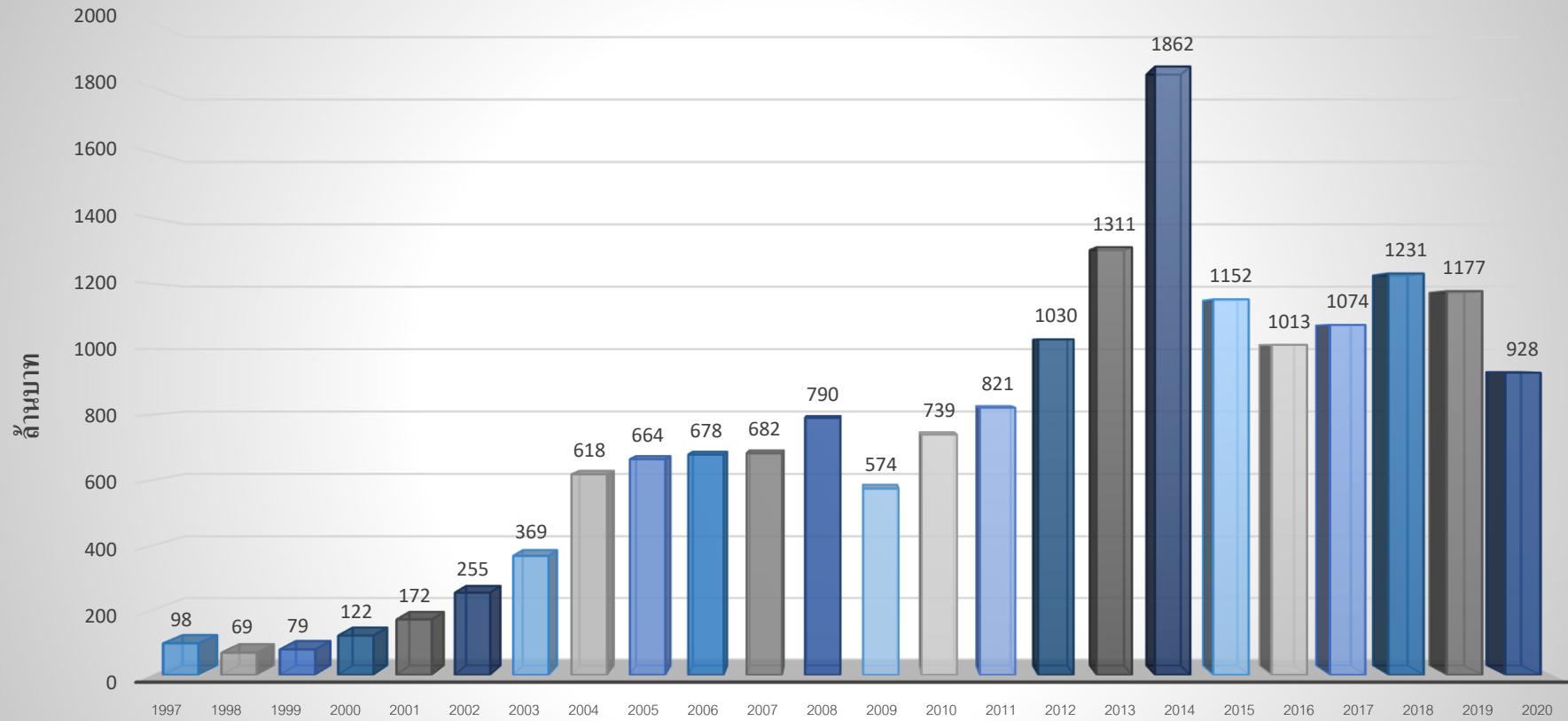


Wittawat Pornkul  
Executive Managing Director



### 10 Years Sales Revenue - Net Profit

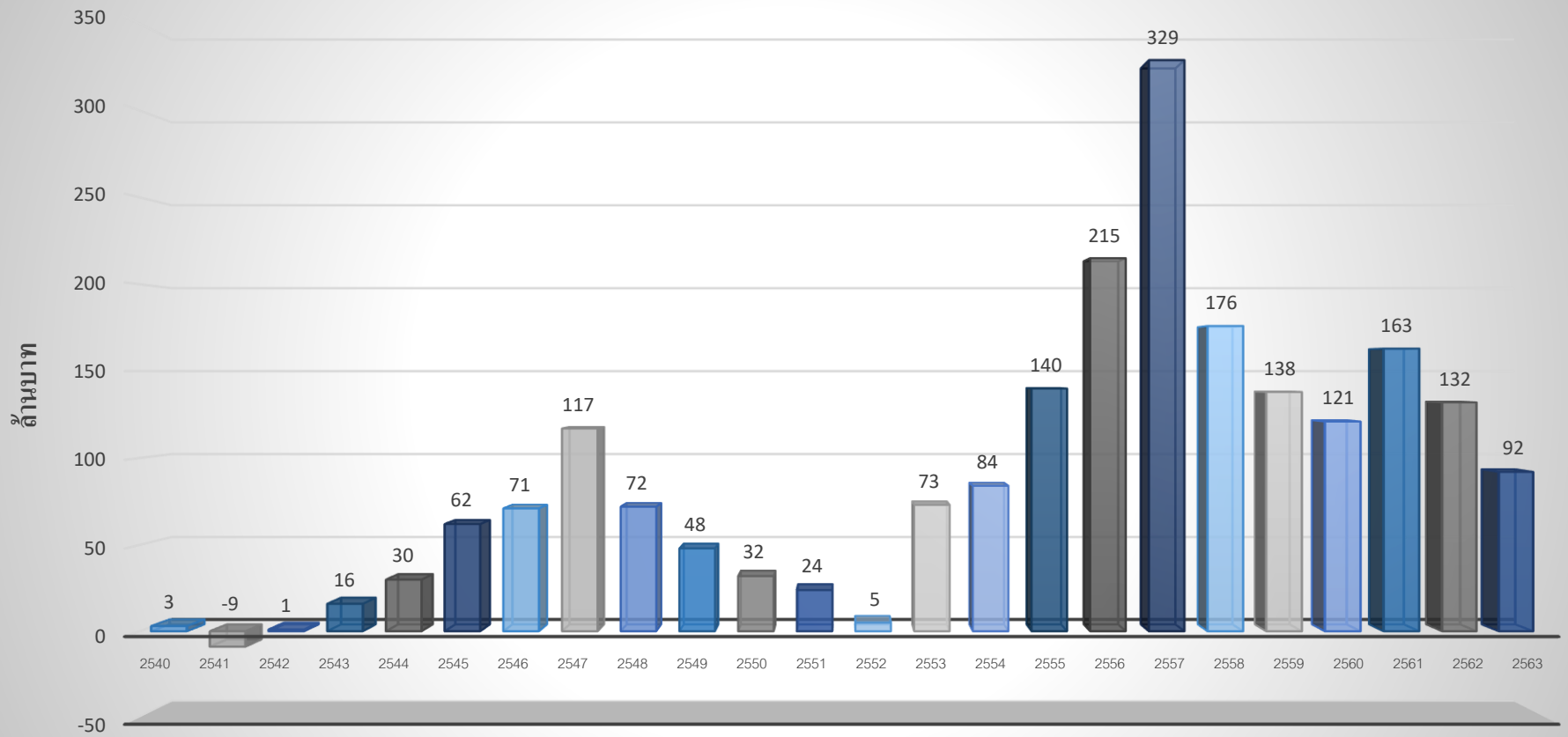
### Sales Revenue



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

### 24 Years Sales Revenue

### Net Profit



	2540	2541	2542	2543	2544	2545	2546	2547	2548	2549	2550	2551	2552	2553	2554	2555	2556	2557	2558	2559	2560	2561	2562	2563
ชุดข้อมูล 1	3	-9	1	16	30	62	71	117	72	48	32	24	5	73	84	140	215	329	176	138	121	163	132	92

### 24 Years Net Profit

## Company Profile

### Dcon Products Public Company Limited



Address	Dcon Products Public Co., Ltd. 3300/57 Elephant Building, Tower B 8 <sup>th</sup> fl. Phaholyotin Road, Chatujak, Bangkok 10900 Thailand. Tel. (66) 2937-3312
Juristic Person License No	0107547000303
Registered Capital	THB 552,878,639.60 (Paid Up) THB 538,634,039.60
Telephone	+66-2937-3312 (Automatic)
Facsimile	+66-2937-3328
Homepage	Website: <a href="http://www.dconproduct.com">www.dconproduct.com</a> E-mail: <a href="mailto:dcon@dconproduct.com">dcon@dconproduct.com</a>
Lopburi Factory 1	33 Moo 8 Chongsarika Phattananikom, Lopburi 15140
Telephone	+66-36-436-413
Lopburi Factory 2	280 Moo 1 Chongsarika Phattananikom, Lopburi 15140
Telephone.	+66-36-705-057
Surat Thani Factory	39/3 Moo 7 Natai Sub-District, Baan Nakhem Surat Thani 84240
Telephone	+66-81-822-5972
Maharakham Factory	236 Moo 11 Goh Sum Tha Phra Road, Paeng Kosumphisai Maharakham 44140
Telephone	+66-43-706-890-2
Rayong Factory	567 Moo 1 Makhamkhu Nihompattana Rayong 21180
Telephone	+66-38-029-162-4

### Type of Operations

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

## Number of Company Employees & Subsidiaries

As of 31 December 2020, the company had a total of 282 employees

### Subsidiaries

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



Address	3300/97 Elephant Building, Tower B 18 <sup>th</sup> FL, Phaholyotin Road, Chatujak, Bangkok 10900
Registered Capital	THB 400 million
Telephone	+66-2-937-3312
Facsimile	+66-2-937-4337
Homepage	www.orrada.com
E-mail	orrada@orrada.com
Real Estate Development Projects	<ul style="list-style-type: none"><li>- Factory Land Building</li><li>- Orrada Land</li><li>- Baan Orrada – Lamlukka Khlong 8</li><li>- Baan Orrada – Dzio Project (Ratchapruek)</li><li>- Condominium – Dzio Condo Project (Ngam Wong Wan)</li><li>- Condominium – Dcon Prime Project (Rattanathibet)</li></ul>
Future projects Condominium	<ul style="list-style-type: none"><li>- Dcon Prime Project (Praksa)</li><li>- Baan Orrada – Dzio Project (Bang Kruwat)</li></ul>

### Type of Operations

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

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



#### WISARAWAN CO., LTD.

Address	3300/100 Elephant Building, Tower B 18 <sup>th</sup> FL, Phaholyotin Road, Chatujak, Bangkok 10900
Registered Capital	THB 200 million (Paid Up) THB 180 million
Telephone	+66-2-937-3312
Facsimile	+66-2-937-4337

## Type of Operations

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

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



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

## Type of Operations

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

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



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

## Type of Operations

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

## **Auditor**

Miss. Somjintana Polhirunrat

Registration No. 5599

DIA International Audit Co., Ltd.

316/32 Sukhumvit 22 Road (Soi Sainumthip) Klongtoey Bangkok 10110

Tel : +66-2259-5300

Fax : +66-2260-1553

## **Securities Registration**

Thailand Securities Depository Co., Ltd.

62 The Stock Exchange of Thailand Building,

Rachadapisek Road, Klongtoey,

Bangkok 10110, Thailand

Tel : +66-2229-2800 , +66-2654-5599

Fax : +66-2359-1259

Website : [www.tsd.co.th](http://www.tsd.co.th)

E-mail : [contact.tsd@set.or.th](mailto:contact.tsd@set.or.th)

# Board of Directors



**Assoc. Prof. Dr. Tortrakul Yomna**  
President



**Mr. Wittawat Pornkul**  
Chief Executive Officer



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



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



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



**Mr. Nirut Intarathachang**  
Director



**Dr. Tanai Charinsarn**  
Director



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



**Dr. Kawin Worakanchana**  
Director



## Details on the management and control of the Company.

Name	qualifications	Shareholding	Career History
Position	Highest Education	in company (%)	
Assoc.Prof. Dr. Tortrakul Yomnak CEO	- Engineering Chulalongkorn University - M.S.C.E. Master of Science in Civil Engineering (University of Washington U.S.A) - D.B.A.( Doctor of Business Administration) Nova Southeastern University - National Defence College # 4111 - Director Accreditation Program (DAP # 16)	0.00	- President at Dconproduct PLC. - President at TACE LTD. - Former Chairman, good governance at AOT . - Former member of the National Economic and Social Advisory Council # set one. - Former President of the Engineering Institute of Thailand Nationals - Advisor to the Governor - Consulting services, design and construction of the federation. (FEDCON) - Professor doctoral program "Development of good governance". Chankasem University - The founder of a national network of anti-corruption
Mrs.Pismai Boonyakiat Chairman of Audit Committee	- BA - Bachelor Chulalongkorn University - Master - Master of Commerce. Thammasat University	0.00	- Chairman of Audit Committee at Dcon products PLC - Nonthaburi Provincial Court Judge Department of Juvenile and Family - President of New Wave

<b>Name</b>	<b>qualifications</b>	<b>Shareholding</b>	<b>Career History</b>
<b>Position</b>	<b>Highest Education</b>	<b>in company (%)</b>	
Mr.Wittawat Pornkul President	- Bachelor - Industrial Engineering. Chulalongkorn University - Director Accreditation Program (DAP #16) - Director Certification Program (DCP # 46)	28.42	- MD at Dcon products PLC - Director at Rompo product PLC - Director at DSC product PLC
General Pisarn Wattanawongkeeree Audit Committee	- Chief of Staff Course	0.00	- Audit Committee And Independent Director - Region 4 Commanders - Chief of the Army Special Forces Regiment Royal Guard (Tiger Army Chief) - President of the League of Executive Advisors Municipality of Thailand - Chairman of the Advisory Committee on the Executive Committee of the Association of Organizations District Administration of Thailand
Mr.Chana Towan Director	- Bachelor - Civil Engineering Chulalongkorn University - Master - Civil Engineering Asian Institute of Technology - Director Accreditation Program (DAP #16)	11.32	- Director at Dcon products PLC - Director at Rompo product PLC

<b>Name</b>	<b>qualifications</b>	<b>Shareholding</b>	<b>Career History</b>
<b>Position</b>	<b>Highest Education</b>	<b>in company (%)</b>	
Mr.Wanchai Tantikul Audit Committee	- Bachelor – Law Thammasat University - Director Accreditation Program (DAP # 8)	0.05	- Audit Committee at Dcon products PLC - Audit Committee Areeya Property PLC - CEO at Khanit Aunchan Company
Dr.Tanai Charinsarn Director	-PhD - Information Technology / University of New South Wales , Australia - Director Accreditation Program (DAP #16)	0.00	- Director at Dcon products PLC
Mr.Nirut Intarathachang Director	- Bachelor – Accounting Thammasat University	0.00	- Director at Dcon products PLC - CFO at Dcon products PLC - Director at DSC product PLC, Director at Orrada PLC - Director at Rompo product PLC - Director at Wisarawan PLC - Director at Prinsiri PLC
Dr.Kawin Worakanchana Director	Bachelor - Civil Engineering Chulalongkorn University Masters - Engineering structures Asian Institute of Technology Doctoral degree - Civil Engineering University of Tokyo Japan	0.04	- Research Project - University of Tokyo. Asian Institute of Technology - Structural engineers - the company North Sea Engineering Limited. - Deputy Managing Director Operations Department o at Dcon products PLC. - Director at DSC product PLC

<b>Name</b>	<b>qualifications</b>	<b>Shareholding</b>	<b>Career History</b>
<b>Position</b>	<b>Highest Education</b>	<b>in company (%)</b>	
Miss Pentipa Yimpayak Consultant	High school	0.00	at Dcon products PLC.
Miss Pradittha Woracart Manager	Bachelor - Business Administration in advertising and public relations. Ramkhamhaeng university	0.00	at Dcon products PLC.
Miss Noppamas Alipariyakul Manager	Bachelor - Accounting Dhurakij Pundit University	0.00	at Dcon products PLC.
Miss Chulaorn Raungkarat Manager	Bachelor - Business Administration in Finance University	0.00	at Dcon products PLC.
Mrs.Siriporn Leetavekulsomboon Manager	Bachelor - Education Chulalongkorn University	0.00	at Dcon products PLC.

## Details about the Company Secretary

Name	qualifications	Shareholding	Career History
Position	Highest Education	in company	
		(%)	
Mr.Nirut Intarathachang	- Bachelor – Accounting	0.00	- Director at Dcon products PLC
Company Secretary	Thammasat University		- CFO at Dcon products PLC
			- Director at DSC product PLC, Director at Orrada PLC
			- Director at Rompo product PLC
			- Director at Wisarawan PLC
			- Director at Prinsiri PLC

## Details of the directors of the subsidiaries.

### Orrada Company

Name	qualifications	Career History
Position	Highest Education	
Mr.Nirut Intarathachang	- Bachelor – Accounting	- Director at Dcon products PLC
Director	Thammasat University	- CFO at Dcon products PLC
		- Director at Rompo product PLC
		- Director at DSC product PLC
Mr.Aisoon Assawamaninthon	- Bachelor of Architecture, Rangsit University	- Deputy Managing Director at Orrada
Director	- Master of International Business, Leeds Beckett	

<b>Name</b>	<b>qualifications</b>	<b>Career History</b>
<b>Position</b>	<b>Highest Education</b>	
Miss Wisara Pornkul Director	- Bachelor – Accounting Thammasat University - Masters - advertising and marketing University of Leed	- Assistant to Managing Director at Dcon products PLC
Miss Rattha Kerdsiri Director	- Bachelor -Arts Silpakorn University	- Secretary to MD at Dconproduct PLC.

## **Details of the directors of the subsidiaries.**

### **Wisarawan Company**

<b>Name</b>	<b>qualifications</b>	<b>Career History</b>
<b>Position</b>	<b>Highest Education</b>	
Mr.Nirut Intarathachang Director	- Bachelor – Accounting Thammasat University	- Director at Dcon products PLC - CFO at Dcon products PLC - Director at DSC product PLC, Director at Orrada PLC - Director at Rompo product PLC - Director at Wisarawan PLC - Director at Prinsiri PLC

Mr.Aisoon Assawamaninthon Director	-Bachelor of Architecture, Rangsit University -Master of International Business, Leeds Beckett	- Deputy Managing Director at Orrada - Director at Orrada PLC
Miss Wisara Pornkul Director	- Bachelor – Accounting Thammasat University - Masters - advertising and marketing University of Leed	- Assistant to Managing Director at Dcon products PLC - Director at Orrada PLC
Miss Rattha Kerdsiri Director	- Bachelor -Arts Silpakorn University	- Secretary to MD at Dconproduct PLC. - Director at Orrada PLC

## Details of the directors of the subsidiaries.

### Rompo product PLC.

Name	qualifications	Career History
Position	Highest Education	
Mr.Wittawat Pornkul President	- Bachelor - Industrial Engineering, Chulalongkorn University - Director Accreditation Program (DAP #16) - Director Certification Program (DCP #46)	- MD at Dconproduct PLC. - Director at DSC product PLC. - Director at Rompo PLC.

<b>Name</b>	<b>qualifications</b>	<b>Career History</b>
<b>Position</b>	<b>Highest Education</b>	
Mr.Chana Towan Director	- Bachelor - Civil Engineering Chulalongkorn University - Master - Civil Engineering Asian Institute of Technology - Director Accreditation Program (DAP # 16)	- Director at Dcon product PLC. - Director at Rompo PLC.
Mr.Nirut Intarathachang Director	- Bachelor - Accounting Thammasat University	- Director at Dcon products PLC - CFO at Dcon products PLC - Director at DSC product PLC, - Director at Orrada PLC - Director at Rompo product PLC, - Director at Wisarawan PLC
Miss Namonrat Sridechotum Director	- BBA - Finance Northwestern University - MBA - Accounting Northwestern University	- MD at Rompo product PLC. - Director at Rompo PLC.
Mr. Natthawut Thepkaew Director	-Bachelor of Science, Songkhla Nakarin University -Master's Degree - MBA, Ramkhamhaeng University	- Factory Manager - Rompo Products Co., Ltd. - Director at Rompo PLC.



## Details of the directors of the subsidiaries.

### DSC product PLC.

<b>Name</b>	<b>qualifications</b>	<b>Career History</b>
<b>Position</b>	<b>Highest Education</b>	
Mr.Wittawat Pornkul	- Bachelor - Industrial Engineering.	- MD at Dconproduct PLC.
President	Chulalongkorn University	- Director at Orrada PLC.
	- Director Accreditation Program (DAP #16)	- Director at Rompo PLC.
	- Director Certification Program (DCP #46)	
Mr.Nirut Intarathachang	- Bachelor - Accounting	- Director at Dcon products PLC
Director	Thammasat University	- CFO at Dcon products PLC
		- Director at DSC product PLC, Director at Orrada PLC
		- Director at Rompo product PLC,
		- Director at Wisarawan PLC
Dr.Kawin Worakanchana	- Bachelor - Civil Engineering	- Deputy Managing Director Operations
Director	Chulalongkorn University	Department
	- Masters - Engineering structures	- Director at Dcon products PLC
	Asian Institute of Technology	- Director at DSC products PLC
	- Doctoral degree - Civil Engineering	
	University of Tokyo Japan	

<b>Name</b>	<b>qualifications</b>	<b>Career History</b>
<b>Position</b>	<b>Highest Education</b>	
Mr.Decha Apiromdet	- Bachelor - Marketing	- APE Service Co.,Ltd.
Director	Assumption University	- MD at Sinudom Concrete co., Ltd. - Director at DSC products PLC
Mr.Chranchai Apiromdet	- Bachelor - Civil Engineering	- Vice MD at Sinudom Concrete co., Ltd.
Director	Chulalongkorn University - Masters - MBA Pfeiffer University	- Director at DSC products PLC
Mr.Monsak Upaiboon	- Maketing University of the Thai Chamber of	- MD at Chusin Concrete Co.,Ltd.
Director	Commerce	- Director at DSC products PLC
Miss Wasinee Upaiboon	- Bachelor - Civil Engineering	- Assistant to Managing Director at Chusin
Director	Chulalongkorn University - Masters - MBA Sasin School of Management	Concrete Co.,Ltd. - Director at DSC products PLC

## Nature of Business

### Category of business of the Company and its Subsidiaries

The Company manufactures and distributes construction materials, produces concrete, and develops real estate through the Company and its Subsidiaries.

**DCON Products Public Company Limited** has registered capital worth 552,878,639.60 Baht and paid-in capital worth 538,634,039.60 Baht. The Company operates a business that manufactures and distributes construction materials and produces concrete including high-pressured concrete pillars, high-pressured concrete floor panels, high-pressured concrete fences, and cellular lightweight concrete (CLC) as well as various ready-made building parts such as beams, pillars, walls, fences, etc.

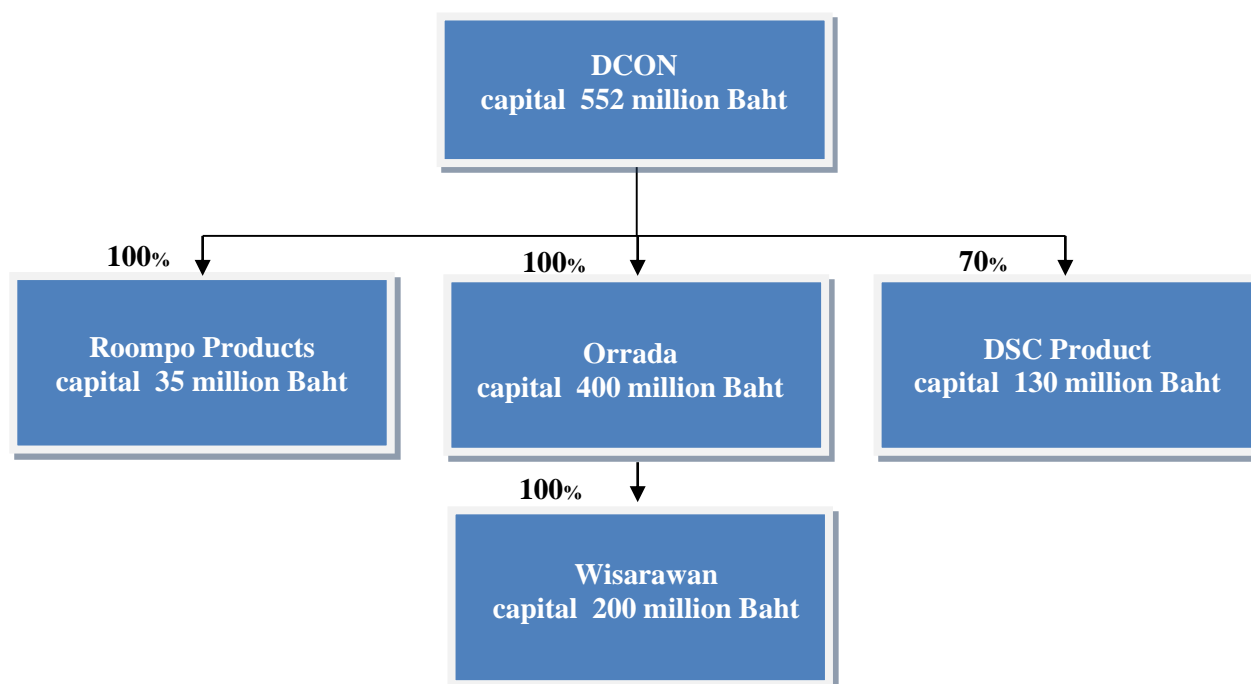
**ORRADA Company Limited** has registered capital worth 400 million Baht. Its business operation is real estate development which serves as product demonstrations for DCON. There are 7 projects under its management including ORRADA Factory Land, ORRADA Land, Bahn ORRADA-Lam Luk Ka Khlong Luang 8, Bahn ORRADA-DZIO, DCON Prime Condominium, The Deco whereby the Company holds 99.99% of the shares with paid-in capital.

**Roompo Product Company Limited** has registered capital worth 35 million Baht. It manufactures and distributes construction materials, produces concrete products such as ready-made floor panels in the northern region, whereby the Company holds 99.99% shares with paid-in capital.

**DSC Product Company Limited** has registered capital worth 130 million Baht and paid-in capital worth 25 million Baht. to manufacture and distribute fabricated walls at its modern concrete parts factory with the use of semi-automatic machinery imported from Germany. Production for distribution will begin in the third quarter of 2020 in order to recognize its earning whereby the Company holds 70% shares with paid-in capital.

**Wisarawan Company Limited** has registered capital worth 200 million Baht and paid-in capital worth 180 million Baht. Its business operation is real estate development which serves as product demonstrations for DCON. There is 1 projects under its management including The Deco whereby the Orrada Company holds 99.99% of the shares with paid-in capital.

## Shareholder Structure



## Type of business and products of the Company and its Subsidiaries

**The business of manufacturing and distributing construction materials and concrete products are divided into 4 types of products including:**

### 1. Concrete floor panels

Ready-made concrete floor panels of DCON are a flat like a board, 35 cm. wide and 5 cm. thick. When placed next to each other and concrete is poured on top, the DCON concrete floor panels will serve as both a model and a weight bearer for the building, functioning as one with the concrete that was poured on top. In addition, the Company provides services of producing concrete floor panels that are 30 cm. wide and 5 cm. thick for some customers with special needs.

Ready-made concrete floor panels of DCON are suitable for the construction of classrooms, condominiums, offices, schools, townhouses, and single homes for residence, helping to speed up construction work and saving costs while providing strength and attractive appearance.

Ready-made concrete floor panels of DCON are divided into:

- 1.1 Ready-made flat surface floor panels - suitable for the construction of structures with wide spans between beams to place floor panels of less than 4.20 m.

1.2 Square surface floor panels - created to be used in structures with spans of between 4.20 – 5.00 m. with special properties of being able to support a longer span, which makes it possible to be used in structures that are inconvenient to have support.

Ready-made DCON floor panels have received ISO 9001:2015 certification by SGS Thailand Co., Ltd. as a stamp of certification of international standards.



## **Rights or limitations to operating the business**

### **Benefits from investment promotion**

The Company has received the BOI promotion certificate No. 1089/2540 from the Board of Investment (BOI) and receives benefits according to the Investment Promotion Act B.E. 2520. The Company received 100% tax waivers since 19 January, 1996 to 18 January, 2005. Thereafter, the Company received 50% tax waivers from 19 January, 2005 to 18 January, 2010. Therefore, in 2010, the Company did receive any tax waivers due to the expiration of investment promotion benefits.

## **2. Concrete pillars**

Pillars are a construction material that is used to support the weight of a building or structure by the mechanism of (1) friction caused by the surface of the pillar coming in contact with the dirt surrounding the pillar and (2) the bearing capacity at the ends of the pillars, whereby the weight of the building is transferred down to the pillar, which sits on a firm foundation of land.

A market survey and efforts to reach out to the same customers as those of floor panels, the Company chose to manufacture only pillars for residential homes of 3 sizes including:

1. I18 shape for single homes or fences or 2-story homes such as low-cost government housing projects, with a maximum production capacity of 1,800 m. per day
2. I22 shape for 2-story homes, with a maximum production capacity of 5,100 m. per day
3. I26 for 3-story townhouses or commercial buildings (or factories), with a maximum production capacity of 2,100 m. per day
4. S22 for 2 storey house (Industry Standard 396-2549). There is capacity of 216 meters per day at Rayong Factory and 228 meters per day at Surat Thani Factory
5. S26 for 3-story townhouse, Commercial buildings or factory buildings (Industry Standard 396-2549). There is capacity of 216 meters per day at Rayong Factory and 228 meters per day at Surat Thani Factory.
6. S-40 for the construction of large buildings (Industry Standard 396-2549). There is capacity of 912 meters per day at Surat Thani Factory.

The Company's concrete pillars have received ISO 9001:2015 certification by SGS Thailand Co., Ltd. as well.



### 3. DCON lightweight bricks

#### 3.1 CLC

The gray lightweight bricks lightweight CLC brick (Cellular Lightweight Concrete) produced by inconsistently adding air bubbles with high stability into the concrete of the bricks. They are in the form of closed cells to achieve good water resistance preventing the growth of fungi that are dangerous to health, protect against heat, sound proof, and allows for regular concrete to be used to spread on top, suitable for health-conscious users.

The Company has developed products to support the variety of needs and uses. For example, the Company has developed the D815 formula which gives the DCON's gray lightweight bricks their lightweight and convenient use, but maintains its strength allowing for heavy items to be hung on them. The Company has also developed 2-centimeter bricks that prevents heat as an energy-saving feature for high-end homes, adding another dimension to its attractive appearance.

DCON's gray lightweight bricks have received ISO 9001:2008 certification by SGS Thailand Co., Ltd. as well.



#### 3.2 AAC's white lightweight bricks

The white lightweight brick are white lightweight AAC (Autoclaved Aerated Concrete) bricks produced by adding chemicals that causes air bubbles and underwent steaming using manufacturing technology and underwent quality control by the G4 standard system. They have lightweight making them easier to work with. They can be used to hang heavy items, suitable for users who desire lightweight and attractive bricks before covering with concrete.

Both of DCON's lightweight bricks are suitable for the construction of classrooms, condominiums, offices, schools, townhouses, and single homes for residence. They speed up construction work and are cost saving, while providing strength and attractive appearance.



## **4. DCON fences**

### **4.1 DCON fences**

DCON's opaque fences are ready-made opaque fences with high-pressured concrete comprising fence panels, pillars, and back cover to provide strength, attractive appearance, and saves costs, suitable for users who desire strong fences that are attractive and provide privacy.



### **4.2 DCON's cowboy fences**

DCON's cowboy fences are transparent high-pressured concrete fences comprising fence panels and pillars that are strong but focuses on transparency to allow the view of scenery. They are also used for dividing home properties, giving them an open feel, suitable for users who desire strength and transparency or those who want to mark the borders of their property.



Both of DCON's fences are suitable for various uses such as residential homes, government complexes, open-air restaurants, or fences marking the borders of a property to allow for a clear viewing as they provide strength, attractive appearance, saves cost, and are easy to install and convenient.



### **4.3 Jambo fences**

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



## 5. Hollow Core Slabs

DCON Hollow core slab is a hollow core pre-stressed concrete slab to increase cross-sectional efficiency. By reinforced with prestressed wire Used for general building floor structures such as office buildings (government / private), residential buildings. Small to large commercial buildings and industrial plants Which is lightweight compared to other floor structures in accordance with TIS 828-2546 standards, has its own strength, can be used to bear the weight immediately. Without any temporary bracing. Width is 0.60 m. Thickness is available from 8, 10, 12 and 15 cm. Thickness size depends on length. And payload This can be seen from the table of the weight (Service Load Table) of the company.

### Product Characteristics Hollow Core

1. Lower construction cost and light weight due to the hollow slab. Thus, it can save concrete and be lightweight, saving a lot of other structures, from piles, foundations, columns and beams.
2. Quick installation, as it does not require temporary bracing for construction, it is convenient to work, saving time and labor as well.
3. Smooth surface The bottom surface of the finished slab is smooth. Therefore do not need to plaster Or install a longer ceiling
4. Long cross section as it is hollow slab, the cross-section is highly efficient compared to other cross-sections. This makes the slab lightweight without reducing the cross-sectional power and durability, allowing it to be used with a wide range of lengths (Span Length) up to 8 meters without problems with deflection. (According to the size, thickness, slab)
5. Compliant with all slabs with high efficiency manufacturing processes, extruded and pressed concrete, thus making the slab cross-section with a consistent shape.
6. Strong because it is made from dry concrete (No Slump Concrete) and through modern machinery manufacturing processes. Resulting in relatively high compressive strength, so it is strong and durable. And higher quality than general prefabricated floors
7. Shear Key Concrete Due to the hollow slab, prestressed concrete. When laying the floor slab, there will be a SHEAR KEY groove for grooving with cement mortar. Makes it possible to distribute the weight between the floor slabs
8. Sound and temperature protection Due to the air inside the hollow, it greatly reduces the transmission of sound and temperature.
9. Fire protection Because the concrete coated with steel is sufficiently thick Therefore able to withstand the heat temperature for hours If the fire is severe at any point, it will cause local damage, not damage to neighboring structures.

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



## 6. Hexago piles

Product characteristics hollow hexagonal piles, prestressed concrete

1. Used as a foundation for carrying the weight of light structures such as corridors, platforms, parking lots.
2. Used as a foundation to support the weight of the fence posts. To build stability and strength
3. It is a hollow hexagonal pile, prestressed concrete type, strong because it has more than 350 KSC compressive strength.
4. Size and cross-section 15 cm. Weight 32 kg / m.
5. The effect of pile is hollow in the middle of the same piece. Will not be the same size One side narrow hole One side wide hole
6. Use with the wide holes hammered into the ground. To get the ground pressure This makes the soil transmitted through the channel to be more rigid, strong and compressive, making it better to hold the pole.
7. It reduces the problem of fracture. During driving more than ordinary piles.

Typical applications of DCON hollow hexagonal piles

Used to load the weight of the weft beam, carpet hammering, parking lot, warehouse floor, Foundation piles. For loading the fence work Foundation piles For weight gain Small structure work Or light structure Or used in small area extensions, easy to cut the needle head In case the needle pops

up When encountering an underground obstacle that has been pegged or You may have to cut the needle off. To achieve the specified level It can save construction costs and labor. Light weight, easy to transport and install Available in length from 1.00 - 6.00 m.



## 7. Footing

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



## Real-estate development business

The Company sells and rents out ready-made mini-factories and finished single-home projects before selling them through its Subsidiaries which is ORRADA Co., Ltd. which include 2 types including:

### 1. ORRADA Factory Land

This is a project with ready-made factories which include the factory, offices, and residences in the same unit on a 200-square-wa property with a usable area of 720 square meters, with an emphasis on a systematic layout, ready with standard utilities. One unit comprises:

Floor	Usable area	Size
1	Factory park Offices	16 X 24 = 384 square meters 12X 7.5 = 90 square meters
2	Offices	16 X 7.5 = 120 square meters
3	Residences	16 X 7.5 = 120 square meters

The project is located on Phahonyothin-Lam Luk Ka Rd., Khlong 8, Lam Luk Ka District, Pathum Thani Province. The project comprises 3 phases of electrical power and 4 telephone lines, groundwater, steel-supported concrete roads, along with drainage systems and 16-meter wide footpaths, with a 24-hour security system.

The Company has asked for the Department of Land's permission for land subdivision for industrial use. The project's customers can lease or purchase the units. The Company will file for permission to operate a factory business from the Ministry of Industry soon.

## 2. Residential projects

### 2.1 ORRADA Co., Ltd.'s Residential projects

#### ORRADA Project - Lam Luk Ka Khlong 8

The project is located on Liab Khlong 8 Rd., Lam Luk Ka District, Pathum Thani Province. The Company received a land subdivision permit No. 36/2549 comprising single-homes for residence and homeoffices on a 23-rai plot of land. More than 90% of the project has been sold.

### **DZIO-Ratchaphruek (ORRDA-Ratchaphruek)**

A two-story single-home project comprising 94 units on a 20-rai 2-ngarn piece of land around Ratchaphruek Rd., Nonthaburi Province. The project allows for the demonstration of DCON's products with a permit No. 91/2554 and 90% of the project has been sold.

An 8-story condominium project comprising 4 buildings with 792 units on offer on a plot of land of more than 7 rai around Ngamwongwan Soi 2 (Soi Duangmanee) behind the Ministry of Public Health in Nonthaburi Province. The entire project was sold and transferred to a real-state developer in Quarter 4 of 2014.

### **DCON Prime Condominium**

A 38-story high-rise condominium offering 641 units on a 2-rai 1-ngarn and 16-square-wa plot of land located on Rattanathibet Rd. near Phra Nang Khlaio Bridge near Saima MRT Station of the Purple Line of the metropolitan's subway near Chao Phraya River. It is 100 meters away from the Purple Line MRT Station (800 meters) and 800 meters from the Chao Phraya River. It was approved by the EIA on October 6, 2015. It is expected to be completed and transferred to customers in May 2018. The sale of the project is Bt. 1,648.38 million and net profit is 252.15 million baht or 15.3% of sales.

## **2.1 Wisarawan Co., Ltd.'s Residential projects**

### **The DECO Bangna**

Project is a townhome housing project of 388 units, project size 34 rai, 14.2 square meters, located on the main road. On Bang Bo-Klong Dan Road, Bang Phriang Subdistrict, Bang Bo District, Samut Prakan, easily connected to Thepharak Road, Bang Na-Trad Road and Sukhumvit Road Easy access to the city with 3 main expressways: Burapha Withi Expressway, Motorway and Kanchanaphisek Expressway Close to many famous sources and industrial factories in Thailand Including close to department stores, fresh markets, famous schools, leading hospitals and Suvarnabhumi Airport, etc. Construction is underway, which will be completed and transferred to customers in November 2021, projected sales of the project equal to 949.22. Million baht and will have a net profit of 133.84 million baht or 14.1 percent of sales.

# The Policy and Overview of Company's Business Operation

## DCON Product Public Co.,Ltd

### Competitive strategy

- The Company has the ability to produce quality products under lower cost than competitors as the Company places great importance on continuous research and development.
- For the pillars business, the Company selected 3 sizes of pillars including the I18, I22, and I26 sizes for mass production, keeping production costs per unit lower than competitors.
- The business is managed closely by professional executives who understand the business and customers.
- The location of its factory is in the area where raw materials are found, lowering logistics costs and keeping factory land price cheap.
- The Company has a good relationship with the owner of the raw materials, allowing it to purchase raw materials at a lower cost.
- The Company has a comprehensive logistics system to transport its finished goods, giving it flexibility, ability to manage its own logistics, as well as saving on logistics cost.
- The Company expanded its factory business to the North in Lamphun Province, to the South in Surat Thani Province in 2013. The Company has also expanded to another major city to support business growth in the Northeast in Maha Sarakham Province and in the East in Rayong Province. The expansion will lower logistics costs and facilitate convenience of sales and distribution, as well as expanding its customer base.

### Customers groups

Customers can be grouped into the following

Customer groups	Sales ratios in 2020
1. Real-estate developers	56%
2. Construction contractors	36%
3. Construction materials agents and/or	6%
4. Others	2%
Total	100%

## **Target customers**

Target customers are in Bangkok and the Metropolitan area, various provinces in the northern, central, northeastern, and eastern regions. At present, the company. There are factories in all sectors as follows: Northern - Company Rompin Products Co., Ltd., Central - Lopburi Factory, South - Surat Thani Factory, Northeast - Maha Sarakham Factory And East - Rayong Plant

## **Pricing policy**

The Company sets its prices according to market supply and demand preventing lead time from the purchase to when products are received or avoiding overpricing, causing the Company to lose customers. In addition, the Company also takes into consideration the sales volume, customers' credit terms, and the industry's competition as the main factors. This has led to the Company having to constantly update its prices to align with the market and its competitors.

## **ORRADA Co., Ltd.**

### **Competitive strategy**

- The Factory Land Project is located in the Purple Land area, which allows for factories to be constructed and is situated near residential areas, giving it sufficient the purchasing power and labor manpower it needs to support the businesses that are customers of the project. Moreover, it is located near the coast, making logistics and transportation convenient via the Kanchanaphisek Out Ring Rd.
- The DZIO-Ratchaphruek Housing Project is located conveniently in a fast-growing area and is of high-demand in the target customer group with an electric rail line to facilitate customers' commute, which is the Purple Line. In addition, it was designed to stand out and satisfy the needs of all customer groups.
- DCON Prime-Rattana Thibet (DCON Prime) is a condominium located on Rattana Thibet Rd. 100 m. away from the Saima MRT Station. It is a 38-story highrise offering 638 units. Its main feature is its locale, as it is located in the fast-growing suburban of Nonthaburi near Central Westgate. It offers a convenient commute through the electric rail downtown, while also being near the Chao Phraya River, giving a unique view of the river. The condominium also sports an Infinity Edge pool system on the 37<sup>th</sup> floor, allowing residence to enjoy the freedom and open air swim that will leave them completely relaxed, together with a high-angle view of the Chao Phraya River. In addition, all units have been fully furnished with built-in furniture and air conditioners. The Company has a competitive advantage with lower construction costs as it used materials that were produced by its own mother company including floor panels, pillars, and DCON lightweight bricks.



□ DCON Prime-Rattana Thibet (DCON Prime) is a condominium located on Rattana Thibet Rd. 100 m. away from the Saima MRT Station. It is a 38-story highrise offering 638 units. Its main feature is its locale, as it is located in the fast-growing suburban of Nonthaburi near Central Westgate. It offers a convenient commute through the electric rail downtown, while also being near the Chao Phraya River, giving a unique view of the river. The condominium also sports an Infinity Edge pool system on the 37<sup>th</sup> floor, allowing residence to enjoy the freedom and openair swim that will leave them completely relaxed, together with a high-angle view of the Chao Phraya River. In addition, all units have been fully furnished with built-in furniture and air conditioners. The Company has a competitive advantage with lower construction costs as it used materials that were produced by its own mother company including floor panels, pillars, and DCON lightweight bricks.

### **Characteristics of customers and target customers**

- Customer groups of the ORRADA Factory Land Project are small and medium sized businesses (SMEs) operating nearby and the Company's target customers will be maintained.
- The DZIO-Ratchaphruek Residential Project targets middle-income customers around Nonthaburi Province and those working in Bangkok and the Metropolitan area with income of more than 50,000 Baht, age between 35-50.
- The DZIO Condo- Ngamwongwan Project targets customers in the middle-lower income bracket living nearby in Nonthaburi and adjacent parts of Bangkok's northern and western zones with income of at least 25,000 Baht, age between 25-45.
- DCON Prime-Rattana Thibet targets middle-income customers living nearby in Nonthaburi and adjacent parts of Bangkok's northern and western zones with income of at least 25,000 Baht, age between 25-45.

### **Pricing policy**

- For the DCON Factory Land Project, the Company set the price and rent at a competitive level. The Company will offer 3-year rental contract to all tenants.
- The DZIO-Ratchaphruek Residential Project sets the price at between 4-6 million Baht.
- The DZIO Condo Project developed a new design and attractive features, while the price was set at a considerably competitive rate compared to competitors in the nearby area, highlighting the project's value-for-money feature, with a starting price of 1.2 million Baht.
- The DCON Prime Project developed with a new design and attractive features, as well as construction materials that are better than nearby competitors. The selling price is considerably cheaper than competitors in the area, highlighting its feature of value-for-money. Prices start at

1.65 million Baht for a 1-bedroom 26.58-square-meter unit.

### **Distribution and distribution channel**

- For the ORRADA Factory Land Project, other than direct contact to customers, most customers approach the Company through the Project's contact information on advertisements, receiving news through various channels, referred by a friend, and the Company's website.
- The DZIO and DCON Prime projects will be advertised on billboards, signs, magazines, newspapers, radio spots, exhibition booths, various department stores, the internet, social media, and websites.

### **Raw materials**

Raw materials for the construction of all projects including land and construction materials such as floor panels, pillars, lightweight bricks, concrete, steel rods, เหล็กรูปพรรณ, roof tiles, back-up power system, utilities system, paint, doors and windows are all procured through an auction of contractors both in terms of wages and construction materials, except for floor panels, pillars, and lightweight bricks, which are from the Company itself. Over the years, the main contractor with experience and credibility continued to work with.

### **Environmental impact**

- For the ORRADA Factory Land Project, each factory owner sets up a wastewater management system in each unit according to the level of wastewater from each factory, whereby they must meet the factory's criteria. In addition, the project has a sanitation system for each unit according to the Land Development Act.
- For residential home projects, a grease trap is installed for each unit and a wastewater management system is installed at each of the projects in compliance with the Land Development Act.

### **Coming profit**

DCON Prime projects had Customers reserve and transfer in 2021 .

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

### **Competitive strategy**

- The DECO Bangna - The DECO Bangna project is a townhome on the main road. On Bang Bo Road - Khlong Dan Samut Prakan Easy to connect to Thepharak Road, Bangna-Trad Road and Sukhumvit Road. Easy access to the city With 3 main expressways: Burapha Withi Expressway,

Motorway and Kanchanaphisek Expressway Close to work sites and large industrial estates such as Wellgrow Industrial Estate, Bang Phli Industrial Estate, as well as close to department stores, fresh markets, famous educational institutions, leading hospitals and Suvarnabhumi Airport, etc. 34 rai 14.1 square wah with a lot of advantages in green areas Including the central Club House that meets all lifestyles Whether it is a private work area, a fitness center and a swimming pool. Not only that, what the project thinks for customers can be called Pay attention to the customer in every square meter Customers can be 100% assured. The company has an advantage in construction costs because it uses materials from parent company products (DCON), namely slabs, piles, fences and DCON lightweight bricks.

### Characteristics of customers and target customers

- Deco project targeting customers at the middle level. In Bangkok Nearby In the part of Samut Prakan Province In the eastern zone of Bangkok Income level of 25,000 baht or more, aged 25-50 years

## Important assets of the Company

Assets that are used to operate the business of the Company and its Subsidiaries as of 31 December 2020 are as follows:

### DCON Products Co., Ltd.

Type / characteristics of assets	Book value (Baht)	Type of ownership	Obligations
Land in Pattanakom District, Lopburi Province			
- Area for factory 119 rai 1 ngarn and 94 sq.wa	26,533,967	Owner	None
- Product storage area of 23 rai 2 ngarn and 38 sq.wa	5,055,384	Owner	None
- Area bought for groundwater for production 24 rai 2 ngarn and 92 sq. wa	2,124,547	Owner	None
Land bought for the construction of factories and product storage - aerated concrete factory 97 rai, 3 ngarn and 36 sq. wa	13,482,219	Owner	None
Land for the construction of factories in Surat Thani Province, 57 rai 334 sq.wa	16,870,519	Owner	None
Land for the construction of factories in Rayong Province, 36 rai 168 sq.wa	20,525,996	Owner	None
Land for the construction of factories in Mahasarakham Province, 34 rai 99 sq.wa	18,022,373	Owner	None

Building / furniture / decorations	148,488,967	Owner	Mortgage the factory building for the construction of aerated concrete with a credit line of 35 million Baht and machinery worth 60 million Baht as guarantee for overdraft, short term loans, longterm loans, or debts that may be incurred as one bank is asked to issue a guarantee document for raw materials and guarantee for power utilities with a local bank.
Vehicles	68,344,303	Owner	None
Tools / machineries / equipment	141,631,0666	Owner	None
Construction work	1,532,773	Owner	None

### ORRADA Co., Ltd.

Type / characteristics of assets	Book value (Baht)	Type of ownership	Obligations
Land in Pattanakom District, Lopburi Province	302,823,374	Owner	None
Land waiting to be developed (Orrada Factory Land office)	14,223,250	Owner	None
Developed land for sale, ORRADA Housing Project and DCON Prime Condo	1,302,905,128	Owner	None

### Investments in Subsidiaries

As of 31 December 2020

Type / characteristics of assets	Book value (Baht)	Type of ownership	Obligations
Orrada	Real estate development is also focused on the business of selling and renting small factories.	400 million Baht	99.99
Roompo Products	Production of finished flooring and lightweight concrete in the northern area.	35 million Baht	99.99
DSC Product	To manufacture and distribute fabricated walls	130 million Baht	70.00
Wisarawan	Real estate development	200 million Baht	99.99 (Orrada)

The Company has a policy to invest in its core business that is the floor panels and high-pressured concrete pillars, as well as selling ready to move-in single homes and sale / rent of ready-made small factories through its Subsidiary. The Company does not have a policy to invest in other businesses that are unrelated. For any investments, the Company considers yield from an appropriate investment. In addition, the management policy of ORRADA will be set and implemented by the Company's Board of Directors.

## Investments in Associated Company

As of 31 December 2020

Type / characteristics of assets	Book value (Baht)	Type of ownership	Obligations
Prinsiri Public Company Limited	Real estate development	1,220.01million Baht	6.72

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

## Risk Factors

Regarding the business operation of DCON Products Public Co., Ltd., and subsidiaries, there are risk factors affecting the Company's business operation, as follows

### **1. Risk from Volatility of Prices of Fuels and Main Raw Materials;**

Fuel oils are main costs in transport of goods and are regarded as the second largest amount of expenditures following the cost of raw materials; but the volatility of fuel oil prices is an out-of-control factor because it is in connection with several other events such as the world economic condition, problems of international politics, resulting in volatility of fuel oil prices. The Company has managed the risk by purchasing new trucks to replace the old ones with low efficiency and maintaining good efficiency of trucks at all times. Moreover, the Company has regularly organized correct driving training for its truck drivers for safety and saving; and has installed GPS system in all trucks to control speeds and to prevent fuel oil frauds of truck drivers.

Prices of raw materials are highly volatile due to economic changes, including changes of demand and supply, particularly prices of cement, steel bar, PC-wire, stones and sand which are main raw materials used in the production process and having both positive and negative impacts on the Company's business. The Company has to closely monitor and evaluate the situations and to determine proper risk management strategies such as management of procurement of raw materials to reduce price risks, researches and development for alternative raw materials, effective control and management of stocks.

### **2. Risk from Volatility of Domestic Economic Conditions and Competition;**

In the previous year, Thailand has still encountered problems of economic slowdown; as a result, there were severe competitions in the construction materials market to accelerate the release of goods; therefore, in order to increase its competitiveness, the Management has given the importance to researches and development of goods, quality control, service, stock management, personnel development, delivery and transport management for more effective management and maintaining its leadership in this business. And for the real estate business, in order to reduce the financial risk and reduce the risk of marketing expenses.

### **3. Risk from the spread of COVID-19 virus.**

Due to the severe COVID-19 epidemic in 2020 to date, the Thai economy has contracted and resulted in a significant slowdown in investment in real estate. Construction in various projects The plan was postponed, causing sales of construction products and materials to decline in the same direction. Together with the control measures for retail lending of commercial banks This is the main reason for the slowdown in the real estate sector this year.

However, the management has placed more emphasis on increasing online distribution channels to meet the COVID-19 epidemic situation. In addition, the management gives importance to product research and development in order to prepare for future product demand when the situation returns to normal.

## Dividend Payment Policy

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

In 2020, the Company had 92.43 million Baht profit for the year, and the Board of Directors resolved to propose to the shareholder ordinary meeting on 28 April 2021 to approve distribution of dividends at the rate of 0.008 Baht per share, representing 46.62 per cent of the profit for the year under the consolidated financial statement.

### Dividend distribution rates from business operation in each year of the past 5 years

	2020	2019	2018	2017	2016
Basic profit per share (Baht)	0.02	0.02	0.03	0.04	0.03
Dividend per share (Baht)	**0.008	0.015	0.015	0.045	0.008
Dividend rate per net profit ratio* (%)	46.62	61.39	48.76	104.9	27.50
Par value (Baht)	0.10	0.10	0.10	0.10	0.10

Year	Cash	Stock dividend	Operating result period
2020	0.008 Baht per share	-	01/01/2020 - 31/12/2020
2019	0.015 Baht per share	-	01/01/2019 - 31/12/2019
2018	0.015 Baht per share	-	01/01/2018 - 31/12/2018
2017	0.045 Baht per share	-	01/01/2017 - 31/12/2017
2016	0.008 Baht per share	-	01/01/2016 - 31/12/2016

**Note:** Distribution of dividends in 2020 for operating results from 1 January to 31 December 2020 was still uncertain, depending on resolution of shareholder ordinary meeting on 28 April 2021.

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

\*\* The Board of Directors resolved to propose to shareholder ordinary meeting on 28 April 2021 to approve dividend distribution for 2020 at 0.008 Baht per share.

# Organization chart





## Management

### Board of Directors

As of 31 December 2020, the Board of Directors consisted of 9 members.

: 4 independent directors

: 3 members of the Remuneration Committee

: 3 members of the Executive Committee

No.	First-Last Name		Position
1	Assoc.Prof.Dr. Tortrakul	Yomnak	President, Independent Director
2	Mrs. Pismai	Boonyakiat	Independent Director Vice President, Nomination and Compensation Committee, Chairman of Audit Committee
3	Mr. Wittawat	Pornkul	Executive Committee Chairman
4	General Pisarn	Wattanawongkeeree	Audit Committee, Independent Director Independent Director
5	Mr. Wanchai	Tantikul	Nomination and Compensation Committee, Audit Committee, Independent Director
6	Mr. Chana	Towan	Independent Director , Nomination and Compensation Committee,
7	Dr. Tanai	Charinsarn	Director
8	Mr. Nirut	Intarathachang	Director
9	Dr. Kawin	Worakanchana	Director

The authorized signatories of the company are Mr. Witawat Pornkul, the Company's authorized signatory and Mr.Chana Towan, Mr.Tanai Charinsarn, Mr.Nirut Intarathachang, and Mr.Kawin Worakanchana. These four sign together and seal the company.

### Board of Directors Scope, Authority and Duties

1. Plan and set policies, directions, strategies, organizational plans The management structure of the Company. In line with the economic situation and market competition. To propose to the Board of Directors for approval.
2. Determine the main policy of the business. Financial policy Fundraising Policy Capital Management The Company's policy on risk management.
3. Approve budget and investment projects. Supervise the implementation of the project as planned.
4. Supervise the Company's operation to meet or exceed the target. And if there are obstacles to achieving that goal.
5. To make accurate and timely disclosure of general information and financial information of the Company to shareholders and stakeholders.

6. Acknowledged the major audit report. And the guidelines for improvement. The case where the defect is found to be material.
7. To review the adequacy and appropriateness of the Company's internal control system and risk management.
8. Create a Succession Plan (Succession Plan).
9. Monitor and monitor the daily performance of the company. The business plan approved by the Board of Directors.
10. Determine the core business policy. Financial policy Fundraising Policy Capital Management and Policy Company Risk Management
11. Plan and set up a business plan. Annual budget The Company's Board of Directors is responsible for overseeing and monitoring the Company's operations. Consider approval
12. Board of Directors Set policy, guidelines for considering transactions that may or may have conflicts of interest between shareholders, directors, executives and other potential conflicts of interest. Direct and indirect. In the case of connected transactions, which are under the authority of the shareholders' approval, the Board of Directors has passed the scrutiny by the Audit Committee. To ensure that the transaction is fair. Be reasonable, this is to benefit the shareholders and comply with the laws and regulations of the Securities and Exchange Commission.
13. Board of Directors Ensure that procedures are followed carefully, within the principles of rationality and independence. There is a transparent process for approving transactions. And take the maximum benefit of the company. Completed in accordance with the rules of the Securities and Exchange Commission
14. The interested parties will not participate in decision making on entering into the transaction. He will inform the meeting of the board of directors. To follow the policy to consider transactions that may cause conflict of interest. Report to the meeting. To abstain from voting or abstain from comment on related agenda or interests.
15. Board of Directors To supervise the disclosure of information that may cause conflict of interest to be accurately and completely disclosed in the annual report and Form 56-1.
16. Board of Directors Prioritize and provide an internal control system. To ensure reasonable assurance of efficiency and effectiveness of operations. And reliability of financial reports. And compliance with rules and policies. The establishment of an independent internal audit unit. Responsible for ensuring the adequacy and effectiveness of the Company's internal control system to report to the Audit Committee. And the Board of Directors, respectively.
17. Board of Directors Review the appropriateness and adequacy of the five internal control systems, namely, the Control Environment, Risk Assessment, Control Activities, Information and Communication, (Monitoring) once a year to ensure the achievement of the Company's objectives and objectives. As well as continuous improvement of the internal control system.
18. Board of Directors Provide a transparent and transparent system. To maintain relationships with external and internal auditors. The Audit Committee is a link.

19. Audit Fees and other fees paid to the auditor. It is disclosed in the annual report. To increase transparency in the independence of auditors.

## Executive Committee

As of 31 December 202

No.	First-Last Name		Position
1	Mr. Wittawat	Pornkul	Executive Committee Chairman
2	Mr. Chana	Towan	Executive Committee Vice Chairman
3	Mr. Nirut	Intarathachang	Executive Director
4	Dr. Kawin	Worakanchana	Executive Director
5	Miss Pradittha	Worachart	Executive Director
6	Miss Somnuek	Raksanit	Executive Director
7	Mrs.Siriporn	Leetaveekulsomboon	Executive Director
8	Mr.Samak	Sritsombut	Executive Director
9	Miss Noppamas	Alipariyakul	Executive Director

The persons with signatory authority to sign on behalf of the company are Mr. Wittawat Pornkul, who is authorized to place his signature and affix the company's official seal, or Mr. Chana Towan, Tanai Charinsarn, Ph.D., Mr. Nirut Intarathachang and Mr. Kawin Worakanchana, in which two of the four directors are authorized to sign together and affix the company's official seal.

## Executive Committee Scope, Authority and Duties

1. Makes plans and set policy, directions, strategy, work plans, organizational chart and management charts for the company's performance in concurrence with economic and competitive conditions on the market for presentation to the company's board of directors for consideration and approval.
2. Makes plans and sets business plans, annual budgets and administrative authority in various aspects of the company's work for presentation to the company's board of directors for consideration and approval.
3. Checks and monitors performance in line with various aspects of administrative policies and guidelines set forth by the company with efficiency and in line with business conditions.
4. Employs and terminates the employment of company employees at the executive level, except for executives holding the position of company director.
5. Oversees and monitors the company's daily performance in compliance with the business plans approved by the company's board of directors.
6. Performs other duties as assigned by the company's board of directors on a case-per-case basis.

7. Considers approval and actions in relation to the company's financial transactions within a limit not to exceed THB twenty million.
8. Considers approval and any action in or associated with related transactions which are routine in trading, transactions involving receipt or distribution of the company's relevant assets and/or transactions or matters in which persons holding authority have conflicts of interest, stakes or potential conflicts of interest of any other type to be carried out with the company and the company's subsidiaries (if any) with a reference market price within a limit not to exceed THB twenty million and which must be presented to the meeting of the company's board of directors at the meeting following acknowledgment of the aforementioned matter.

## **Audit Directors**

As of 31 December 2020

No.	First-Last Name	Position
1	Mrs. Pismai Boonyakiat	Chairman of Audit Committee, Independent Director
2	General Pisarn Wattanawongkeeree	Audit Director, Independent Director
3	Mr. Wanchai Tantikul	Audit Director, Independent Director

## **Audit Committee Scope, Authority and Duties**

1. Checks whether or not the company has submitted financial reports with sufficient accuracy and disclosure by coordinating with the external auditors and executives responsible in preparing both quarterly and annual financial reports. The Audit Committee might make recommendations to have auditors reconcile or check any transactions as deemed necessary and relevant during the company's accounting audits.
2. Checks whether or not the company has suitable and effective internal control systems and internal audits by checking together with external and internal auditors.
3. Considers the selection and proposes the appointment of the company's auditors, together with consideration in proposing auditor's remuneration by taking into account the reliability, sufficiency of resources and amount of auditing work for the auditing officers to handle, including the experience of the personnel appointed the task of auditing the company's accounts.
4. Considers the disclosure of company information in cases involving the occurrence of related transactions or transactions with potential conflicts of interest to ensure accuracy and completeness.
5. Any other actions as appointed by the company's board of directors and approved by the Audit Committee, such as review of financial management and risk management policies, reviewing practice in compliance with good corporate governance by executives, reviewing and overseeing the company's management in significant reports requiring public disclosure as declared by law, namely, management reports and analysis, etc.

6. Prepares reports on the activities of the Audit Committee by disclosing in the company’s annual report. The aforementioned report will be signed by the Chairman of the Audit Committee and the aforementioned should include the following information:
  - 6.1 Opinions about the process of preparing and disclosing information in the company’s financial reports concerning accuracy, completeness and reliability.
  - 6.2 Opinions about the sufficiency of the company’s internal control system.
  - 6.3 Reasons for believing the company’s auditors are suitable for appointment for subsequent terms.
  - 6.4 Opinions about compliance with the law with the laws governing securities and securities exchanges, the specifications set forth by the Stock Exchange of Thailand or laws associated with the company’s businesses.
  - 6.5 Any other reports deemed suitable for disclosure to the shareholders and general investors under the scope of the duties and responsibilities assigned by the company’s board of directors.

### **The Nomination and Compensation Committee.**

As of 31 December 2020

No.	First-Last Name		Position
1	Mrs. Pismai	Boonyakiat	Chairman of Nomination and Compensation Committee, Independent Director
2	Mr. Wanchai	Tantikul	Nomination and Compensation Committee, Independent Director
3	Mr.Chana	Towan	Nomination and Compensation Committee ,Independent Director

### **Nomination and Compensation Committee , Authority and Duties**

1. To review the Company The financial reporting is accurate and adequate disclosure by coordinating with the external auditors and executives responsible. Preparation of financial reports and quarterly and annual Audit Committee may suggest that the external auditor review or examine any transaction which is considered necessary and significant during the audit of the Company.
- 2 . To review the Company A control system And an internal investigation is appropriate and effectiveness review with the external auditor. And Internal Audit
3. Consider And appoint the auditors of the Company. Including the remuneration of the auditors with regard to reliability. The adequacy of resources and workloads audit of the Audit Office. The experience of the personnel assigned to the audit of the Company.
4. Disclosure of the Company. In the event of a transaction Or transactions that may have conflicts of interest to ensure accuracy and completeness.
- 5 . Perform any other duties assigned by the Board of Directors and Audit Committee approved the revised policy, such as financial management and risk management. Review of the implementation of the code of

conduct of the management. Review with management of the Company. In the report that must be presented to the public by law, including the Management Discussion and Analysis and so on.

6. To report the activities of the Audit Committee. Be disclosed in the annual report of the Company. The report signed by the Chairman of the Audit Committee. Such items should include the following.

6.1 Commenting on the preparation and disclosures in the financial statements of the Company as to the accuracy, completeness and reliability.

6.2 Comments on the adequacy of the internal controls of the Company.

6.3 Reasons to believe The auditor of the Company The right to be appointed to another term.

6.4 Commenting on the lawfulness of the Securities and Exchange Commission. Terms of the Stock Exchange of Thailand Or the laws relating to the Company's business.

6.5 Any other reports that shareholders and investors should know under the scope of duties and responsibilities as assigned by the Board of Directors.

## Shareholders

The company's authorized capital 552,878,639.60 Baht. And Paid up 538,634,039.60 Baht divided into ordinary shares 5,386,340,396 shares at Par 0.10 Baht (as at 17 March 2021)

10 Major shareholders (as of 30 March 2020)

Total Shareholders :	8,174
Shares in Scripless Holding :	97.54 %
Free Float :	28.28 %

### 10 largest shareholders in the company

Name - Surname	Number of share	% of total shares
1. Mr.Wittawat Pornkul	1,531,000,000	28.42
2. Miss Wisara Pornkul	1,340,000,000	24.88
3. Mr.Chana Towan	610,000,000	11.32
4. Miss Asama Towan	187,000,000	3.47
5. Miss Arisara Towan	187,000,000	3.47
6. Mr. Itsada Pornkul	80,000,000	1.49
7. Mr. Prateep Tungmatitum	56,964,700	1.06
8. Sarasin Co.,Ltd.	40,916,062	0.76
9. Thai NVDR Co.,Ltd.	29,375,945	0.55
10. Mr. Surapan Changpradit	23,188,111	0.43
<b>Total</b>	<b>4,085,444,818</b>	<b>75.85</b>

Issuing other securities

- No -

## Corporate Governance

### Company's business supervision policy

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

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

1. The Board of Directors emphasizes on leadership, vision, appointment elements and independency, by determining qualifications, scope of power, duties and responsibilities to create good management.
2. Equitable and fair treatment to shareholders and stakeholders.
3. Full, sufficient, reliable and timely disclosure of information to all parties.



4. Encouragement to have internal control, internal audit and risk management systems to reduce risks which may occur.

In 2020, the Company continuously complied with the good governance principles of listed companies, divided into 5 sections as follows.

## **1. Rights of shareholders**

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

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

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

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

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

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

- 5.1 To protect the rights of shareholders who vote against the shareholder meeting resolution approving amendment to the Articles of Association regarding the rights to vote and the entitlements to dividends and consider that they are not fairly treated; or
- 5.2 For the purpose of financial management in case the Company has excessive retained earnings and liquidity, and such share repurchasing does not cause the Company to face with financial problems.

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

#### 6. The right to determine directors' remunerations

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

#### 7. The right to appoint and remove directors

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

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

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

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

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

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

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

## **2. Equitable and fair treatment to shareholders**

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

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

To promote good corporate governance the Company designated the Company's secretary to inform shareholders through SET information dissemination system and the Company's website at least 1 month in advance of the meeting date to give minor shareholders or minority shareholders of

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

## 2. Submission of questions in advance of the meeting

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

## 3. Shareholder meeting agendas

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

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

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

In 2020 the Company sent the letter of invitation to meeting to shareholder on 5 April 2020 and held the shareholder meeting on 28 April 2020.

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

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

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

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

#### 7. Announcement of resolution results

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

In 2020, the Company disseminated meeting resolutions and voting results on 30 April 2020 (Same day) for all shareholders to review.

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

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

#### 9. Shareholder meeting broadcast

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

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

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

service in pasting stamp duties on the letters of authorization for proxies participating in the meeting free of charge at the registration point to reduce the burden of shareholders.

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

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

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

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

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

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

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

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

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

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

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

- 14.1 In case the Company desires to transact with any related party, that must be mainly for benefits of the Company's business and can be checked that the transaction is made in a fair and at arm's length manner under rules and regulations prescribed by the Securities and Exchange Commission (SEC) Office and the Stock Exchange of Thailand, for example, disclosure of information regarding names and relationships of related parties, policy on pricing and value of the transaction, including opinions of the Audit Committee and the Board of Directors in connection with such transaction. The price and conditions must be the same as if transacted on an arm's length basis and avoid related party transaction in such manner as providing financial assistance. In granting approval for each transaction, the Management shall present information to the Audit Committee, which shall be primary agency in reviewing appropriateness and suitability of the related transaction before entering, to consider making comments for the Board of Directors and/or shareholder meeting to consider granting approval as per the transaction size every time before entering a related transaction, with disclosure of information as per rules prescribed by the Securities and Exchange Commission (SEC) Office and the Stock Exchange of Thailand. The Company shall present related



transactions in annual report certified by the auditor to ensure that there is no conflict of interest in such related transaction.

- 14.2 In case no market prices can be obtained for comparison, the Company shall find at least 3 independent experts approved by the Securities and Exchange Commission (SEC) Office to appraise the market prices to arrive at appropriate price and conditions not exceeding the average value given by all independent appraisers to ensure optimal benefits to the Company and shareholders. The Company shall propose for the Audit Committee to consider making comments on reasonableness of the transaction and appropriateness of the price in granting approval for the related transaction before presenting for approval from the Board of Directors or shareholders, as the case may be.
- 14.3 For all related transactions, the Company shall comply with laws, relevant notifications of the Stock Exchange Commission and notifications of the Capital Market Supervisory Board, including disclosure of information to all shareholders through SET information dissemination system and in the annual report.

15. Regarding prevention of conflicts of interest of directors and executives, the Company has the following policy.

- 15.1 Directors, executives and personnel are prohibited from utilizing their being directors, executives or personnel in the Company to seek benefits of their own or their families or close persons, whether being financial or any other business aspects.
- 15.2 Avoid making transaction related to oneself except if necessary for benefits of the Company under rules and regulations prescribed by the Securities and Exchange Commission (SEC) Office and the Stock Exchange of Thailand, for example, disclosure of information on names and relationships of related persons, policy on pricing and value of the transaction, including opinions of the Board of Directors on such transaction, and avoid related party transaction in such manner as providing financial assistance, such as lending money, guaranteeing credit for a company other than its own affiliate.
- 15.3 Refraining from operating any private business which affect the work performance and working time for the Company or operating any business with the Company in the name of their own, their families or any juristic person in which they are interested, or operating any business competing with that of the Company.

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

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

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

### **3. Roles of stakeholders**

The Board of Directors established a policy to treat all groups of stakeholders taking into account the rights of stakeholders provided by laws or agreements made with the Company for the Board of Directors, executives and personnel at all levels to comply with to ensure that the Company has undertaken to have such rights well protected and treated. The Company has a policy to receive complaints. To listen to comments, suggestions, questions, or complaints regarding corporate governance or operational oversight. From every stakeholder, whether it comes from within the organization. Or from a third party Whistle blowing policy details will be provided on the topic, Whistle Blowing. "Complaint Policy" to promote cooperation between the Company and stakeholders in creating financial wealth and stability, strength of the business, environmental and social conservation towards sustainable development. The Company recognized support from various groups of stakeholders in their roles and duties to enable well and stable business operation of the Company and yield fair benefits to all concerned. Roles played by the Company to customers, personnel, business partners, shareholders, business competitors and the society are disclosed as follows.

## **1. Policy and treatment to shareholders**

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

- 1.1 To perform duties with integrity and to decide to take any action in good faith with care, cautiousness and fairness to major and minor shareholders for optimal benefits of shareholders as a whole.
- 1.2 To prevent assets of the Company from undue impairment or loss.
- 1.3 To report on the Company's status by notifying all shareholders thereof regularly, equally and fully as per facts currently and potentially, in both positive and the negative aspects, and give shareholders opportunity to exercise the right to propose additional meeting agendas or to nominate qualified persons for election to director office before the meeting, and to submit questions in advance to the Company through website [www.dconproduct.com](http://www.dconproduct.com) of the Company.
- 1.4 To manage the Company in such manner as enabling it to have high level of competency to achieve objectives of the Company, in both the short- and the long-term, proficiently and effectively and with competitiveness.
- 1.5 To ensure that no director, executive and personnel seek benefit for themselves, their families or close persons from any essential information of the Company not yet disclosed to the public by disclosing it to any third party and/or taking any action which may cause conflicts of interest with the Company.

## **2. Policy and treatment to customers**

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

### **2.1 Goods and services aspect**

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

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

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

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

## 2.2 Confidentiality of customers' information

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

## 2.3 After-sales service to customers

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

## 3. Policy and treatment to personnel

Personnel are considered most valuable resources and a key success factor of the Company. The Company, therefore, emphasizes on developing good corporate culture and working environments, promoting teamwork and creating love and unity within the Company. Activities were organized in 2018 for executives to meet with personnel, for example, the Songkran Festival etc. Personnel's remunerations, welfare and dividend fund are also taken into account. Guidelines are established as follows.

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

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

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

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

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

Average number of hours of employee training per year

To increase the efficiency of staff training and to comply with the Skill Development Act. The training is not less than 6 hours per year. In 2019, the company has trained staff of 80% of the average number of employees in the year.

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

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

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

#### **4. Personnel management policy**

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

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

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

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

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

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

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

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

### **5.1 Provident fund**

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

### **5.2 Social security fund**

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

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

## **6. Policy and treatment to creditors**

The Company has a policy regarding fair and responsible treatment to creditors, whether being trade creditors or financial institution creditors, in timely performance of obligations as agreed or contracted without default to maintain the Company's reliability to creditors and financial institutions which rank the Company excellent customer at all times of the Company's business

operation, including strictly compliance with conditions prescribed by creditors. Guidelines for treatment to creditors to ensure mutual fairness are as follows.

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

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

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

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

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

## **7. Policy and treatment to business partners**

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

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

7.2 To give new business partners opportunity to participate.

7.3 To provide truthful information and accurate reports.

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

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

7.6 To strictly comply with all conditions agreed upon.

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

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

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

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

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

8.1 To practice under the generally-accepted competition rules.

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

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

8.4 Not to defame trade competitors by ways of calumny.

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

the Company, public relations news of the Company, shareholding structure, organizational and executive structures, information on investor relations, annual report, letters of invitation to shareholder meeting.

In 2019, the Company had no record of delay in submission of financial reports, both quarterly and annually, to regulatory agencies.

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

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

Remunerations of the auditor, including the auditing fee, in 2021 was 1,610,000 Baht, is same the rate of 2020, and the Board of Directors already considered the appropriateness thereof.

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

(Unit : Baht)

<b>The remuneration of the auditor</b>	<b>Y 2021</b> (Proposed Year)	<b>Y 2020</b>	<b>Y 2019</b>	<b>Y 2018</b>	<b>Y 2017</b>
Audit fee	1,610,000	1,610,000	1,580,000	1,580,000	1,510,000
Other service fees	None	None	None	None	None

#### 4.2 Availability of various communication channels

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

#### 4.3 Annual registration statement (56-1 form) and annual report of the Company

The Board of Directors prepared the annual registration statement (56-1 form) and the annual report of the Company in accordance with rules of the Securities and Exchange Commission (SEC) Office and requirements of the Stock Exchange of Thailand as one of the channels for disclosure of clear, accurate and complete information of the Company relating to the business operation and the results thereof in the previous year for information and benefits of shareholders,

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

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

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

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

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

4.6 Investor relations agency

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

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

#### 4.7 Financial report of the Company

The Company prepares financial report, financial statement, financial status analysis and Management Discussion and Analysis (MD&A), both quarterly and annually, and disclose them through the information and report disclosing system of the Stock Exchange of Thailand in respect of quarterly financial report, financial statement, financial status analysis and Management Discussion and Analysis (MD&A), including those disclosed additionally in the annual registration statement (56-1 form) and the annual report for information of and review by interested parties updated financial information of the Company at all times.

#### 4.8 Company performance indicators Non-financial

The company has conducted a customer satisfaction survey. To improve product quality, service and sales to increase efficiency. The topic is to evaluate 14 items as follows.

1. The company is reliable and reliable.
2. Easy contact information.
3. Sales staff are ready to serve.
4. Sales staff provide accurate and fast customer information.
5. The product has a reasonable price.
6. Purchase conditions are not complicated.
7. Payroll tracking staff are happy to serve.
8. The quality of the product meets the requirements.
9. The product is beautiful to use.
10. Delivery to meet the appointment.
11. The driver is ready to serve.
12. Welcome to the after-sales service team.
13. Promotion The customer pleases.
14. Customers are encouraged to use DCON products.

##### Customer Satisfaction Survey in 3 years

	Y 2016	Y 2017	Y 2018	Y 2019	Y 2020
Customer Satisfaction (%)	86.16	86.60	89.00	91.00	107.33

#### 4.9 Site visit

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

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

In 2020 the Board of Directors held 5 Board meetings, 5 Audit Committee meetings, 1 Annual general shareholder meeting. Participation of each director could be summarized as follows.

Name	Term of Office	Total participation in meeting (time)			
		BOD	AC	AGM	EGM
1. Ass. Prof. Dr. Tortrakul Yomnak	21 June 2004 – Present	4/5	-	1/1	-
2. Mrs. Pitsmai Boonyakiat	31 March 2005 – Present	5/5	5/5	1/1	-
3. Genereal Pisarn Wattanawongkeeree	15 May 2019 – Present	5/5	5/5	1/1	-
4. Mr. Wittawat Pornkul	6 August 1996 – Present	5/5	-	1/1	-
5. Mr. Chana Towan	6 August 1996 – Present	5/5	-	1/1	-
6. Dr. Thanai Charinsarn	6 August 1996 – Present	5/5	-	1/1	-
7. Mr. Wanchai Tantikul	9 March 2004 – Present	5/5	5/5	1/1	-
8. Mr. Nirut Intarathachang	15 May 2007 – Present	5/5	5/5	1/1	-
9. Dr. Kawin Worakanchana	1 July 2018 – Present	5/5	5/5	1/1	-

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

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

1. Mrs.Pismai Boonyakiat Independent Director \ Chairman of the nomination and remuneration Committee \ Chairman of the audit Committee
2. Mr. Chana Towan Director \Director to the nomination and remuneration Committee
3. Mr. Wanchai Tantikul Independent Director \ Director to the audit Committee \ Director to the nomination and remuneration Committee

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

##### - Meeting allowances

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

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

##### - Directors' bonuses

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

In 2020 the Company had a total net profit of 92.25 million Baht and paid bonus of 922,500 Baht in total to the Board of Directors by proposing that the bonus be distributed among the directors based on their respective responsibilities.

And in 2019 the Company had a total net profit of 131.61 million Baht and paid bonus of 1,316,100 Baht in total to the Board of Directors by proposing that the bonus be distributed among the directors based on their respective responsibilities.

- Other allowances

- None

**Remark** : The amount of bonus stipulated may be subject to change by the Nomination and Remuneration Committee consideration. Notwithstanding the forgoing, the 2020 bonus for director shall not be exceeding the amount approved by the 2021 AGM of Shareholders.

#### 4.12 Changes in shareholding, directors and senior management

Results from the survey of 9 directors and the first four executives. The change in shareholding had found of two directors as follow:

Name	Date	Stock type	number (share)	Average price (baht)	Transfer of securities
1. Mr. Chana Towan	2 Jan 2020	Ordinary Share	Buy 109,900	0.34	-
	3 Jan 2020	Ordinary Share	Buy 2,375,000	0.35	-
	6 Jan 2020	Ordinary Share	Buy 2,460,500	0.34	-
	7 Jan. 2020	Ordinary Share	Buy 526,00	0.35	-
	8 Jan 2020	Ordinary Share	Buy 147,300	0.34	-
	9 Jan. 2020	Ordinary Share	Buy 737,800	0.34	-
	10 Jan 2020	Ordinary Share	Buy 543,200	0.34	-
	13 Jan 2020	Ordinary Share	Buy 635,500	0.34	-
	14 Jan 2020	Ordinary Share	Buy 1,470,900	0.34	-
	20 Jan 2020	Ordinary Share	Buy 32,100	0.34	-
	21 Jan. 2020	Ordinary Share	Buy 1,536,200	0.34	-
	22 Jan 2020	Ordinary Share	Buy 151,100	0.34	-
	23 Jan 2020	Ordinary Share	Buy 85,800	0.34	-
	24 Jan 2020	Ordinary Share	Buy 100,200	0.34	-

	27 Jan 2020	Ordinary Share	Buy 2,569,600	0.34	-
	28 Jan 2020	Ordinary Share	Buy 224,500	0.33	-
	29 Jan 2020	Ordinary Share	Buy 618,200	0.33	-
	30 Jan 2020	Ordinary Share	Buy 72,900	0.34	-
	31 Jan 2020	Ordinary Share	Buy 238,500	0.33	-
	3 Feb 2020	Ordinary Share	Buy 3,500	0.33	-
	4 Feb 2020	Ordinary Share	Buy 252,100	0.33	-
	5 Feb 2020	Ordinary Share	Buy 449,600	0.33	-
	7 Feb 2020	Ordinary Share	Buy 110,200	0.33	-
	12 Feb 2020	Ordinary Share	Buy 560,700	0.33	-
	13 Feb 2020	Ordinary Share	Buy 42,600	0.33	-
	17 Feb 2020	Ordinary Share	Buy 64,100	0.34	-
	19 Feb 2020	Ordinary Share	Buy 509,700	0.33	-
	20 Feb 2020	Ordinary Share	Buy 508,000	0.33	-
	21 Feb 2020	Ordinary Share	Buy 647,500	0.33	-
	24 Feb 2020	Ordinary Share	Buy 2,000,000	0.33	-
	19 Mar 2020	Ordinary Share	Buy 1,133,500	0.25	-
2. Mr. Wittawat Pornkul	3 Jan 2020	Ordinary Share	Buy 751,192	0.35	-

**Remark:** Other directors and the first four management had no change in shareholding.

#### 4.13 Development and Training of Directors in 2020

Name	Position	Subject
1. Associate Prof,Dr.Tortrakul Yomnak	President	Personal Information Protection Law
2. Mrs.Pisamai Boonyakiat	Chairman of the audit Committee	Personal Information Protection Law
3. Mr.Wittawat Pornkul	Chief Executive Office	Personal Information Protection Law
4. Genereal Pisarn Wattanawongkeeree	Director of the audit Committee	-
5. Mr.Wanchai Tantikul	Director of the audit Committee	Personal Information Protection Law
6. Mr.Chana Towan	Director	Personal Information Protection Law
7. Dr.Tanai Charinsarn	Director	-
8. Mr.Nirut Intarathachang	Director	Personal Information Protection Law
9. Dr.Kawin Worakanchana	Director	Personal Information Protection Law



## 5. Responsibilities of the Board of Directors

To assure shareholders and investors that the Company, by the Board of Directors, establishes visions, obligations, direction and strategies for business operation, with a system to monitor and evaluate performance of executives who are proficient and independent from the Management, and responsible for their performance of duties as per good governance principles in the following matters.

### 5.1 Transactions which may have conflict of interest

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

### 5.2 Internal control and audit systems

- (1) The Board of Directors emphasizes on and makes available internal control system to create reasonable confidence on proficiency and effectiveness of the

operation and reliability of the financial report and compliance with rules, regulations and policies, by establishing an internal audit agency which is independent in performing its duties, to be responsible for checking on adequacy and proficiency of the internal control system on activities of the Company for reporting to the Audit Committee and the Board of Directors, respectively.

- (2) The Board of Directors reviews appropriateness and adequacy of all 5 elements of the internal control system, i.e. Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring, regularly once a year to ensure achievement of objectives and targets of the Company, including improvement of the internal control system on a continuous basis.
- (3) The Board of Directors makes available a system which is neutral and transparent in maintaining relationships with external and internal auditors through connection of the Audit Committee.
- (4) Auditing fees and other fees payable to the auditor are disclosed in the annual report to enhance transparency in the independency of the auditor.

## **Complaint Consideration Policy**

DCON Products Public Company Limited is determined to listen to comments, recommendations, questions or complaints relating to business supervision or work performance supervision from stakeholders in all sectors, whether from personnel within the organization or outsiders.

The Company wishes to covenant that it shall consider all comments, recommendations, questions or complaints transparently, honestly, fairly and equitably, and shall also keep confidential, safeguard and implement measures to protect honest complainants, witnesses concerned with the complaints, both during and after investigations on the complaints.

### 1. Objectives

1.1 To ensure more efficient operation of the Company's business consistent with the good corporate governance and efficient work performance supervision.

1.2 To emphasize on listening to complaints from personnel within the organization or outsiders, which is deemed an instrument of the Company in monitoring, pursuing or auditing the operation of the business of DCON Products Public Company Limited.

1.3 To prevent risks and increase the efficiency of precaution mechanism which shall lead to prevention of damage which may occur to stakeholders and enhancement of the Company's business operation proficiency.

## 2. Definitions

“Company” means DCON Products Public Company Limited.

“Subsidiaries” means:

- (a) A company whose voting stock is more than fifty per cent held by the issuer.
- (b) A company whose voting stock is more than fifty per cent held by a company under (a).
- (c) A company whose stock is held in tiers, starting from a company under (b), and the shareholding of the company in each tier is more than fifty per cent of the total number of voting stock of that company.
- (d) A company whose voting stock is more than fifty per cent is held, directly or indirectly, by the issuer or the companies under (a), (b) or (c), in aggregate.
- (e) A company whose control power in determining financial policy and business operation is owned by the issuer or the companies under (a), (b), (c) or (d) to benefit from activities of that company.

Shareholding of the issuer or the companies under (a), (b), (c) or (d) shall include shares held by parties concerned.

“DCON Products Public Company Limited” means the DCON Products Public Company Limited.

“Board of Directors” means the Board of Directors of DCON Products Public Company Limited.

“Executives” means the executives of DCON Products Public Company Limited.

“Personnel” means personnel of DCON Products Public Company Limited.

“Complainant” means a person or persons affected by operation of DCON Products Public Company Limited, including a person or persons who detect any improper conduct which is contradictory to business ethics, good corporate governance policy or policy on work performance supervision to ensure compliance with laws, rules and regulations of DCON Products Public Company Limited.

### 3. Scope of complaints

A complainant who detects, faces or has evidences and information relating to any director, executive, personnel or attorney of DCON Products Public Company Limited in connection with improper conduct which is contradictory to business ethics, good corporate governance policy or policy on work performance supervision to ensure compliance with laws, rules and regulations.

Upon receipt of a complaint, the Company shall forward it through a channel or agency considered appropriate by the Company, and shall notify the complainant thereof.

However, the Company shall not accept for consideration any complaint which falls under the following cases.

- A matter finally resolved by the Board of Directors or the Chief Executive Officer.
- A matter pending in court or finally adjudged or ordered by court.
- A matter finally resolved by the Audit Committee.
- An anonymous letter or a complaint or accusation without the real name and address of the complainant or the accuser.

### 4. Complaints

A complaint shall be made in writing with the following details.

- (1) Name and surname, home or office address, telephone number and E-mail address of the complainant;
- (2) Name and surname and address (if any) of the respondent;
- (3) Date of the complaint;
- (4) Date and venue where the complainant detected the conduct or the incident;
- (5) Facts and action of the respondent considered by the complainant as being under the scope of complaints;
- (6) Supporting documentary evidences (if any);
- (7) Or use the complaint form downloaded from the Company's website and fill out the form in full details;
- (8) Submit or pursue the complaint as follows:
  - (8.1) Submit via the system (Whistleblower) provided in the Company's Internet; or
  - (8.2) Submit via E-Mail: <http://www.dconproduct.com>; or

(8.3) Send via mail to:

The Secretary of the Company  
Company Organization Supervision and Secretary Agency  
DCON Products Public Company Limited  
No. 3300/57, Elephant Building, Tower B, 8<sup>th</sup> Floor, Phaholyotin Road,  
Chompol, Chatuchak, Bangkok 10900; or

(8.4) Send via other channel (if any) provided by the Company.

When there is any reasonable suspicion, the Company may consider taking action as deemed appropriate in compliance with relevant rules, regulations or criteria, subject to the principles/concealment and security measures and/or no-retort or complainant protection prescribed in this Policy, or as the Company deems appropriate.

#### 5. Concealment of names or personal information

The Company shall require information of the complainant or parties concerned to be protected by keeping the name or the personal information confidential as per the Company's requirements governing secret classification and security relating to documents.

In principles, when the complainant has given information on the complaint completely at all steps, the complainant shall receive registration number and code number for use in identification and communicating with the Company. Said registration number and code number shall be used in place of name or personal information of the complainant in the investigation steps up to finality of the process, which is a concealment and security measure. However, such principles are subject to change as the Company deems appropriate.

#### 6. No-retort/complainant protection

The Company has a policy to encourage complaints made in good faith, which shall be fairly treated.

#### 7. Response to complainants

The Company shall consider responding to complainants via the given channels in the following cases:

- Response on complaint acknowledgement or registration;
- Response to request additional details and information;
- Response to report on complaint consideration progress;

- Response to notify on the complaint consideration results;
- Response in other cases as deemed appropriate.

#### 8. False complaints

Complainants are well aware and comprehensive that complaints shall be made in good faith without intention to persecute the organization or any person, or with dishonest, unfair intention. If any complainant made a false, untrue complaint or with an intention to persecute the organization or any person, the Company shall take steps of the Company or relevant laws against the complaint as appropriate to the case.

## **Corporate Social Responsibilities:**

### **Overview of the Policies**

The Company has had its continuous growth and development; meanwhile, its creation of business opportunities and excellent preparedness to cope with situations could not be made without its strong foundation; therefore, the Company has been aware of and has given the importance to its business operation with corporate social responsibilities such as fair business operation, anti-corruption, respect of human rights, fair treatment to labour, responsibility to consumers, environmental protection, community or social development, creation and dissemination of innovation obtained from operation with social and environmental responsibility, thus, for sustainability of its businesses and the society as a whole.

### **Operation and Provision of Reports**

The Company has determined its guidelines for corporate social responsibilities, as follows:

1. **Fair Business Operation:** The Company has adhered to the principles of good corporate governance with continuous action plans thereunder; whereas, the Company has supported the organization of activities that promoted and implanted the moral and ethical integrity to its executives and employees; and the Company has also given the importance to communication and dissemination of code of ethics and code of practices under the principles of good corporate governance to all stakeholders in a fair manner and to be acknowledged and complied by its employees; and has notified the disciplinary actions in the work rules and regulations to its employees;
2. **Anti-Corruption:** The Company has given the importance to the correctness and transparency; and the Company has also implanted the principles of transparency and conformity with the principles of laws, morals, rules and regulations to its employees in addition to its policy of business operation in conformity with the laws. Therefore, the Company has determined its guidelines for control and prevention of corruption in its anti-corruption policy and its code of ethics which have been approved by the Board of Directors;
3. **Respect of Human Rights:** The Company has been aware of and has taken account of human rights, respect of individualism and human dignity, equality, non-discrimination to all stakeholders and commitment to management for better living of all business-related groups;
4. **Fair Treatment to Labour:** As human resources are valuable to its business operation, therefore, the Company has prescribed its policy of fair treatment to labour accordingly;

5. **Responsibility to Consumers:** The Company has given the utmost importance to its responsibility to customers; therefore, the Company has controlled the quality of goods in accordance with the quality policy and the international standards; and has strictly complied with the terms and conditions agreed with its customers in a transparent, equal and fair manner, thus, for the highest satisfactions of its customers;

6. **Environmental Protection:** The Company has realized the importance of active roles in environmental protection by taking account of impacts on natural resources and the environment; and has launched campaigns for its employees to use resources with highest efficiency without any unnecessary loss or wastefulness;

7. **Community or Social Development:** The Company has supported regular organization of activities and active roles in community and social development, including in localities where its factories are located in all regions of the country;

8. **Creation and Dissemination of Innovation Obtained from Operation with Social and Environmental Responsibility:** The Company has realized that innovation is a key factor to the development and enhancement of its competitiveness in the changing condition of industries and under the volatility of the economic condition; therefore, the Company has determined its policy to organize activities to urge its employees to create innovation and to improve their work efficiency and effectiveness on a continuous and regular basis;

## **Operation on Safety, Occupational Health and Environment:**

### **Environmental Quality:**

In 2020, the Company has emphasized the management of good quality of work environment in factories so that employees shall have their good and proper work environment; and the Company has measured the environmental quality and has prepared reports of environmental quality measurement in accordance with the environmental impact control measures and health impact monitoring measures for its factory workers with objectives, as follows:

1. To monitor the environmental quality of the Company, including:
  - Measuring of pollutants in the compound of worksites;
  - Measuring of average loudness of noise in 8 hours in the compound of worksites;
  - Measuring of heat in the compound of worksites;
  - Measuring of light intensity in the compound of worksites;
2. To use the data of results of environmental quality monitoring in the determination of environmental impact control measures in factories and vicinity;



3. To use the results of monitoring of the Company in comparison with the standard value prescribed by the authorities as guidelines for environmental management;
4. To use the results of compliance with the environmental impact control measures for review of the operational efficiency under ISO14001 standard;

### **Energy Conservation:**

The Company has realized the importance of effective use of energy resources; therefore, the Company has emphasized the provision of guidelines for energy conservation operations to its employees so that all employees shall have their active roles in energy conservation with the same directions of practices and with an aim of reduction of expenses of the Company and energy saving as per the Government's policies; whereas, the Energy Management Working Group has divided its duties and responsibilities since 2<sup>nd</sup> September 2015 by emphasizing the compliance with the energy management guidelines under the Energy Conservation Promotion Act B.E.2550 for effective energy conservation within the organization, as follows:

1. To provide energy management in conformity with the energy conservation policy and energy management method of the Company;
2. To coordinate with related agencies to ask for cooperation in compliance with the energy conservation policy and the energy management method; and to organize training and energy conservation activities to be proper to employees in each unit;
3. To supervise effective operations under the energy management method of the Company and in accordance with the energy conservation policy and the energy management method;
4. To report the results of energy conservation to the Management;
5. To regularly review the energy conservation policy and the energy management method and to gather recommendations on the energy conservation policy and the energy management method to be proposed to the Top Management;
6. To support the Management's operation on energy management as prescribed by laws;

## **Community and Social Development Activities:**

### **Company merit-making activities And co-hosted the merit of Kathin unity**

Since October 30, 2020, DCON Products Public Company Limited is the birthday of Mr. Witawat Pornkul, Chief Executive Officer. The company has organized a merit making ceremony for the monks. By inviting Phra Ajarn Suthep Chotipanyo and 9 monks from Wat Bueng Thong Lang To perform religious ceremonies, the merit making ceremony, the monks offering monks, are considered as the company's annual merit To strengthen the prosperity of the organization And encouraging the executives And all employees in their work to be successful throughout the year 2020 and also joined to host the Boonkathin Unity To contribute to the restoration capital of Patisangkhn Sermon Kut Hall, Buddhist monks, toilets at Wat Lan Hoi, Lan Hoi Subdistrict, Ban Dan Lan Hoi District, Sukhothai Province. Also helps to maintain the temple And Buddhism continues

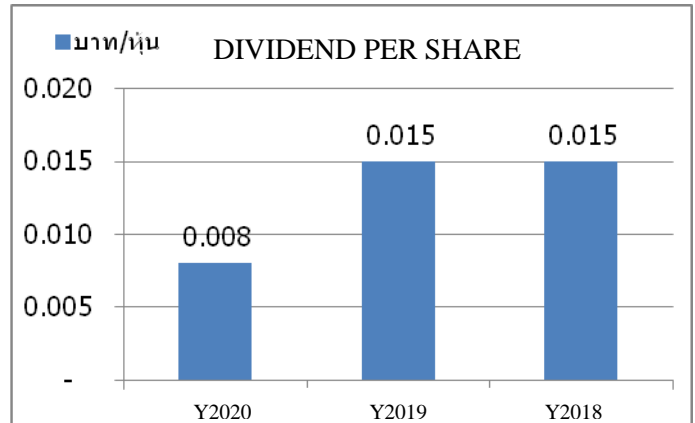
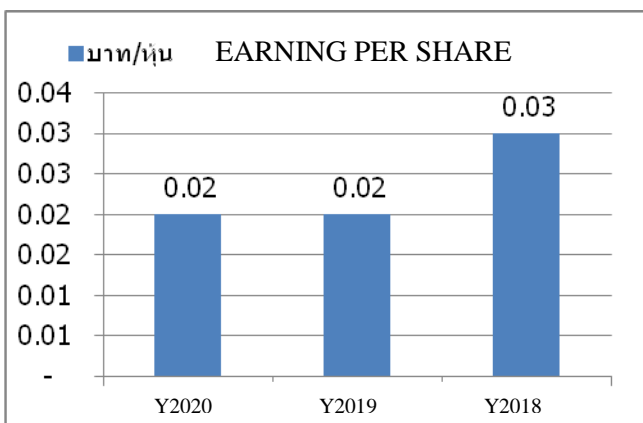
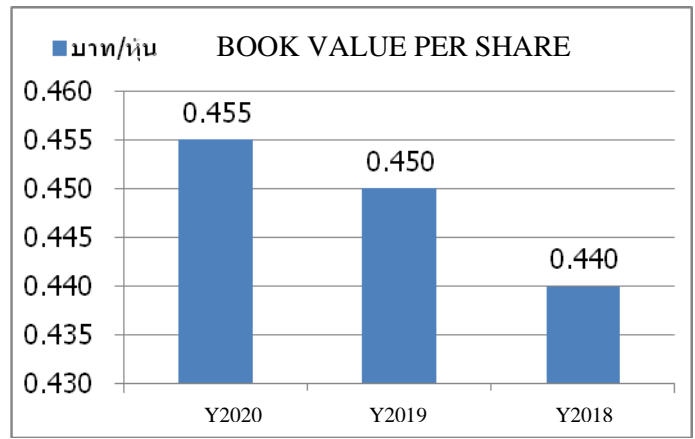
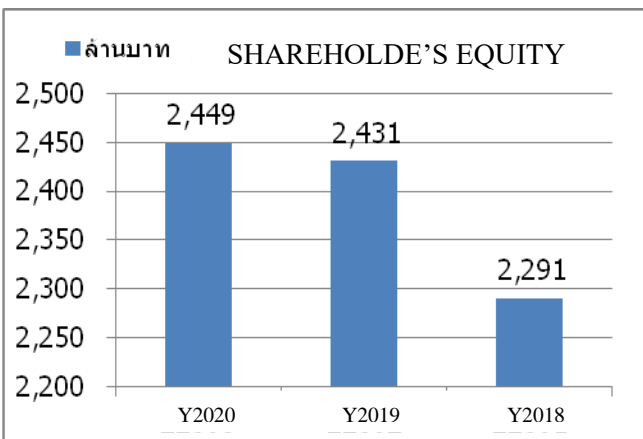
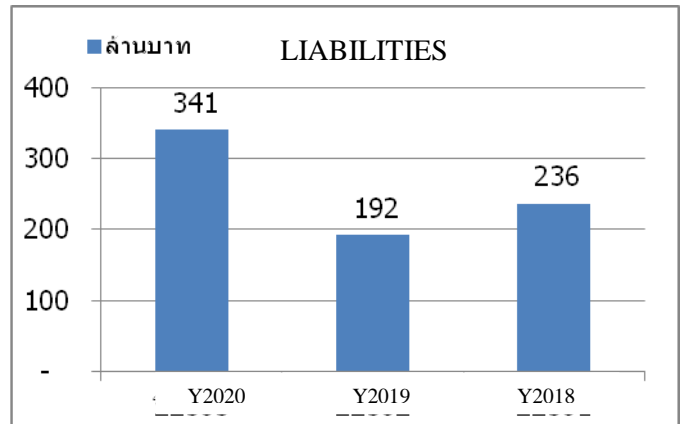
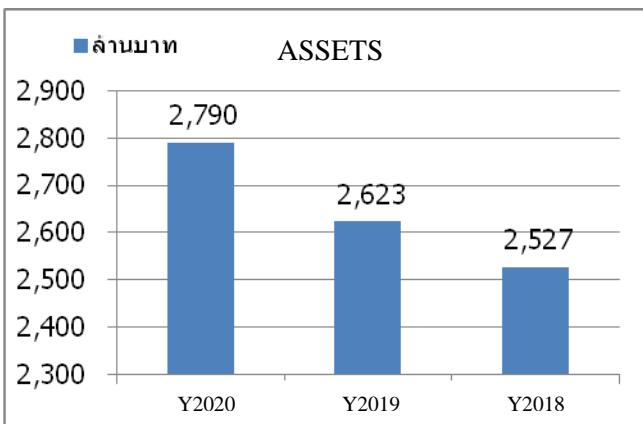
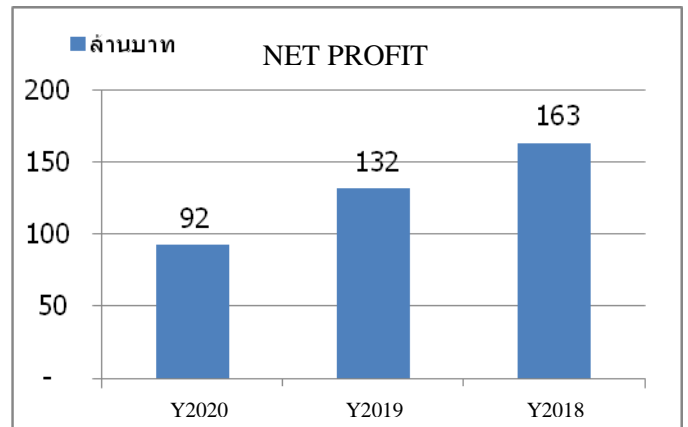
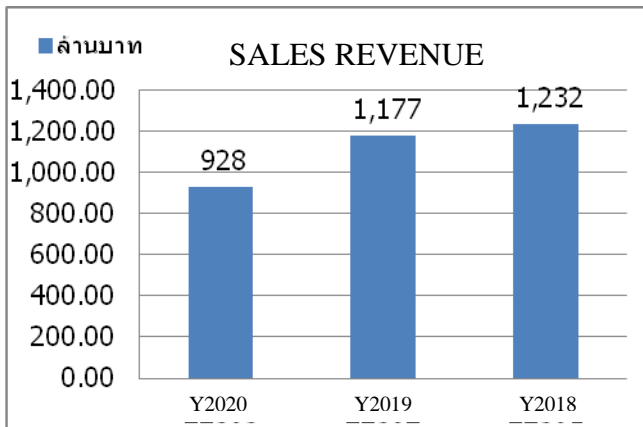


## Legal Disputes

- N/A -

## Financial Highlight

	2020	2019	2018
<b>Consolidated income statement</b> (million Baht)			
Income from sale	928	1,177	1,232
Costs and expenses	613	773	805
Earnings before interest, taxes, depreciation and amortization (EBITDA) including dividend receivables from subsidiaries	167	220	264
Profit for the year*	92	132	163
<b>Consolidated statement of financial position</b> (million Baht)			
Assets	2,790	2,623	2,527
Liabilities	341	192	236
Shareholders' equity	2,449	2,431	2,290
Parent company shareholders' equity	2,414	2,393	2,290
<b>Financial ratio</b>			
Number of shares issued (million shares)**	5,386	5,386	5,204
Book value per share (Baht)	0.45	0.45	0.44
Profit per share (Baht)	0.02	0.02	0.03
Dividend payable per share (Baht)	0.008	0.015	0.015
Liquidity ratio (times)	6.18	11.21	9.28
Gross profit rate (%)	34%	34%	35%
Net profit rate (%)	10%	11%	13%
Shareholders' return rate (%)	3.8%	5.6%	7.2%
Total rate of return from assets (%)	3.4%	5.1%	6.5%
Debt to equity ratio (times)	0.14	0.08	0.10



## **Audit Committee Report**

### **Dear Shareholders of DCON Products Public Company Limited**

Audit Committee of DCON Products Public Company Limited comprised of three Independent Directors who are knowledgeable in accounting - finance, law and administration. The Audit Committee are not executives of the Company and have no conflict of interest in the Company. They are as follow;

Mrs. Pismai	Boonyakiat	Independent Directors and Chairman of Audit Committee
General Pisarn	Wattanawongkeeree	Independent Directors and Member of Audit Committee
Mr. Wanchai	Tantikul	Independent Directors and Member of Audit Committee

In the year 2020, the Audit Committee had performed the duty independently and completely complying with the scope, duties and responsibilities as assigned by the Board of Directors, according to the Stock Exchange of Thailand's requirements including audit financial statements, review corporate governance, inspect internal control system and internal audit. The Committee conducted three meeting with senior management of the Company, managing partner of the auditor and internal auditor. The meeting can be summarized as follows:

1. To review the accuracy of the Company's Quarterly and Annual Financial Statement of year 2016 and provide suggestions and recommendations to ensure that the financial report was prepared with sufficient disclosure and in accordance with generally accepted Accounting Principles as well as to review disclosure of related transactions between the Company and its subsidiaries to ensure that the Company has followed normal business and commercial operation as prescribed by the Stock Exchange of Thailand;

2. Reviewed the Company's compliance with the securities and exchange laws, Stock Exchange of Thailand's requirement and laws related to the Company's business as well as corporate governance; the Audit Committee concluded that directors and employees have strictly adhered to the requirement, especially on related transactions and transactions that may have conflict of interests emphasizing that they have complied with amendment of laws and regulations relating to business practices and good corporate governance;

3. Coordinated with internal auditors to review and supervised internal control process on quarterly basis; the Audit Committee found that the Company has adequate internal control and appropriate to the nature of the Company's business. The Audit Committee's opinions were consistent with the internal auditors and found no significant issues regarding the non-compliance which may affect the financial statement. In addition, the Committee also gave some suggestions to improve and increase efficiency of the Company's internal control system;

4. Considered appointment and remuneration for Company's Auditors to be proposed for approval from the shareholder's meeting. Regarding this, the Audit Committee has proposed DIA International Auditing Co., Ltd. to be the Auditor for 2021;

5. Reviewed and monitored the Company's projects which required high investments in order to propose and remind the Board of Directors to manage the project efficiently and effectively under close monitor and transparency.

The Audit Committee would like to inform that, in 2020, the Committee had performed assignments under due diligence, using all the knowledge and skills of the Committee members, independently and freely as well as provided comments to all parties honestly for benefits of the Company, shareholders and other stakeholders as appropriate.

On behalf of Audit Committee



(Mrs. Pismai Boonyakiat)  
Chairman of the Audit Committee

## Report of the Board of Director's Accountability to Financial Report

Financial statements of DCON Products Public Co., Ltd., and subsidiaries, included in the consolidated financial statements, have been provided as per the Requirements of the Securities and Exchange Commission (SEC) under the Securities and Exchange Act B.E.2535, with details as per the Announcement of the Department of Business Development, Ministry of Commerce, dated 28<sup>th</sup> September 2011 and in compliance with the standard of financial reporting prescribed by the Federation of Accounting Professions.

The Board of Directors shall be responsible for the provided financial reports of DCON Products Public Co., Ltd., and subsidiaries, to ensure that financial position, operating performances and cash flow have been displayed correctly and materially with correct and complete recording of accounting data by using proper accounting policy which has been regularly complied with and in accordance with the standard of financial reporting and that significant data has been adequately disclosed in Notes to Financial Statements.

The Board of Directors has provided proper and effective internal control system to ensure that the accounting data shall be correct, complete and enough to maintain assets and prevention of malfeasance and unusual operations. For this purpose, the Board of Directors has appointed the Audit Committee to review the accounting policy, financial reports, internal control system and internal audit; whereby, opinions of the Audit Committee relating to this matter are included in the Audit Committee's Report shown in the Annual Report.

Financial reports of DCON Products Public Co., Ltd., and subsidiaries, have been audited by the Company's auditor, i.e., D.I.A. International Audit Co., Ltd. Regarding the audit, the Board of Directors has support all data and documents so that the auditor shall be able to perform its audit in accordance with the audit standard and to independently express its opinions on the financial statements; whereas, the auditor has expressed its opinions on the financial statements of DCON Products Public Co., Ltd., and subsidiaries, in the Auditor's Report.



(Assoc.Prof.Dr. Tortrakul Yomnak)  
Chairman of the Board of Directors



(Mr. Wittawat Pornkul)  
Managing Director



## Management Discussion and Analysis (MD&A)

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

#### DCON Products Public Company Limited and Subsidiaries

#### 1. Operating result analysis for 2020 consolidated financial statement compared with the 2019

##### 1.1 Income from sale and service provision

In the year 2020 and 2019, the Company had revenues from sales and services of Baht 928.01 million and Baht 1,177.22 million, respectively. The total revenue was down by Baht 249.21 million or 21.2%. The segment of construction materials business decreased by Baht 187.67 million or 19.7%. Real estate business decreased Baht 61.54 million or 27.2%. The drop in sales was due to the economic conditions in Sabra, a result of the COVID-19 virus outbreak, and commercial banks' retail credit control measures. This is the main reason for the slowdown in the real estate sector this year.

Unit : Million Baht

	2020	2019	Difference	
			Increase (decrease)	%
1.1.Income from sale and service provision				
1.1.1 Construction materials	763.19	950.86	(187.67)	(19.7%)
1.1.2 Real estate business	164.82	226.36	(61.54)	(27.2%)
1.1.3 Total income	928.01	1,177.22	(249.21)	(21.2%)

Proportions of incomes between construction material business and real estate business

Unit : Per cent

	2020	2019
Income from construction material business	82	81
Income from real estate business	19	19
Total income	100	100

##### 1.2 Costs of sale and service provision

Cost of sales and services in 2020 was Baht 613.24 million and Baht 773.44 million in 2019, a decrease of Baht 160.20 million or 20.7% due to lower revenue from sales, Energy, fuel and labor costs for the year 2020 are at the same rate as the year 2019.

Unit : Million Baht

	2020	2019	Difference	
			Increase (decrease)	%
1.2 Cost of sale and service provision				
1.2.1 Construction material business	518.51	626.81	(108.30)	(17.3%)
1.2.2 Real estate business	94.73	146.63	(51.90)	(35.4%)
1.2.3 Total cost of sale and service provision	613.24	773.44	(160.20)	(20.7%)

### 1.3 Gross profit

The gross profit margin of the year 2020 was Baht 314.77 million, a decrease of Baht 89.01 million or 5.3% in 2019 (Year 2019 gross profit is 403.78 million baht.) due to the increase in sales and service income. Increased cost of sales. The gross margin in the segment of construction materials business was Baht 244.68 million and the real estate business was Baht 70.09 million.

Unit : Million Baht

	2020	2019	Difference	
			Increase (decrease)	%
1.3 Gross profit				
1.3.1 Construction material business	244.68	324.05	(79.37)	(24.5%)
1.3.2 Real estate business	70.09	79.74	(9.65)	(12.1%)
1.3.3 Total gross profit	314.77	403.78	(89.01)	(22.0%)

Gross profit rate to total income from sale and service provision

Unit : Per cent

	2020	2019
Gross profit rate of construction material business	32.1	34.1
Gross profit rate of real estate business	42.5	35.2
Total gross profit	33.9	34.3

### 1.4 Selling expenses

Selling expenses were Baht 139.95 million and Baht 164.26 million for the year 2020 and 2019, respectively, decreased by Baht 24.31 million or 14.8%. Because of new reporting categorization. The selling expenses of the construction materials business decreased by Baht 23.94 million or 18.2% and the selling expenses of the real estate business increased by Baht 0.37 million or 1.1%. Due to the cost of advertising, publicizing and promoting sales.

Selling expenses compared to revenue from sales and services of the construction materials business were 14.1%, which is equal to 2019, and for the real estate business, it was 19.8% in 2020 and 14.5% in Year 2019

Unit : Million Baht

	2020	2019	Difference	
			Increase (decrease)	%
1.4 Selling expenses				
1.4.1 Construction material business	107.39	131.33	(23.94)	(18.2%)
1.4.2 Real estate business	32.56	32.93	(0.37)	(1.1%)
1.4.3 Total selling expenses	139.95	164.26	(24.31)	(14.8%)

Selling expense rate compared with income from sale and service provision

Unit : Per cent

	2020	2019
Selling expenses compared with income from sale		
Selling expenses of construction material business	14.1	13.8
Selling expenses of real estate business	19.8	14.5
Total selling expenses	15.1	14.0

#### 1.5 Administrative Expenses

Administrative expenses were Baht 69.95 million and Baht 85.17 million for the year 2020 and 2019, respectively, decreased by Baht 15.21 million or 17.9%.

#### 1.6 Financial costs

The financial cost in 2020 was Baht 4.72 million and in the year 2019 was Baht 1.11 million, a increase of Baht 3.61 million or 325%

#### 1.7 profit for the year

In 2020, the company had the net profit attributable to the parent company equal to 92.43 million baht, decreased from 39.19 million baht in year 2019, representing 29.8 percent (In 2019, the net profit attributable to the parent company was 131.62 million baht), with The main reason was due to the sales decreased by 249.21 million baht causing the gross profit to decrease 89.01 million baht and the selling and administrative expenses decreased by 29.65 million baht.

## 2. Analysis of financial position for the consolidated financial statements of 2020 and 2019

### 2.1 Assets

As at 31 December 2020 the Company and subsidiaries had total assets of 2,790 million Baht, increasing by 166.80 million Baht or 6.40 per cent from 2019. Significant changes to the assets were:

Unit : Million Baht

	2020	2019	Difference	
			Increase (decrease)	%
Cash and cash equivalents, temporary investment	86.88	191.63	(104.75)	(54.7%)
Trade and other account receivables	118.93	127.66	(8.73)	(6.8%)
Inventories	1,532.89	1,417.57	115.32	8.1%
Investments in associates	139.66	-	139.66	N/A
Property, plant and equipment	510.28	522.01	(11.73)	(2.2%)

1. Cash and cash equivalents, short-term investments decreased by Baht 104.75 million due to cash flow from financing activities of Baht 77.02 million derived from investment activities of Baht 173.02 million and used in operating activities Baht 8.65 million.

2. Inventories decreased by Baht 115.32 million or 8.1%. Almost all of which were the decrease in the real estate business due to investing in land purchases for low-rise houses development projects for sale, which are expected to begin recognizing revenues in 2022.

3. Investments in associates increased by 139.66 million baht due to investments in ordinary shares of the company. Prinsiri Public Company Limited, accounting for 6.7% of the registered capital of that company.

4. Property, plant and equipment decreased by 11.73 million baht in 2020, machinery and equipment increased by 64.21 million baht and depreciated by 53.33 million baht and the impact of the introduction of financial reporting standards, financial instruments and leases. Come to use as a result, the fixed assets must be reduced by Baht 21.75 million and increased in leasehold assets by the same amount.

### 2.2 Liabilities

As at 31 December 2020 the Company and subsidiaries had total liabilities of 344.08 million Baht, increasing by 151.78 million Baht or 78.9 per cent from 2019. Material transactions were as follows.

Unit : Million Baht

	2020	2019	Difference	
			Increase (decrease)	%
Short-term loans from financial institutions	165.36	0.44	164.92	N/A
Trade payables and other payables	96.60	130.82	(34.22)	26.2
Lease liabilities	26.61	7.85	18.76	239
Non-current Provisions - Employee Benefits	24.73	21.65	3.08	14

### 2.3 Shareholders' equity

As at the end of 2020, the Company and its subsidiaries had total shareholders' equity of Baht 2,445.92 million, an increase of Baht 15.02 million from the end of 2019 due to the increase in comprehensive income for the year 6.44 million baht (net from the effect of change in accounting policy 6.95 million baht), cash dividend payment of 80.79 million baht and net profit 89.37 million baht.

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

As at 31 December 2020 the Company and subsidiaries had current assets of 1,738.70 million Baht and current liabilities of 281.29 million Baht, hence a liquidity ratio of 6.18 times and a liquidity quick ratio of 0.73 times, average debt collection time of 36 days and average debt repayment time of 68 days.

From the operating results of the year 2020, the company has a total net profit of 92.43 million baht, a decrease from the year 2019 by 39.18 million baht, resulting in the year 2020 the company has a return on total assets ratio of 3.4 percent. Fixed assets was 1.80 times, decreased from 2019, which was 2.38 times, and total asset turnover was 0.34 times, decreasing from 2019, which was 0.46 times.

At the end of 2020, the Company and its subsidiaries had a total debt to equity ratio of 0.14 times, an increase from the year 2019, which was 0.08 times.

# AUDITOR'S REPORT

## To The Shareholders of DCON PRODUCTS PUBLIC COMPANY LIMITED

### Opinion

I have audited the accompanying consolidated and separate financial statements of DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES (the Group) and of DCON PRODUCTS PUBLIC COMPANY LIMITED (the Company), which comprise consolidated and separate statements of financial position as at December 31, 2020, consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in shareholders' equity, and consolidated and separate statements of cash flows for the year then ended, and notes to financial statements including a summary of significant accounting policies.

In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES and of DCON PRODUCTS PUBLIC COMPANY LIMITED as at December 31, 2020, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Key Audit Matters

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

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

The Group have revenues from sales and services for the year ended December 31, 2020 amount of Baht 928.01 million. Most of revenue is derived from sales of construction materials amount Baht 763.19 million which is material amount in the financial statements as described in notes 30 to financial statements. Accordingly, I have addressed the accuracy of recognition of revenues from sales of goods as key audit matter.

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

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

## **Other Information**

Management is responsible for the other information. The other information comprise the information included in annual report of the Group (but does not include the consolidated and separate financial statements and my auditor's report thereon). The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement appropriately.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements**

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

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements**

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than



for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

D I A International Audit Co., Ltd.

(Miss Somjintana Polhirunrat)

C.P.A. (Thailand)

Registration No. 5599

February 24, 2021

DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

	Note	Consolidated financial statements (Baht)			Separate financial statements (Baht)		
		December 31, 2020	December 31, 2019	January 1, 2019	December 31, 2020	December 31, 2019	January 1, 2019
<b>Assets</b>							
<b>Current assets</b>							
Cash and cash equivalents	6	86,880,281.56	191,634,897.71	131,919,479.52	60,463,221.69	129,383,543.12	102,209,899.92
Trade and other current receivables	7	118,929,931.59	127,659,520.63	156,184,801.19	92,588,472.54	111,302,478.19	143,557,383.67
Short-term loans	8, 25	0.00	0.00	0.00	1,385,000,000.00	1,202,000,000.00	1,139,000,000.00
Inventories	9	1,532,889,389.30	1,417,571,558.69	1,646,481,517.32	64,188,619.41	63,380,259.51	65,229,544.94
<b>Total current assets</b>		<b>1,738,699,602.45</b>	<b>1,736,865,977.03</b>	<b>1,934,585,798.03</b>	<b>1,602,240,313.64</b>	<b>1,506,066,280.82</b>	<b>1,449,996,828.53</b>
<b>Non-current assets</b>							
Investments in associate	10	139,663,785.06	0.00	0.00	128,699,349.33	0.00	0.00
Investment in subsidiaries	11	0.00	0.00	0.00	532,663,420.71	532,663,420.71	459,163,495.71
Investment properties	12	333,390,622.27	335,409,146.62	68,728,188.72	0.00	0.00	0.00
Property, plant and equipment	13	510,277,049.84	522,006,795.82	498,936,848.57	343,937,648.33	397,291,260.86	415,989,840.25
Right-of-use assets	14	45,525,270.74	0.00	0.00	19,992,325.89	0.00	0.00
Other intangible assets	15	3,492,007.80	3,666,664.01	2,274,167.82	28,644.83	36,867.30	70,001.45
Deferred tax assets	16	9,292,535.10	8,619,400.56	8,383,041.22	8,423,563.14	7,804,184.15	7,810,129.01
Other non-current assets		9,657,386.02	16,634,211.45	13,904,370.01	2,665,678.96	7,746,430.16	7,853,700.77
<b>Total non-current assets</b>		<b>1,051,298,656.83</b>	<b>886,336,218.46</b>	<b>592,226,616.34</b>	<b>1,036,410,631.19</b>	<b>945,542,163.18</b>	<b>890,887,167.19</b>
<b>Total assets</b>		<b>2,789,998,259.28</b>	<b>2,623,202,195.49</b>	<b>2,526,812,414.37</b>	<b>2,638,650,944.83</b>	<b>2,451,608,444.00</b>	<b>2,340,883,995.72</b>

Notes to financial statements are parts of these financial statements.

DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (Continued)

AS AT DECEMBER 31, 2020

Note	Consolidated financial statements (Baht)			Separate financial statements (Baht)			
	December 31, 2020	December 31, 2019	January 1, 2019	December 31, 2020	December 31, 2019	January 1, 2019	
<b>Liabilities and shareholders' equity</b>							
<b>Current liabilities</b>							
Bank overdrafts and short-term borrowings							
from financial institutions	17	165,360,620.52	443,000.14	2,033,884.35	165,360,620.52	443,000.14	2,033,884.35
Trade and other current payables	18	96,597,236.09	130,819,611.16	183,301,435.63	77,479,039.93	87,205,545.32	108,348,254.39
Current portion of lease liabilities	19	7,192,413.34	7,519,398.01	3,111,974.89	6,328,170.14	7,519,398.01	3,111,974.89
Current income tax payable		12,143,286.61	16,204,339.40	20,048,772.85	10,936,635.78	14,572,873.15	14,252,814.96
<b>Total current liabilities</b>		<b>281,293,556.56</b>	<b>154,986,348.71</b>	<b>208,496,067.72</b>	<b>260,104,466.37</b>	<b>109,740,816.62</b>	<b>127,746,928.59</b>
<b>Non-current liabilities</b>							
Lease liabilities	19	26,610,069.58	7,850,785.13	5,100,170.93	1,522,615.39	7,850,785.13	5,100,170.93
Deferred tax liabilities	16	9,776,861.08	6,000,914.95	5,736,944.36	9,776,861.08	6,000,914.95	5,736,944.36
Non-current provisions for							
employee benefit	20	24,728,350.11	21,645,721.19	15,397,457.47	20,207,535.33	17,609,857.07	12,612,284.12
Other non-current liabilities		1,672,000.00	1,817,000.00	1,551,000.00	0.00	0.00	0.00
<b>Total non-current liabilities</b>		<b>62,787,280.77</b>	<b>37,314,421.27</b>	<b>27,785,572.76</b>	<b>31,507,011.80</b>	<b>31,461,557.15</b>	<b>23,449,399.41</b>
<b>Total liabilities</b>		<b>344,080,837.33</b>	<b>192,300,769.98</b>	<b>236,281,640.48</b>	<b>291,611,478.17</b>	<b>141,202,373.77</b>	<b>151,196,328.00</b>

Notes to financial statements are parts of these financial statements.

DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (Continued)

AS AT DECEMBER 31, 2020

	Note	Consolidated financial statements (Baht)			Separate financial statements (Baht)		
		December 31, 2020	December 31, 2019	January 1, 2019	December 31, 2020	December 31, 2019	January 1, 2019
<b>Liabilities and shareholders' equity (Cont'd)</b>							
<b>Shareholders' equity</b>							
Share capital	21						
Authorized share capital							
5,528,786,396 common shares							
of Baht 0.10 each		552,878,639.60			552,878,639.60		
5,570,003,429 common shares							
of Baht 0.10 each			557,000,342.90	557,000,342.90		557,000,342.90	557,000,342.90
Issued and paid-up share capital							
5,386,340,396 common shares							
of Baht 0.10 each		538,634,039.60	538,634,039.60		538,634,039.60	538,634,039.60	
5,204,350,786 common shares							
of Baht 0.10 each				520,435,078.60			520,435,078.60
Share premium on common shares		1,325,756,836.14	1,325,756,836.14	1,286,265,070.15	1,325,756,836.14	1,325,756,836.14	1,286,265,070.15
Retained earnings							
Appropriated							
Legal reserve	22	55,700,034.29	55,700,034.29	55,700,034.29	55,700,034.29	55,700,034.29	55,700,034.29
Unappropriated	23	497,133,548.83	478,909,232.50	426,792,285.41	426,948,556.63	390,315,160.20	327,287,484.68
Other components of equity		(6,141,089.68)	(5,992,404.63)	(5,992,404.63)	0.00	0.00	0.00
<b>Total owners of the Company</b>		<b>2,411,083,369.18</b>	<b>2,393,007,737.90</b>	<b>2,283,200,063.82</b>	<b>2,347,039,466.66</b>	<b>2,310,406,070.23</b>	<b>2,189,687,667.72</b>
Non-controlling interests		34,834,052.77	37,893,687.61	7,330,710.07	0.00	0.00	
<b>Total shareholders' equity</b>		<b>2,445,917,421.95</b>	<b>2,430,901,425.51</b>	<b>2,290,530,773.89</b>	<b>2,347,039,466.66</b>	<b>2,310,406,070.23</b>	<b>2,189,687,667.72</b>
<b>Total liabilities and shareholders' equity</b>		<b>2,789,998,259.28</b>	<b>2,623,202,195.49</b>	<b>2,526,812,414.37</b>	<b>2,638,650,944.83</b>	<b>2,451,608,444.00</b>	<b>2,340,883,995.72</b>

Notes to financial statements are parts of these financial statements.

DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

**STATEMENTS OF COMPREHENSIVE INCOME**

FOR THE YEAR ENDED DECEMBER 31, 2020

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2020	2019	2020	2019
Sales and services		928,012,841.93	1,177,219,670.59	658,377,512.14	874,856,085.05
Cost of sales and services		(613,241,447.08)	(773,437,439.76)	(436,592,742.01)	(577,559,312.21)
<b>Gross profit</b>		<b>314,771,394.85</b>	<b>403,782,230.83</b>	<b>221,784,770.13</b>	<b>297,296,772.84</b>
Other income					
Dividend received		480,000.00	0.00	14,479,196.00	12,249,296.50
Others		13,339,005.87	11,443,173.06	10,341,201.63	10,075,094.21
Distribution costs		(139,950,363.77)	(164,262,943.22)	(104,131,982.61)	(130,146,039.60)
Administrative expenses		(79,835,414.76)	(85,167,299.36)	(45,328,660.92)	(49,921,229.85)
Profit from operation		108,804,622.19	165,795,161.31	97,144,524.23	139,553,894.10
Share of profit from investments in associate		11,113,120.78	0.00	0.00	0.00
Finance income		217,250.53	958,857.53	40,996,209.56	35,506,860.45
Finance costs		(4,936,531.47)	(1,115,121.50)	(3,692,665.03)	(1,008,547.97)
<b>Profit before income tax expense</b>		<b>115,198,462.03</b>	<b>165,638,897.34</b>	<b>134,448,068.76</b>	<b>174,052,206.58</b>
Tax expense	24	(25,823,675.36)	(34,960,880.67)	(23,368,921.42)	(31,527,067.52)
Profit for the year		89,374,786.67	130,678,016.67	111,079,147.34	142,525,139.06
Other comprehensive income					
Components of other comprehensive income that will not be reclassified to profit or loss					
- Profit from investments in equity instruments that are designated to measure at fair value	10	16,031,735.89	0.00	16,031,735.89	0.00
- Profit (losses) on remeasurements of defined benefit plans	20	892,029.28	0.00	596,504.61	0.00
- Share of other comprehensive income from investments in associate		(148,685.05)	0.00	0.00	0.00
- Tax expense	24	(3,384,753.04)	0.00	(3,325,648.10)	0.00
<b>Other comprehensive income for the year</b>		<b>13,390,327.08</b>	<b>0.00</b>	<b>13,302,592.40</b>	<b>0.00</b>
<b>Total comprehensive income for the year</b>		<b>102,765,113.75</b>	<b>130,678,016.67</b>	<b>124,381,739.74</b>	<b>142,525,139.06</b>

Notes to financial statements are parts of these financial statements

DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME (Cont'd)

FOR THE YEAR ENDED DECEMBER 31, 2020

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2020	2019	2020	2019
Profit (loss) attributable to :					
Owners of the Company		92,433,647.51	131,614,410.63	111,079,147.34	142,525,139.06
Non-controlling interests		(3,058,860.84)	(936,393.96)	0.00	0.00
Grand total		<u>89,374,786.67</u>	<u>130,678,016.67</u>	<u>111,079,147.34</u>	<u>142,525,139.06</u>
Total comprehensive income (expense) attributable to :					
Owners of the Company		105,823,974.59	131,614,410.63	124,381,739.74	142,525,139.06
Non-controlling interests		(3,058,860.84)	(936,393.96)	0.00	0.00
Grand total		<u>102,765,113.75</u>	<u>130,678,016.67</u>	<u>124,381,739.74</u>	<u>142,525,139.06</u>
Earnings per share					
Basic earnings per share		0.02	0.02	0.02	0.03
Weighted average number of common shares		5,386,340,396	5,344,928,240	5,386,340,396	5,344,928,240

Notes to financial statements are parts of these financial statements.

DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2020

Consolidated financial statements (Baht)

Note	Owners of the Company							Non-controlling interests	Total shareholders' equity		
	Issued and paid-up share capital	Share premium	Retained earnings		Other components of shareholders' equity					Total owners of the Company	
			Appropriated	Unappropriated	Different of change in proportion of investment in subsidiary	Share of other comprehensive income from investments in associate					
Beginning balance as at December 31, 2019	538,634,039.60	1,325,756,836.14	55,700,034.29	478,909,232.50	(5,992,404.63)	0.00	(5,992,404.63)	2,393,007,737.90	37,893,687.61	2,430,901,425.51	
The impacts of financial reporting standard	5	0.00	0.00	(6,953,257.63)	0.00	0.00	0.00	(6,953,257.63)	0.00	(6,953,257.63)	
Balance as at January 1, 2020	538,634,039.60	1,325,756,836.14	55,700,034.29	471,955,974.87	(5,992,404.63)	0.00	(5,992,404.63)	2,386,054,480.27	37,893,687.61	2,423,948,167.88	
Changes in shareholders' equity for the year 2020 :											
Acquisition of subsidiaries		0.00	0.00	0.00	0.00	0.00	0.00	0.00	30.00	30.00	
Dividend paid	23	0.00	0.00	(80,795,085.68)	0.00	0.00	0.00	(80,795,085.68)	(804.00)	(80,795,889.68)	
Profit for the year		0.00	0.00	92,433,647.51	0.00	0.00	0.00	92,433,647.51	(3,058,860.84)	89,374,786.67	
Other comprehensive income for the period		0.00	0.00	13,539,012.13	0.00	(148,685.05)	(148,685.05)	13,390,327.08	0.00	13,390,327.08	
Ending balance as at December 31, 2020		538,634,039.60	1,325,756,836.14	55,700,034.29	497,133,548.83	(5,992,404.63)	(148,685.05)	(6,141,089.68)	2,411,083,369.18	34,834,052.77	2,445,917,421.95
Beginning balance as at December 31, 2018											
		520,435,078.60	1,286,265,070.15	55,700,034.29	426,792,285.41	(5,992,404.63)	0.00	(5,992,404.63)	2,283,200,063.82	7,330,710.07	2,290,530,773.89
Changes in shareholders' equity for the year 2019 :											
Common shares from exercise											
of warrants	21	18,198,961.00	39,491,765.99	0.00	0.00	0.00	0.00	0.00	57,690,726.99	0.00	57,690,726.99
Common shares increase	22	0.00	0.00	0.00	0.00	0.00	0.00	0.00	31,500,075.00	31,500,075.00	
Dividend paid	23	0.00	0.00	(79,497,463.54)	0.00	0.00	0.00	(79,497,463.54)	(703.50)	(79,498,167.04)	
Profit for the year		0.00	0.00	131,614,410.63	0.00	0.00	0.00	131,614,410.63	(936,393.96)	130,678,016.67	
Ending balance as at December 31, 2019		538,634,039.60	1,325,756,836.14	55,700,034.29	478,909,232.50	(5,992,404.63)	0.00	(5,992,404.63)	2,393,007,737.90	37,893,687.61	2,430,901,425.51

Notes to financial statements are parts of these financial statements.



DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

FOR THE YEAR ENDED DECEMBER 31, 2020

<b>Separate financial statements (Baht)</b>					
Note	Issued and paid-up share capital	Share premium	Retained earnings		Total shareholders' equity
			Appropriated	Unappropriated	
Beginning balance as at December 31, 2019	538,634,039.60	1,325,756,836.14	55,700,034.29	390,315,160.20	2,310,406,070.23
The impacts of financial reporting standard	5	0.00	0.00	(6,953,257.63)	(6,953,257.63)
Balance as at January 1, 2020	538,634,039.60	1,325,756,836.14	55,700,034.29	383,361,902.57	2,303,452,812.60
Changes in shareholders' equity for					
the year 2020 :					
Dividend paid	23	0.00	0.00	(80,795,085.68)	(80,795,085.68)
Profit for the year		0.00	0.00	111,079,147.34	111,079,147.34
Other comprehensive income for the year		0.00	0.00	13,302,592.40	13,302,592.40
Ending balance as at December 31, 2020	538,634,039.60	1,325,756,836.14	55,700,034.29	426,948,556.63	2,347,039,466.66
Beginning balance as at December 31, 2018	520,435,078.60	1,286,265,070.15	55,700,034.29	327,287,484.68	2,189,687,667.72
Changes in shareholders' equity for					
the year 2019 :					
Common shares from exercise					
of warrants	21	18,198,961.00	39,491,765.99	0.00	57,690,726.99
Dividend paid	23	0.00	0.00	(79,497,463.54)	(79,497,463.54)
Profit for the year		0.00	0.00	142,525,139.06	142,525,139.06
Ending balance as at December 31, 2019	538,634,039.60	1,325,756,836.14	55,700,034.29	390,315,160.20	2,310,406,070.23

Notes to financial statements are parts of these financial statements.

DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

**STATEMENTS OF CASH FLOWS**

FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit for the year	89,374,786.67	130,678,016.67	111,079,147.34	142,525,139.06
Adjustment				
Tax expense	25,823,675.36	34,960,880.67	23,368,921.42	31,527,067.52
Expected credit losses (reverse)	(3,251,165.43)	36,804.00	(3,276,782.63)	0.00
Loss from goods value adjustment(reverse)	1,063,237.70	119,918.27	149,240.54	119,918.27
Share of profit from investments in associate	(11,113,120.78)	0.00	0.00	0.00
Depreciation	55,529,255.07	48,333,116.06	41,928,143.20	43,657,051.13
(Gain) loss on disposal/disuse of equipment	12,558.82	(1,301,428.83)	(77.00)	(824,808.32)
Amortized other intangible assets	801,647.51	237,370.20	8,222.47	74,134.15
Amortized other assets	52,345.08	0.00	0.00	0.00
Provision for employee benefit	4,618,350.61	5,994,678.86	3,837,875.28	4,743,988.09
Dividend received	(480,000.00)	0.00	(14,479,196.00)	(12,249,296.50)
Interest expenses	4,713,294.54	1,008,547.97	3,692,665.03	1,008,547.97
	<u>167,144,865.15</u>	<u>220,067,903.87</u>	<u>166,308,159.65</u>	<u>210,581,741.37</u>
(Increase) Decrease in portion of operating assets				
Trade and other current receivables	6,662,085.44	32,382,309.60	13,299,216.24	32,254,905.48
Inventories	(116,475,526.31)	(40,411,295.95)	(957,600.44)	1,729,367.16
Other non-current assets	2,970,706.19	(2,766,841.44)	5,080,751.20	107,270.61
Increase (Decrease) in portion of operating liabilities				
Trade and other current payables	(31,748,812.27)	(27,514,986.98)	(10,565,809.90)	(21,142,709.07)
Other non-current liabilities	(145,000.00)	266,000.00	0.00	0.00
Cash generated (paid) from operation	28,408,318.20	182,023,089.10	173,164,716.75	223,530,575.55
Employee benefit paid	(1,117,930.00)	(215,820.00)	(1,117,930.00)	(215,820.00)
Interest paid	(4,239,056.95)	(539,143.11)	(3,218,427.44)	(539,143.11)
Income tax paid	(31,706,800.20)	(41,906,964.92)	(25,435,925.34)	(30,937,093.88)
Net cash provided by (used in) operating activities	<u>(8,655,468.95)</u>	<u>139,361,161.07</u>	<u>143,392,433.97</u>	<u>191,838,518.56</u>

Notes to financial statements are parts of these financial statements.

DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

**STATEMENTS OF CASH FLOWS (Continued)**

FOR THE YEAR ENDED DECEMBER 31, 2020

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2020	2019	2020	2019
Cash flows from investing activities				
Proceeds from short-term loans	0.00	0.00	66,000,000.00	100,000,000.00
Payments for short-term loans	0.00	0.00	(249,000,000.00)	(163,000,000.00)
Payments for acquire of equity securities of other parties	(80,068,264.11)	0.00	(80,068,264.11)	0.00
Dividend received from equity of other parties	480,000.00	0.00	480,000.00	0.00
Payments for investments in associate	(31,760,044.82)	0.00	(31,760,044.82)	0.00
Payments for acquisition of subsidiaries, net of cash received	(52,315.08)	0.00	0.00	0.00
Payments for acquire of ordinary share of subsidiary	0.00	0.00	0.00	(73,499,925.00)
Dividend received from subsidiary	0.00	0.00	13,999,196.00	12,249,296.50
Proceeds from sales of equipment	235,762.39	3,822,880.32	198,379.21	2,336,448.60
Payments for building/equipment	(61,328,379.91)	(84,014,432.72)	(8,765,158.77)	(13,385,999.87)
Payments for other intangible assets	(626,991.30)	(1,629,866.39)	0.00	(41,000.00)
Net cash provided by (used in) investing activities	(173,120,232.83)	(81,821,418.79)	(288,915,892.49)	(135,341,179.77)
Cash flows from financing activities				
Increase (Decrease) in bank overdrafts and short-term borrowings from financial institutions	164,917,620.38	(1,590,884.21)	164,917,620.38	(1,590,884.21)
Payments for lease liabilities	(7,100,645.07)	(5,926,074.83)	(7,519,397.61)	(5,926,074.83)
Proceeds from non-controlling interests	0.00	31,500,075.00	0.00	0.00
Dividend paid	(80,795,889.68)	(79,498,167.04)	(80,795,085.68)	(79,497,463.54)
Proceeds from exercise right of warrants to purchase of common share	0.00	57,690,726.99	0.00	57,690,726.99
Net cash provided by (used in) financing activities	77,021,085.63	2,175,675.91	76,603,137.09	(29,323,695.59)
Net increase (decrease) in cash and cash equivalents	(104,754,616.15)	59,715,418.19	(68,920,321.43)	27,173,643.20
Cash and cash equivalents as at January 1	191,634,897.71	131,919,479.52	129,383,543.12	102,209,899.92
Cash and cash equivalents as at December 31	86,880,281.56	191,634,897.71	60,463,221.69	129,383,543.12

Notes to financial statements are parts of these financial statements.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

1. GENERAL INFORMATION

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

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

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

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

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

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

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

1.3 Business engagement

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

1.3.2 The subsidiaries engaged in business of manufacturing and selling of construction supplies (precast floor and other), and sales of land and lease of real estate. The real estate project in progress as follows :

1) The project which had sales volume

	December 31, 2020	December 31, 2019
<u>Bann Orrada Project</u>		
Contract value (Baht)	233,725,496.00	223,611,496.00
% of total sales value	95.28	90.73
<u>Orrada Ratchapruak Project</u>		
Contract value (Baht)	430,686,550.00	412,696,550.00
% of total sales value	95.37	91.39
<u>Dcon Prime Condominium Project</u>		
Contract value (Baht)	522,529,171.22	432,517,958.22
% of total sales value	32.85	27.19

2) "Orrada Land Project" starts to operate in 2009 but had no sales volume.

#### 1.4 Coronavirus disease 2019 Pandemic

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

## 2. PREPARATION OF FINANCIAL STATEMENTS BASIS

2.1 The financial statements have been prepared in compliance with Thai Financial Reporting Standards (TFRS) according to the Accounting Professions Act B.E. 2547 and presented in accordance with the notification of the Department of Business Development, the Ministry of Commerce dated December 26, 2019, regarding the condensed form which should be included in the financial statements (No.3) B.E. 2562 and applicable rules regulations of the Thai Securities and Exchange Commission.

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

The financial statements in Thai language are the official statutory financial statements of the Company.

The financial statements in English language have been translated from the Thai language financial statements

#### 2.2 New Financial Reporting Standards

##### 2.2.1 Financial reporting standards that are currently effective

The Federation of Accounting Professions issued a number of new financial reporting standards and interpretations, which are effective for fiscal years beginning on or after January 1, 2020. These new standards involve changes to key principles, which are summarized below.

### **Financial reporting standards related to financial instruments**

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

#### Thai Financial Reporting Standards

TFRS 7                      Financial Instruments: Disclosures

TFRS 9                      Financial Instruments

#### Thai Accounting Standards

TAS 32                      Financial Instruments: Presentation

#### Thai Financial Reporting Standards Interpretations

TFRIC 16                    Hedges of a Net Investments in a Foreign Operation

TFRIC 19                    Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortized cost taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model, calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The effects of the adoption of these accounting standards from recognition of credit losses - The Group is to recognize an allowance for expected credit losses on its financial assets, and they are no longer necessary for a credit - impaired event to have occurred. The Group apply simplified approach to consider impairment of trade receivables. The Group adopted these financial reporting standards which the cumulative effect of initially applying is recognized as an adjustment to the retained earnings as at January 1, 2020, and the comparative information was not restated. The cumulative effect of the change is described in notes 5 to financial statements.

### **Thai Financial Reporting Standards No. 16: Leases**

TFRS 16 Leases set out the principals of the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value. Accounting by lessors is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17. TFRS 16 supersedes the following accounting standards together with related interpretations.

#### Thai Accounting Standards

TAS 17 (Revised 2018) Leases

#### Thai Standing Interpretations Committee

TSIC 15 (Revised 2018) Operating Leases - Incentives

TSIC 27 (Revised 2018) Evaluating the Substance of Transactions Involving the Legal Form of a Lease

#### Thai Financial Reporting Standards Interpretations

TFRIC 4 (Revised 2018) Determining Whether an Arrangement Contains a Lease

The adoption of the aforementioned financial reporting standards has a material impact on the financial statements of the Group as discussed in notes 5 to financial statements.

### 2.2.2 Financial reporting standards that will become effective in the future

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for the financial statements for fiscal year beginning on or after January 1, 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 that included in amendments to references to the Conceptual Framework in Financial Reporting Standards, Definition of a business, Definition of material, and Interest Rate Benchmark Reforms.

The management of the Group is currently evaluating the impact of these standards to the financial in the year in which they are adopted.

### 3. CONSOLIDATED FINANCIAL STATEMENTS PREPARATION BASIS

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

	Registration		Percentage of shareholding		Type of business
	in	December 31, 2020		December 31, 2019	
<u>Subsidiary Company</u>					
Orrada Co., Ltd.	Thailand	99.99	99.99		Sales and lease real estate
Rompo Products Co., Ltd.	Thailand	99.99	99.99		Manufacturing and selling of precast floor
DSC Product Co., Ltd.	Thailand	69.99	69.99		Manufacturing and distribute of construction material, precast wall and other precast partition
Wisarawan Co., Ltd. (held by Orrada Co., Ltd. 99.99%)	Thailand	99.99	0.00		Sales real estate
<u>Associated Company</u>					
Prinsiri PCL.	Thailand	6.72	0.00		Real estate development for sale

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

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



#### 4. SUMMARY SIGNIFICANT ACCOUNTING POLICIES

##### 4.1 Revenues and expenses recognition

4.1.1 Revenue from sales of goods based on the consideration that the most of sales of goods contract of the Group satisfied a performance obligation. Revenues from sales are recognized when the control of goods has been transferred to the customers at the point in time.

- In the case of sales of goods and services, components of revenues will allocate to transaction to the performance obligation in the contract by reference to their relative Stand-alone selling price of goods or services which are distinct in accordance with the contractual obligations.

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

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

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

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

##### 4.2 Cash and cash equivalents

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

##### 4.3 Trade and other receivables

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

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

4.3.3 Accounting Treatment Guidance on “Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation” On April 22, 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between January 1, 2020 and December 31, 2020.

The Group has elected to apply the following temporary relief measures on accounting alternatives. Not to take into account forward-looking information when determining expected credit losses, in cases where the Group uses a simplified approach to determine expected credit losses.

#### 4.4 Inventory

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

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

#### 4.5 Other non-current financial assets

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

#### 4.6 Investment

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

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

#### 4.7 Investment properties

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

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

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

The estimated useful lives of building is 20 years

Land and assets under construction were not depreciated.

#### 4.8 Property, plant and equipment

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

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

The estimated useful lives of the assets are follows :

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

Land and assets under construction were not depreciated.

#### 4.9 Other intangible assets

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

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

	Number of years
Computer software	10
Research and development costs	15

4.10 Right-of-use assets / lease liabilities

Right-of-use assets

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

	Number of years
Land & Building	20
Vehicles	5

Lease liabilities

At the commencement date of the lease, the Group recognized lease liabilities at the present value of lease payments payable over the lease term, discounted by the interest rate implicit in the lease present value or the Group's incremental borrowing rate. The amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

Short-term leases and low-value assets

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

#### 4.11 Impairment of non-financial assets

- 1) The Group has reviewed the impairment of assets whenever events or changes indicated that the carrying amount of an asset exceeds its recoverable amount (net selling price of the asset under the current operations or its utilization value whichever is higher). The Group will consider the impairment of each assets item or each asset unit generating cash flow, whenever is practical.

The Group will recognized an impairment loss in statements of comprehensive income and reverse the impairment loss whenever there is an indication that there is no longer impairment or reduction in impairment.

The Group used temporary relief measures of which do not consider the COVID-19 situation as an indication that an asset may be impaired.

#### 4.12 Financial instruments

##### Classification and measurement

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

#### Impairment of financial assets

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

#### 4.13 Employee benefits

##### 4.13.1 Provident Fund

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

##### 4.13.2 Post-employee benefits

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

#### 4.14 Related party transactions

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

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

#### 4.15 Income tax and deferred tax

1. Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognized in profit or loss except to the extent that they relate to a business combination, or items recognized directly in equity or in other comprehensive income
  - Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.
  - Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized that it is probable that they will not utilize in the foreseeable future.
2. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they adjust, using tax rates enacted or substantively enacted at the reporting date.
3. In determining the amount of current and deferred tax, the Group take into account the impact of uncertain tax positions and whether additional taxes and interest may be settled. The Group believe that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Group to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.
4. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but the Group intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

5. A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

#### 4.16 Provisions

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

#### 4.17 Measurement of fair values

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

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

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

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



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

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

#### 4.18 Significant accounting judgements and estimates

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

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

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

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

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

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

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

#### Intangible assets

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

#### Deferred tax assets

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

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

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

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

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

#### 4.19 Earnings per share

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

Diluted earnings per share is calculated by dividing net profit for the year by the weighted average of common share issued during the year added by the number of common shares issued for offering to warrant holders of the Company.

## 5. CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING POLICY DUE TO THE ADOPTION OF NEW FINANCIAL REPORTING STANDARD

As described in notes 2.2 to the consolidated financial statements, during the current period, the Group has adopted financial reporting standard related to set of financial instruments and leases. The cumulative effect of initially applying this standard is recognized as an adjustment to retained earnings as at January 1, 2020. Therefore, the comparative financial statements were not restated.

<b>Consolidated financial statements (Baht)</b>				
<b>The impacts of Financial reporting standards</b>				
	<b>December 31, 2019</b>	<b>No.9</b>	<b>No.16</b>	<b>January 1, 2020</b>
<u>Statements of financial position</u>				
Trade and other current receivables	127,659,520.63	(8,691,572.04)	0.00	118,967,948.59
Property, plant and equipment	522,006,795.82	0.00	(21,745,739.69)	500,261,056.13
Right-of-use assets	0.00	0.00	21,745,739.69	21,745,739.69
Deferred tax assets	8,619,400.56	1738314.408	0.00	10,357,714.97
Unappropriated retained earnings	478,909,232.50	0.00	(8,691,572.04)	470,217,660.46

<b>Separate financial statements (Baht)</b>				
<b>The impacts of Financial reporting standards</b>				
	<b>December 31, 2019</b>	<b>No.9</b>	<b>No.16</b>	<b>January 1, 2020</b>
<u>Statements of financial position</u>				
Trade and other current receivables	111,302,478.19	(8,691,572.04)	0.00	102,610,906.15
Property, plant and equipment	397,291,260.86	0.00	(21,745,739.69)	375,545,521.17
Right-of-use assets	0.00	0.00	21,745,739.69	21,745,739.69
Deferred tax assets	7,804,184.15	1,738,314.41	0.00	9,542,498.56
Unappropriated retained earnings	390,315,160.20	(6,953,257.63)	0.00	383,361,902.57

Details of the impact on retained earnings - Unappropriated as of January 1, 2020 from the introduction of the reporting standard for the first time, financial instruments are as follows:

	<b>Consolidated and separate financial statements(Baht)</b>
Recognition of expected credit losses from trade and other current receivables	(8,691,572.04)
Relevant income tax expenses	1,738,314.41
	<u>(6,953,257.63)</u>

**5. CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING POLICY DUE TO THE ADOPTION OF NEW FINANCIAL REPORTING STANDARD (Continued)**

As at January 1, 2020, classification and measurements of financial assets - as determined in TFRS 9 and the amounts based on the existed accounting principles are presented as follows :

	<b>Consolidated financial statements (Baht)</b>			
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9		
		Fair value through profit or loss	Amortized cost	Total
	<b>Financial assets</b>			
Cash and cash equivalents	191,634,897.71	0.00	191,634,897.71	191,634,897.71
Trade and other current receivables	118,967,948.59	0.00	118,967,948.59	118,967,948.59
Total	<u>310,602,846.30</u>	<u>0.00</u>	<u>310,602,846.30</u>	<u>310,602,846.30</u>
<b>Financial liabilities</b>				
Bank overdrafts and short-term borrowings from financial institutions	443,000.14	0.00	443,000.14	443,000.14
Trade and other current payables	130,819,611.16	0.00	130,819,611.16	130,819,611.16
Lease liabilities	15,370,183.14	0.00	15,370,183.14	15,370,183.14
Total	<u>146,189,794.30</u>	<u>0.00</u>	<u>146,189,794.30</u>	<u>146,189,794.30</u>
	<b>Separate financial statements (Baht)</b>			
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9		
		Fair value through profit or loss	Amortized cost	Total
<b>Financial assets</b>				
Cash and cash equivalents	129,383,543.12	0.00	129,383,543.12	129,383,543.12
Trade and other current receivables	102,610,906.15	0.00	102,610,906.15	102,610,906.15
Short-term loans	1,202,000,000.00	0.00	1,202,000,000.00	1,202,000,000.00
Total	<u>1,433,994,449.27</u>	<u>0.00</u>	<u>1,433,994,449.27</u>	<u>1,433,994,449.27</u>
<b>Financial liabilities</b>				
Bank overdrafts and short-term borrowings from financial institutions	443,000.14	0.00	443,000.14	443,000.14
Trade and other current payables	87,205,545.32	0.00	87,205,545.32	87,205,545.32
Lease liabilities	15,370,183.14	0.00	15,370,183.14	15,370,183.14
Total	<u>103,018,728.60</u>	<u>0.00</u>	<u>103,018,728.60</u>	<u>103,018,728.60</u>

## 6. SUPPLEMENT DISCLOSURE OF CASH FLOWS INFORMATION

6.1 Cash and cash equivalents comprise:

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Cash	695,000.00	672,000.00	420,000.00	390,000.00
Cash at banks - current accounts	8,497,270.49	14,728,229.83	3,919,537.46	8,272,699.04
Cash at banks - savings deposit	77,686,962.04	156,233,622.47	56,123,684.23	100,720,844.08
Cash at banks - fixed deposit				
with 3 months	1,049.03	20,001,045.41	0.00	20,000,000.00
Total	86,880,281.56	191,634,897.71	60,463,221.69	129,383,543.12

6.2 Non-cash transaction

For the year 2019

The Company

The Company entered into hire purchase of vehicles agreement in the amount of Baht 23.59 million, presented as financial lease liabilities.

Subsidiaries

The subsidiary has transferred inventories in the amount of Baht 269.20 million to be presented as investment properties since they are used for rent.

## 7. TRADE AND OTHER CURRENT RECEIVABLES

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Trade accounts receivable	120,066,539.93	124,226,413.24	98,317,596.31	111,320,001.82
Other current receivables				
Amount received in advance for				
goods	200,000.00	249,717.00	0.00	0.00
Revenue Department receivable	7,766,710.82	8,089,821.96	0.00	0.00
Others	9,316,689.21	8,350,575.99	4,606,297.10	4,903,107.83
Total	137,349,939.96	140,916,528.19	102,923,893.41	116,223,109.65
Less Allowance for expected credit losses /				
Allowance for doubtful accounts				
- Trade accounts receivable	(17,002,496.37)	(11,839,495.56)	(10,335,420.87)	(4,920,631.46)
- Other current receivables	(1,417,512.00)	(1,417,512.00)	0.00	0.00
Net	118,929,931.59	127,659,520.63	92,588,472.54	111,302,478.19

Billed trade accounts receivable separated on aging are as follows :

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	<u>December 31, 2020</u>	<u>December 31, 2019</u>	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Undue trade accounts receivable	75,086,999.08	59,299,202.19	62,648,294.87	55,690,166.59
Overdue trade accounts receivable				
- Less than 3 months	28,417,861.17	41,402,447.75	26,471,113.08	39,056,433.47
- Over 3 months to 6 months	732,416.33	6,586,955.93	395,902.16	6,567,218.73
- Over 6 months to 12 months	1,859,300.37	4,576,738.20	1,499,398.72	4,570,858.20
- More than 12 months	13,969,962.98	12,361,069.17	7,302,887.48	5,435,324.83
Total	<u>120,066,539.93</u>	<u>124,226,413.24</u>	<u>98,317,596.31</u>	<u>111,320,001.82</u>

## 8. SHORT-TERM LOANS

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	<u>December 31, 2020</u>	<u>December 31, 2019</u>	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Other person	3,570,350.00	3,570,350.00	3,570,350.00	3,570,350.00
Subsidiary	0.00	0.00	1,385,000,000.00	1,202,000,000.00
Total	<u>3,570,350.00</u>	<u>3,570,350.00</u>	<u>1,388,570,350.00</u>	<u>1,205,570,350.00</u>
Less Allowance for expected credit losses	<u>(3,570,350.00)</u>	<u>(3,570,350.00)</u>	<u>(3,570,350.00)</u>	<u>(3,570,350.00)</u>
Net	<u>0.00</u>	<u>0.00</u>	<u>1,385,000,000.00</u>	<u>1,202,000,000.00</u>

## 9. INVENTORIES

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	<u>December 31, 2020</u>	<u>December 31, 2019</u>	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Finished goods	34,220,156.30	32,403,867.35	32,071,696.25	31,003,009.70
Raw materials and supplies	36,842,289.08	36,280,450.46	33,062,900.17	33,173,986.28
Cost of land for development				
- Land	913,507,901.12	1,000,753,747.73	0.00	0.00
- Land for development	59,761,311.58	36,518,150.36	0.00	0.00
- Work in progress	1,300,119,407.59	1,298,818,013.19	0.00	0.00
Total	2,344,451,065.67	2,404,774,229.09	65,134,596.42	64,176,995.98
Less Cost of land for development				
transfer to cost of sales	(810,576,321.48)	(717,204,597.62)	0.00	0.00
Less Transfer to investment				
properties	0.00	(269,201,336.31)	0.00	0.00
Total	1,533,874,744.19	1,418,368,295.16	65,134,596.42	64,176,995.98
Less Allowance for loss on				
revaluation of inventories	(985,354.89)	(796,736.47)	(945,977.01)	(796,736.47)
Net	1,532,889,389.30	1,417,571,558.69	64,188,619.41	63,380,259.51

During the year 2019, the subsidiary has transferred inventories in the amount of 269.20 million to be presented as investment properties since they are used for rent (note 12).

10. INVESTMENTS IN ASSOCIATE

Company's name	Type of business	Relationship	Paid-up share capital (Baht)		Percentage of shareholding		Consolidated financial statements (Baht) Carrying amounts under equity method		Separate financial statements (Baht) Cost method	
			December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
			Prinsiri Public Company Limited	Real estate development for sale	Shareholders and directorship	1,220,011,755.00	1,220,011,755.00	6.72	0.00	139,663,785.06

10.1 In the second quarter of 2020, the Company and the directors gradually purchased ordinary shares of Prinsiri Public Company Limited resulted to the proportion of investment increased to 21.79%, according to the minutes of the Annual General Meeting of the shareholders for the year 2020 held on July 17, 2020, the shareholder of Prinsiri Public Company Limited passed the resolution to appoint a director in order to posit as the Company's Board of directors and the Company has significant influence in that Company. The Company, therefore, reclassified investment in such Company for measurement at fair value through other comprehensive income to measure at cost in the separate financial statements and carrying value under equity method in the consolidated financial statements.

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

	Total assets (Baht)		Total liabilities (Baht)		Total income (Baht)		Total comprehensive income for the year (Baht)	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
	Prinsiri Public Company Limited	9,243,074,608.00	9,458,057,554.00	4,609,168,395.83	5,071,184,225.46	2,435,872,371.27	1,818,681,022.11	283,633,237.27



## 11. INVESTMENTS IN SUBSIDIARIES

Company's name	Type of business	Relationship	Percentage of				Separate financial statements (Baht)			
			Paid-up share capital (Baht)		shareholding		Cost method		Dividend income	
			December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Orrada Co., Ltd.	Sales and lease real estate	Shareholders and directorship	400,000,000.00	400,000,000.00	99.99	99.99	400,000,000.00	400,000,000.00	0.00	0.00
Rompo Products Co., Ltd.	Manufacturing and selling of precast floor	Shareholders and directorship	35,000,000.00	35,000,000.00	99.99	99.99	41,663,520.71	41,663,520.71	13,999,196.00	12,249,296.50
DSC Product Co., Ltd.	Manufacturing and distribute of construction material precast wall and other precast partition	Shareholders and directorship	130,000,000.00	25,000,000.00	69.99	69.99	90,999,900.00	90,999,900.00	0.00	0.00
Total							532,663,420.71	532,663,420.71	13,999,196.00	12,249,296.50

### 11.1 DSC Product Co., Ltd.

11.1.1 On July 24, 2019, the subsidiary called for additional 25% of the registered share capital. The Company paid for the share capital of Baht 17.50 million (699,999 ordinary shares with a par value of Baht 25 each) in July 2019.

11.1.2 According to the minutes of shareholders' extraordinary meeting No. 1/2019 held on November 6, 2019, passed the resolution to increase share capital from Baht 100 million to Baht 130 million (dividing into 1,300,000 ordinary shares at par value of Baht 100 each) by offering to the shareholders at the existing proportion. Subsidiary has registered such increase share capital with the Ministry of Commerce on November 18, 2019. The Company paid for the share capital of Baht 21 million.

11.2 The financial statements for the year ended December 31, 2020 and 2019 of above subsidiaries have been taken for preparing the consolidated financial statements which were audited by the auditor.

## 12. INVESTMENT PROPERTIES

<b>Consolidated financial statements (Baht)</b>				
	Land	Building	construction	Total
<b>Assets cost :</b>				
As at December 31, 2018	40,960,289.07	47,323,620.04	0.00	88,283,909.11
Disposal	269,201,336.31	0.00	0.00	269,201,336.31
As at December 31, 2019	310,161,625.38	47,323,620.04	0.00	357,485,245.42
Acquisition	0.00	0.00	202,864.50	202,864.50
As at December 31, 2020	310,161,625.38	47,323,620.04	202,864.50	357,688,109.92
<b>Accumulated depreciation :</b>				
As at December 31, 2018	0.00	19,555,720.39	0.00	19,555,720.39
Depreciation for the year	0.00	2,520,378.41	0.00	2,520,378.41
As at December 31, 2019	0.00	22,076,098.80	0.00	22,076,098.80
Depreciation for the year	0.00	2,221,388.85	0.00	2,221,388.85
As at December 31, 2020	0.00	24,297,487.65	0.00	24,297,487.65
<b>Net assets value</b>				
As at December 31, 2019	310,161,625.38	25,247,521.24	0.00	335,409,146.62
As at December 31, 2020	310,161,625.38	23,026,132.39	202,864.50	333,390,622.27

As at December 31, 2020 and December 31, 2019, a subsidiary has investment properties in the form of land and land including factory buildings which had fair value amount of Baht 566.85 million.

### 13. PROPERTY, PLANT AND EQUIPMENT

#### Consolidated financial statements (Baht)

	Land and land improvement	Building and building improvement	Machinery, tools and equipment	Underground well	Furniture, fixtures and office equipment	Vehicles	Assets under construction	Total
Assets - cost :								
As at December 31, 2018	150,279,940.42	286,366,312.65	469,451,321.92	6,503,626.11	40,256,103.23	348,767,902.10	40,481,655.32	1,342,106,861.75
Acquisition	0.00	1,584,206.30	10,387,551.95	0.00	2,745,290.48	20,952,186.92	36,499,471.73	72,168,707.38
Disposal	0.00	0.00	(1,437,820.44)	0.00	(45,651.44)	(6,473,773.83)	0.00	(7,957,245.71)
Inter-transaction transfer	0.00	50.60	16,478.98	0.00	0.00	0.00	(16,529.58)	0.00
As at December 31, 2019	150,279,940.42	287,950,569.55	478,417,532.41	6,503,626.11	42,955,742.27	363,246,315.19	76,964,597.47	1,406,318,323.42
The impacts of Financial reporting standards (Note 5)	0.00	0.00	0.00	0.00	0.00	(23,588,785.07)	0.00	(23,588,785.07)
As at January 1, 2020	150,279,940.42	287,950,569.55	478,417,532.41	6,503,626.11	42,955,742.27	339,657,530.12	76,964,597.47	1,382,729,538.35
Acquisition	0.00	37,050,922.37	20,741,517.33	0.00	1,516,691.16	1,360,485.36	1,193,566.12	61,863,182.34
Disposal	0.00	0.00	(7,157,100.56)	0.00	(12,064.02)	(369,686.92)	(44,415.00)	(7,583,266.50)
Inter-transaction transfer	0.00	20,650,662.36	55,930,312.73	0.00	0.00	0.00	(76,580,975.09)	0.00
As at December 31, 2020	150,279,940.42	345,652,154.28	547,932,261.91	6,503,626.11	44,460,369.41	340,648,328.56	1,532,773.50	1,437,009,454.19
Accumulated depreciation :								
As at December 31, 2018	0.00	173,775,930.29	349,043,691.96	4,944,466.33	37,215,810.17	242,349,219.14	0.00	807,329,117.89
Depreciation for the year	0.00	11,413,256.69	13,990,030.24	276,663.77	1,580,324.91	19,562,258.25	0.00	46,822,533.86
Depreciation - write off	0.00	0.00	(673,245.45)	0.00	(45,642.44)	(4,962,131.55)	0.00	(5,681,019.44)
As at December 31, 2019	0.00	185,189,186.98	362,360,476.75	5,221,130.10	38,750,492.64	256,949,345.84	0.00	848,470,632.31
The impacts of Financial reporting standards (Note 5)	0.00	0.00	0.00	0.00	0.00	(1,843,045.38)	0.00	(1,843,045.38)
As at January 1, 2020	0.00	185,189,186.98	362,360,476.75	5,221,130.10	38,750,492.64	255,106,300.46	0.00	846,627,586.93
Depreciation for the year	0.00	13,774,072.31	18,397,709.72	238,165.16	1,627,093.89	17,517,411.34	0.00	51,554,452.42
Depreciation - write off	0.00	0.00	(6,958,783.35)	0.00	(12,061.02)	(319,685.92)	0.00	(7,290,530.29)
As at December 31, 2020	0.00	198,963,259.29	373,799,403.12	5,459,295.26	40,365,525.51	272,304,025.88	0.00	890,891,509.06
Allowance for impairment of assets								
As at December 31, 2018	0.00	3,339,102.98	32,501,792.31	0.00	0.00	0.00	0.00	35,840,895.29
As at December 31, 2019	0.00	3,339,102.98	32,501,792.31	0.00	0.00	0.00	0.00	35,840,895.29
As at December 31, 2020	0.00	3,339,102.98	32,501,792.31	0.00	0.00	0.00	0.00	35,840,895.29
Net assets value								
As at December 31, 2019	150,279,940.42	99,422,279.59	83,555,263.35	1,282,496.01	4,205,249.63	106,296,969.35	76,964,597.47	522,006,795.82
As at December 31, 2020	150,279,940.42	143,349,792.01	141,631,066.48	1,044,330.85	4,094,843.90	68,344,302.68	1,532,773.50	510,277,049.84

**13. PROPERTY, PLANT AND EQUIPMENT (Continued)**
**Separate financial statements (Baht)**

	Land and land improvement	Building and building improvement	Machinery, tools and equipment	Underground well	Furniture, fixtures and office equipment	Vehicles	Assets under construction	Total
Assets - cost :								
As at December 31, 2018	124,152,207.55	270,954,552.74	439,523,292.08	6,388,133.34	33,448,627.34	331,934,753.70	50.60	1,206,401,617.35
Acquisition	0.00	820,033.03	2,865,265.04	0.00	653,551.89	20,366,205.61	1,765,056.45	26,470,112.02
Disposal	0.00	0.00	0.00	0.00	0.00	(5,690,500.00)	0.00	(5,690,500.00)
Transference	0.00	50.60	0.00	0.00	0.00	0.00	(50.60)	0.00
As at December 31, 2019	124,152,207.55	271,774,636.37	442,388,557.12	6,388,133.34	34,102,179.23	346,610,459.31	1,765,056.45	1,227,181,229.37
The impacts of Financial reporting standards (Note 5)	0.00	0.00	0.00	0.00	0.00	(23,588,785.07)	0.00	(23,588,785.07)
As at January 1, 2020	124,152,207.55	271,774,636.37	442,388,557.12	6,388,133.34	34,102,179.23	323,021,674.24	1,765,056.45	1,203,592,444.30
Acquisition	0.00	3,610,205.69	3,417,504.69	0.00	698,084.92	29,500.00	1,054,278.47	8,809,573.77
Disposal	0.00	0.00	(550,000.00)	0.00	0.00	(85,686.92)	(44,415.00)	(680,101.92)
Transference	0.00	0.00	1,381,434.07	0.00	0.00	0.00	(1,381,434.07)	0.00
As at December 31, 2020	124,152,207.55	275,384,842.06	446,637,495.88	6,388,133.34	34,800,264.15	322,965,487.32	1,393,485.85	1,211,721,916.15
Accumulated depreciation :								
As at December 31, 2018	0.00	164,696,262.70	324,850,562.20	4,828,976.56	31,037,688.49	229,157,391.86	0.00	754,570,881.81
Depreciation for the year	0.00	10,723,802.20	12,517,097.39	276,663.77	1,249,652.14	18,889,835.63	0.00	43,657,051.13
Depreciation - write off	0.00	0.00	0.00	0.00	0.00	(4,178,859.72)	0.00	(4,178,859.72)
As at December 31, 2019	0.00	175,420,064.90	337,367,659.59	5,105,640.33	32,287,340.63	243,868,367.77	0.00	794,049,073.22
The impacts of Financial reporting standards (Note 5)	0.00	0.00	0.00	0.00	0.00	(1,843,045.38)	0.00	(1,843,045.38)
As at January 1, 2020	0.00	175,420,064.90	337,367,659.59	5,105,640.33	32,287,340.63	242,025,322.39	0.00	792,206,027.84
Depreciation for the year	0.00	10,943,513.12	11,029,144.89	238,165.16	875,221.10	17,088,685.13	0.00	40,174,729.40
Depreciation - write off	0.00	0.00	(351,698.79)	0.00	0.00	(85,685.92)	0.00	(437,384.71)
As at December 31, 2020	0.00	186,363,578.02	348,045,105.69	5,343,805.49	33,162,561.73	259,028,321.60	0.00	831,943,372.53
Allowance for impairment of assets								
As at December 31, 2018	0.00	3,339,102.98	32,501,792.31	0.00	0.00	0.00	0.00	35,840,895.29
As at December 31, 2019	0.00	3,339,102.98	32,501,792.31	0.00	0.00	0.00	0.00	35,840,895.29
As at December 31, 2020	0.00	3,339,102.98	32,501,792.31	0.00	0.00	0.00	0.00	35,840,895.29
Net assets value								
As at December 31, 2019	124,152,207.55	93,015,468.49	72,519,105.22	1,282,493.01	1,814,838.60	102,742,091.54	1,765,056.45	397,291,260.86
As at December 31, 2020	124,152,207.55	85,682,161.06	66,090,597.88	1,044,327.85	1,637,702.42	63,937,165.72	1,393,485.85	343,937,648.33

As at December 31, 2020 and 2019, the Company has non-operating assets land, building and equipment because the factory was temporarily stopped for using in its manufacture at cost Baht 170.60 million .

As at December 31, 2020 and 2019, land, building, machinery and equipment at cost of Baht 187.44 million and Baht 185.09 million in the consolidated financial statements, and Baht 167.31 million and Baht 165.75 million in the separate financial statements respectively are mortgaged as collateral against overdrafts line and short-term borrowings from financial institutions (note 17), and contingent liabilities from bank issuance of letter of guarantee (note 33.2).

#### 14. RIGHT-OF-USE ASSETS

	<b>Consolidated financial statements (Baht)</b>		
	Land & Building	Vehicle	Total
Assets cost :			
As at December 31, 2019	0.00	0.00	0.00
The impacts of Financial reporting standards (Note 5)			
	0.00	23,588,785.07	23,588,785.07
As at January 1, 2020	0.00	23,588,785.07	23,588,785.07
Increase for the year	26,643,260.75	0.00	26,643,260.75
As at December 31, 2020	26,643,260.75	23,588,785.07	50,232,045.82
Accumulated amortization :			
As at December 31, 2019	0.00	0.00	0.00
The impacts of Financial reporting standards (Note 5)			
	0.00	(1,843,045.38)	(1,843,045.38)
As at January 1, 2020	0.00	(1,843,045.38)	(1,843,045.38)
Amortization for the year	(1,110,315.90)	(1,753,413.80)	(2,863,729.70)
As at December 31, 2020	(1,110,315.90)	(3,596,459.18)	(4,706,775.08)
Net assets value :			
As at December 31, 2019	0.00	0.00	0.00
As at December 31, 2020	25,532,944.85	19,992,325.89	45,525,270.74

	<b>Separate financial statements (Baht)</b>		
	Land & Building	Vehicle	Total
<b>Assets cost :</b>			
As at December 31, 2019	0.00	0.00	0.00
The impacts of Financial reporting standards (Note 5)			
	0.00	23,588,785.07	23,588,785.07
As at January 1, 2020	0.00	23,588,785.07	23,588,785.07
As at December 31, 2020	0.00	23,588,785.07	23,588,785.07
<b>Accumulated amortization :</b>			
As at December 31, 2019	0.00	0.00	0.00
The impacts of Financial reporting standards (Note 5)			
	0.00	(1,843,045.38)	(1,843,045.38)
As at January 1, 2020	0.00	(1,843,045.38)	(1,843,045.38)
Amortization for the year	0.00	(1,753,413.80)	(1,753,413.80)
As at December 31, 2020	0.00	(3,596,459.18)	(3,596,459.18)
<b>Net assets value :</b>			
As at December 31, 2019	0.00	0.00	0.00
As at December 31, 2020	0.00	19,992,325.89	19,992,325.89

As at December 31, 2020 and 2019, right-of-use assets (land building and vehicles) at the cost of Baht 50.23 million and Baht 23.59 million in the consolidated financial statements and Baht 23.59 million in the separate financial statements are being made the payment as indicated in agreement (note 19).

## 15. OTHER INTANGIBLE ASSETS

### Consolidated financial statements (Baht)

	Computer software		Products research and development		Total	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Intangible assets - cost :						
Beginning balance	10,553,707.83	8,923,841.44	12,715,569.38	12,715,569.38	23,269,277.21	21,639,410.82
Acquisition	626,991.30	1,629,866.39	0.00	0.00	626,991.30	1,629,866.39
Ending balance	11,180,699.13	10,553,707.83	12,715,569.38	12,715,569.38	23,896,268.51	23,269,277.21
Accumulated amortization :						
Beginning balance	6,887,043.82	6,649,673.62	2,168,347.36	2,168,347.36	9,055,391.18	8,818,020.98
Amortization for the year	801,647.51	237,370.20	0.00	0.00	801,647.51	237,370.20
Ending balance	7,688,691.33	6,887,043.82	2,168,347.36	2,168,347.36	9,857,038.69	9,055,391.18
Provision for impairment of assets :						
Beginning balance	0.00	0.00	10,547,222.02	10,547,222.02	10,547,222.02	10,547,222.02
Ending balance	0.00	0.00	10,547,222.02	10,547,222.02	10,547,222.02	10,547,222.02
Net intangible assets value						
Beginning balance	3,666,664.01	2,274,167.82	0.00	0.00	3,666,664.01	2,274,167.82
Ending balance	3,492,007.80	3,666,664.01	0.00	0.00	3,492,007.80	3,666,664.01

**Separate financial statements (Baht)**

	Computer software		Products research and development		Total	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
<b>Intangible assets - cost :</b>						
Beginning balance	6,690,420.09	6,649,420.09	12,715,569.38	12,715,569.38	19,405,989.47	19,364,989.47
Acquisition	0.00	41,000.00	0.00	0.00	0.00	41,000.00
Ending balance	6,690,420.09	6,690,420.09	12,715,569.38	12,715,569.38	19,405,989.47	19,405,989.47
<b>Accumulated amortization :</b>						
Beginning balance	6,653,552.79	6,579,418.64	2,168,347.36	2,168,347.36	8,821,900.15	8,747,766.00
Amortization for the year	8,222.47	74,134.15	0.00	0.00	8,222.47	74,134.15
Ending balance	6,661,775.26	6,653,552.79	2,168,347.36	2,168,347.36	8,830,122.62	8,821,900.15
<b>Provision for impairment of assets :</b>						
Beginning balance	0.00	0.00	10,547,222.02	10,547,222.02	10,547,222.02	10,547,222.02
Ending balance	0.00	0.00	10,547,222.02	10,547,222.02	10,547,222.02	10,547,222.02
<b>Net intangible assets value</b>						
Beginning balance	36,867.30	70,001.45	0.00	0.00	36,867.30	70,001.45
Ending balance	28,644.83	36,867.30	0.00	0.00	28,644.83	36,867.30



## 16. DEFERRED TAX ASSETS / LIABILITIES

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

<b>Consolidated financial statements (Baht)</b>								
Recognized as (expenses)		The impacts of		Recognized as (expenses) income				
As at December	income in profit	As at December	Financial reporting	As at January	Profit	Other comprehensive	As at December	
31, 2018	or loss	31, 2019	standards (Note 5)	1, 2020	or loss	income	31, 2020	
	(Note 24.2)				(Note 24.2)	(Note 24.4)		
<b>Deferred tax assets</b>								
Trade accounts receivable (allowance for expected credit losses)	1,771,033.53	0.00	1,771,033.53	1,738,314.41	3,509,347.94	(728,193.77)	0.00	2,781,154.17
Inventories (allowance for devaluation of inventories)	135,363.64	23,983.65	159,347.29	0.00	159,347.29	29,848.11	0.00	189,195.40
Property, plant and equipment (provision for impairment)	2,596,149.10	(801,913.46)	1,794,235.64	0.00	1,794,235.64	(802,018.22)	0.00	992,217.42
Intangible assets (provision for impairment)	841,377.93	(210,944.42)	630,433.51	0.00	630,433.51	(210,944.43)	0.00	419,489.08
Employee benefit obligations	3,039,117.02	1,225,233.57	4,264,350.59	0.00	4,264,350.59	824,534.30	(178,405.86)	4,910,479.03
Total	8,383,041.22	236,359.34	8,619,400.56	1,738,314.41	10,357,714.97	(886,774.01)	(178,405.86)	9,292,535.10
<b>Deferred tax liabilities</b>								
Investment in associates (gains on fair value measurement)	0.00	0.00	0.00	0.00	0.00	0.00	(3,206,347.18)	(3,206,347.18)
Right-of-use assets (depreciation)	(5,736,944.36)	(263,970.59)	(6,000,914.95)	0.00	(6,000,914.95)	(569,598.95)	0.00	(6,570,513.90)
Total	(5,736,944.36)	(263,970.59)	(6,000,914.95)	0.00	(6,000,914.95)	(569,598.95)	(3,206,347.18)	(9,776,861.08)
Net	2,646,096.86	(27,611.25)	2,618,485.61	1,738,314.41	4,356,800.02	(1,456,372.96)	(3,384,753.04)	(484,325.98)
<b>Separate financial statements (Baht)</b>								
Recognized as (expenses)		The impacts of		Recognized as (expenses) income				
As at December	income in profit	As at December	Financial reporting	As at January	Profit	Other comprehensive	As at December	
31, 2018	or loss	31, 2019	standards (Note 5)	1, 2020	or loss	income	31, 2020	
	(Note 24.2)				(Note 24.2)	(Note 24.4)		
<b>Deferred tax assets</b>								
Trade accounts receivable (allowance for expected credit losses)	1,698,196.29	0.00	1,698,196.29	1,738,314.41	3,436,510.70	(655,356.53)	0.00	2,781,154.17
Inventories (allowance for devaluation of inventories)	135,363.64	23,983.65	159,347.29	0.00	159,347.29	29,848.11	0.00	189,195.40
Property, plant and equipment (provision for impairment)	2,596,149.10	(801,913.46)	1,794,235.64	0.00	1,794,235.64	(802,018.22)	0.00	992,217.42
Intangible assets (provision for impairment)	841,377.93	(210,944.42)	630,433.51	0.00	630,433.51	(210,944.43)	0.00	419,489.08
Employee benefit obligations	2,539,042.05	982,929.36	3,521,971.41	0.00	3,521,971.41	638,836.57	(119,300.92)	4,041,507.06
Total	7,810,129.01	(5,944.86)	7,804,184.15	1,738,314.41	9,542,498.56	(999,634.50)	(119,300.92)	8,423,563.14
<b>Deferred tax liabilities</b>								
Investment in associates (gains on fair value measurement)	0.00	0.00	0.00	0.00	0.00	0.00	(3,206,347.18)	(3,206,347.18)
Right-of-use assets (depreciation)	(5,736,944.36)	(263,970.59)	(6,000,914.95)	0.00	(6,000,914.95)	(569,598.95)	0.00	(6,570,513.90)
Total	(5,736,944.36)	(263,970.59)	(6,000,914.95)	0.00	(6,000,914.95)	(569,598.95)	(3,206,347.18)	(9,776,861.08)
Net	2,073,184.65	(269,915.45)	1,803,269.20	1,738,314.41	3,541,583.61	(1,569,233.45)	(3,325,648.10)	(1,353,297.94)

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

	Consolidated and	
	Separate financial statements (Baht)	
	December 31, 2020	December 31, 2019
Bank overdrafts	360,620.52	443,000.14
Short-term borrowings	165,000,000.00	0.00
Total	<u>165,360,620.52</u>	<u>443,000.14</u>

As at December 31, 2020 and December 31, 2019, the Group has overdrafts line with bank amount of Baht 72 million (4 banks) in the consolidated financial statements and Baht 60 million (4 banks) in the separate financial statements respectively, at the interest rate of MOR to MOR+0.25% per annum and short-term borrowings for the amount of Baht 355 million (5 banks) in the consolidated financial statements and Baht 350 million (5 banks) in the separate financial statements respectively, at the interest rate of MLR - 2.75 to MLR - 0.5% per annum.

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

## 18. TRADE AND OTHER CURRENT PAYABLES

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Trade accounts payable	66,042,817.17	66,771,150.99	55,503,606.98	61,749,801.30
Other current payables				
Assets payable	0.00	3,137,765.20	0.00	0.00
Retention	408,886.95	26,033,938.18	0.00	0.00
Amount received in advance				
for goods	7,690,339.29	11,002,805.62	5,610,593.88	7,755,818.12
Accrued expenses	15,304,250.98	16,398,525.08	11,371,122.89	12,178,896.13
Others	7,150,941.70	7,475,426.09	4,993,716.18	5,521,029.77
Total	<u>96,597,236.09</u>	<u>130,819,611.16</u>	<u>77,479,039.93</u>	<u>87,205,545.32</u>

## 19. LEASE LIABILITIES

19.1 Lease liabilities are as follow:

	<b>Consolidated financial statements (Baht)</b>		<b>Separate financial statements (Baht)</b>	
	<b>December 31, 2020</b>	<b>December 31, 2019</b>	<b>December 31, 2020</b>	<b>December 31, 2019</b>
Lease payable	47,128,387.40	15,991,827.00	8,028,387.40	15,991,827.00
Less Deferred interest payments	<u>(13,325,904.48)</u>	<u>(621,643.86)</u>	<u>(177,601.87)</u>	<u>(621,643.86)</u>
Total	33,802,482.92	15,370,183.14	7,850,785.53	15,370,183.14
Less Current portion of long-term liabilities	<u>(7,192,413.34)</u>	<u>(7,519,398.01)</u>	<u>(6,328,170.14)</u>	<u>(7,519,398.01)</u>
Net	<u>26,610,069.58</u>	<u>7,850,785.13</u>	<u>1,522,615.39</u>	<u>7,850,785.13</u>

19.2 As at December 31, 2020 and 2019, the Group has right-of-use assets are being made the payment as indicated in agreement as follows :

	<b>Consolidated financial statements (Baht)</b>		<b>Separate financial statements (Baht)</b>	
	<b>December 31, 2020</b>	<b>December 31, 2019</b>	<b>December 31, 2020</b>	<b>December 31, 2019</b>
Land and building	26,643,260.75	0.00	0.00	0.00
Vehicles	<u>23,588,785.03</u>	<u>23,588,785.03</u>	<u>23,588,785.03</u>	<u>23,588,785.03</u>
Total	<u>50,232,045.78</u>	<u>23,588,785.03</u>	<u>23,588,785.03</u>	<u>23,588,785.03</u>

## 20. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFIT

20.1 The Group had an employee benefit obligation based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service and long-term service awards.

20.2 The defined benefit plans expose the Company and subsidiaries to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

20.3 Employee benefit provisions in the statement of financial position was determined as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements (Baht)</b>		<b>financial statements (Baht)</b>	
	<b>December 31, 2020</b>	<b>December 31, 2019</b>	<b>December 31, 2020</b>	<b>December 31, 2019</b>
Beginning balance	21,645,721.19	15,397,457.47	17,609,857.07	12,612,284.12
Recognized in other comprehensive (income)				
Losses on remeasurment				
of defined benefit plan	(892,029.28)	0.00	(596,504.61)	0.00
Recognized in profit or loss				
Previous service cost with the new				
Labour Protection Act	0.00	3,854,079.67	0.00	3,036,776.86
Current service costs and interest	5,092,588.20	2,394,184.05	4,312,112.87	1,960,796.09
Benefits paid	(1,117,930.00)	0.00	(1,117,930.00)	0.00
Ending balance	24,728,350.11	21,645,721.19	20,207,535.33	17,609,857.07

On April 5, 2019, the Labor Protection Act (No. 7) B.E. 2562 was published in the Royal Gazette which is effective from May 5, 2019, onwards that determined the additional rate of severance pay in the case of termination of employment for a terminated employee who has worked for 20 consecutive years or more and shall be entitled to receive payment not less than the last rate of wages for 400 days. Therefore, such changes have affected to the additional providing employee benefit amount of Baht 3.85 million and Baht 3.04 million in the consolidated and separate financial statements. The Group have recognized the previous service costs as expenses in the statement of comprehensive income.

20.4 The Group recognized the expenses in the following line items in the statement of income.

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements (Baht)</b>		<b>financial statements (Baht)</b>	
	<b>December 31, 2020</b>	<b>December 31, 2019</b>	<b>December 31, 2020</b>	<b>December 31, 2019</b>
Cost of services	613,038.60	1,984,111.05	613,038.60	1,791,753.08
Costs of distribution	379,529.10	1,176,111.04	379,529.10	1,176,111.04
Administrative expenses	3,503,254.48	2,515,596.87	2,845,307.58	1,560,303.97
Finance costs	596,766.02	572,444.76	474,237.59	469,404.86
Total	5,092,588.20	6,248,263.72	4,312,112.87	4,997,572.95

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

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements (%)</b>		<b>financial statements (%)</b>	
	<b>December 31, 2020</b>	<b>December 31, 2019</b>	<b>December 31, 2020</b>	<b>December 31, 2019</b>
Discount rate	1.78	3.04	1.81	3.04
Salary increase rate	5.50	6.00	6.00	6.00

20.6 Assumptions regarding future mortality are based on published statistics and Thailand Mortality Ordinary Life table

2017 (“TMO17”)

20.7 Sensitivity analysis

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

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements (%)</b>		<b>financial statements (%)</b>	
	Increase	Decrease	Increase	Decrease
Defined benefit obligation				
as at December 31, 2020				
Discount rate (0.5% movement)	(1,361,503.64)	1,498,424.27	(1,150,092.61)	1,267,225.38
Salary increase rate (1% movement)	2,934,503.69	(2,485,602.40)	2,474,824.60	(2,091,352.73)
Employee turnover rate				
(20% movement)	(1,953,264.23)	2,343,035.26	(1,911,543.54)	2,345,035.26

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

## 21. SHARE CAPITAL

### 21.1 Authorized share capital

21.1.1 According to the extraordinary general shareholders' meeting No. 1/2017 held on September 28, 2017, the shareholders passed the resolution as follows :

- 1) Issue the ESOP#2 warrants for 142.45 million units at the exercised ratio of 1 unit of warrant per 1 ordinary share at the price of Baht 0.59 each. The exercise period is 5 years from the date of issuance and offering. The first exercise right commenced on October 29, 2021 and the last exercise right is on April 29, 2022.
- 2) Increase the registered share capital for reserve the exercised ESOP#2 from Baht 542.76 million to Baht 557.00 million by issuing 142.45 million ordinary shares at par value of Baht 0.10 each. The Company has registered the increase share capital with the Ministry of Commerce on October 9, 2017.

21.1.2 Decrease the registered capital of the Company from Baht 557 million to Baht 552.88 million by canceling unissued ordinary shares and allocated to the warrant holders (DCON-W1) amount of Baht 4.12 million (41.22 million ordinary shares at par value of Baht 0.10 each). The Company has registered the increase share capital with the Ministry of Commerce on May 13, 2020.

21.2 The increase and decrease of share capital are as follow :

	<b>Authorized share capital</b>		<b>Issued and paid-up share capital</b>	
	<b>Number of shares</b>	<b>Amount (Baht)</b>	<b>Number of shares</b>	<b>Amount (Baht)</b>
Balance as at December 31, 2018	5,570,003,429	557,000,342.90	5,204,350,786	520,435,078.60
Common shares issued from				
exercise of warrants	0	0.00	181,989,610	18,198,961.00
Balance as at December 31, 2019	5,570,003,429	557,000,342.90	5,386,340,396	538,634,039.60
Decrease in capital	(41,217,033)	(4,121,703.30)	0	0.00
Balance as at December 31, 2020	5,528,786,396	552,878,639.60	5,386,340,396	538,634,039.60

### 21.3 Warrant to purchase ordinary shares of the Company

On June 12, 2014, the Company has allocated the warrants (DCON-W1) to the existing shareholders based on ROWarrant for 41.09 million units without offering price at the exercise ratio of 1 unit of warrant per 1 ordinary share at the price of Baht 5 each. The exercise period is 5 years from the date of issuance. The exercise date shall be on the last business day of every 6 months. The first date of exercise is on July 31, 2017 and the last exercise date is on May 8, 2019.

21.4 The increase and decrease of common shares issued from exercise of warrants are as follow :

	<u>Number of units</u>
	<u>DCON-W1</u>
Balance as at December 31, 2018	12,051,425
Exercise of warrants	(11,549,765)
Expired warrants	(501,660)
Balance as at December 31, 2019	<u><u>0</u></u>

On January 31, 2019, there is exercise of warrants to purchase ordinary shares of the Company No. 4 (DCON-W1) to purchase ordinary shares for 6,059,940 units of warrants equal to 95,486,570 ordinary shares. As a result, the Company has issued and paid-up share capital from Baht 520.44 million to Baht 529.98 million (5,299,837,356 ordinary shares at par value of Baht 0.10 each). The Company has registered the increase share capital with the Ministry of Commerce on February 6, 2019.

On May 8, 2019, there is exercise of warrants to purchase ordinary shares of the Company No. 5 (DCON-W1) to purchase ordinary shares for 5,489,825 units of warrants equal to 86,503,140 ordinary shares. As a result, the Company has issued and paid-up share capital from Baht 529.98 million to Baht 538.63 million (5,386,340,396 ordinary shares at par value of Baht 0.10 each). The Company has registered the increase share capital with the Ministry of Commerce on May 16, 2019.

## 22. LEGAL RESERVE

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

## 23. RETAINED EARNINGS APPROPRIATION

### The Company

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

According to the minutes of shareholders' General Meeting for the year 2019 held on April 27, 2019, passed the resolution to pay dividend from the results of operation for the year 2017 to the shareholders at Baht 0.015 per share for 5,299.84 million shares amounting to Baht 79.50 million.

### Subsidiaries

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

According to the minutes of shareholders' General Meeting for the year 2019 held on April 22, 2019, passed the resolution to pay dividend from profit of year 2017 to the shareholders at Baht 3.5 per share, for 3.50 million shares amounting to Baht 12.25 million. During the year, the Company has already paid such dividend.

## 24. INCOME TAX

### 24.1 The calculation of current income taxes

For the year 2020 and 2019, the corporate income tax is calculated at the rate of 20 per cent of profit (loss) before deducting with tax expenses and added back other expenses which shall not be allowed as expenses in tax calculation (if any) except the exempted taxable profit derived from promoted business by using the rate as stipulated in the promotion certificate (note 29).

### 24.2 Income tax recognized in profit or loss

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
<b>Current income tax</b>				
For the current year	24,367,302.40	34,933,269.42	21,799,687.97	31,257,152.07
<b>Deferred tax</b>				
Changes in temporary differences	1,456,372.96	27,611.25	1,569,233.45	269,915.45
Total income tax	25,823,675.36	34,960,880.67	23,368,921.42	31,527,067.52



#### 24.3 Reconciliation for effective income tax rate

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Profit before income tax	115,198,462.03	165,638,897.34	134,448,068.76	174,052,206.58
Income tax rate (%)	20	20	20	20
Income tax	23,039,692.41	33,127,779.47	26,889,613.75	34,810,441.32
Prohibited taxable expenses	7,987,313.71	1,544,325.08	2,728,763.62	1,515,814.81
Additional taxable expenses	(3,520,245.95)	(2,423,504.32)	(3,449,616.75)	(2,349,329.31)
Exempted income	0.00	0.00	(2,799,839.20)	(2,449,859.30)
Share of profit from investments				
in associate	(2,222,624.16)	0.00	0.00	0.00
Effects from elimination with				
subsidiary	539,539.35	2,712,280.44	0.00	0.00
Total income tax	25,823,675.36	34,960,880.67	23,368,921.43	31,527,067.52
Income tax rate (%)	22	21	17	18

#### 24.4 Income tax recognized in other comprehensive income

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Gains on measurement of investment				
in equity instruments	16,031,735.89	0.00	16,031,735.89	0.00
Profit on remeasurements of				
defined benefit plans	892,029.28	0.00	596,504.61	0.00
Total	16,923,765.17	0.00	16,628,240.50	0.00
Tax expense	(3,384,753.04)	0.00	(3,325,648.10)	0.00
Net of income tax	13,539,012.13	0.00	13,302,592.40	0.00

## 25. TRANSACTIONS WITH RELATED PERSONS AND PARTIES

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

### 25.1 General information

<u>Name</u>	<u>Type of business</u>	<u>Relationship</u>	<u>Description</u>	<u>Pricing policy</u>
<u>Related persons</u>				
Miss Wisara Pornkul		Member in family of shareholder and director	Purchase of building	Market price
<u>Subsidiaries</u>				
Orrada Co., Ltd.	Sales and lease of real estate	Shareholders and directorship	Revenues from sales of goods Interest income Purchase of building	At cost Interest rate at 3-4% per annum Market price less discounted
Rompo Products Co., Ltd.	Manufacturing and selling of precast floor	Shareholders and directorship	Purchase of equipment	At cost
DSC Product Co., Ltd.	Manufacturing and distribute of construction material precast wall and other precast partition	Shareholders and directorship	Advances payment Other income (rental)	At actual cost At agreed price
<u>Other companies</u>				
Chusin Concrete Co., Ltd.		Director is a director of subsidiary	Revenues from sales of goods Purchase of goods	Market price At agreed price
Sinudom Concrete Co., Ltd.		Shareholders and directorship	Revenues from sales of good Purchase of raw material Administrative expenses Interest-right of use (lease) expenses	Market price Market price At agreed price Rental Baht 0.17 million per month

25.2 Assets and liabilities transaction with related persons and parties consist of:

	<b>Consolidated financial statements (Baht)</b>		<b>Separate financial statements (Baht)</b>	
	<b>December 31, 2020</b>	<b>December 31, 2019</b>	<b>December 31, 2020</b>	<b>December 31, 2019</b>
Orrada Co., Ltd.				
Trade and other current receivables	0.00	0.00	61,036.26	69,824.32
Short-term loans	0.00	0.00	1,385,000,000.00	1,202,000,000.00

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

	<b>Separate financial statements (Baht)</b>	
	<b>December 31, 2020</b>	<b>December 31, 2019</b>
Beginning balance	1,202,000,000.00	1,139,000,000.00
Increase during the period	249,000,000.00	163,000,000.00
Decrease during the period	<u>(66,000,000.00)</u>	<u>(100,000,000.00)</u>
Ending balance	<u><u>1,385,000,000.00</u></u>	<u><u>1,202,000,000.00</u></u>

	<b>Consolidated financial statements (Baht)</b>		<b>Separate financial statements (Baht)</b>	
	<b>December 31, 2020</b>	<b>December 31, 2019</b>	<b>December 31, 2020</b>	<b>December 31, 2019</b>
Rompo Products				
Trade and other current payables	0.00	0.00	0.00	890,610.00
DSC Product Co., Ltd.				
Trade and other current receivables	0.00	0.00	778,202.49	175,102.11
Chusin Concrete Co., Ltd.				
Trade and other current receivables	160,669.74	0.00	160,669.74	0.00
Trade and other current payables	859,766.40	0.00	0.00	0.00

**Consolidated financial statements (Baht)    Separate financial statements (Baht)**

	<b>December 31, 2020</b>	<b>December 31, 2019</b>	<b>December 31, 2020</b>	<b>December 31, 2019</b>
Sinudom Concrete Co., Ltd.				
Trade and other current receivables	0.00	281,280.00	0.00	281,280.00
Trade and other current payables	2,304,285.87	300,969.60	498,047.55	300,969.60
Lease liabilities	25,087,454.19	0.00	0.00	0.00

25.3 Revenues and expenses transaction with related persons and parties for the year ended December 31, 2020 and 2019 are as follows:

**Consolidated financial statements (Baht)    Separate financial statements (Baht)**

	<b>December 31, 2020</b>	<b>December 31, 2019</b>	<b>December 31, 2020</b>	<b>December 31, 2019</b>
Orrada Co., Ltd.				
Sales of goods	0.00	0.00	38,345.00	82,273.40
Other income (interest income)	0.00	0.00	40,778,959.03	34,703,424.76
DSC Product Co., Ltd.				
Sales of goods	0.00	0.00	1,103,806.59	0.00
Other income	0.00	0.00	450,000.00	0.00
Chusin Concrete Co., Ltd.				
Sales of goods	1,846,938.08	0.00	960,206.08	0.00
Costs of sale (for goods)	1,640,520.00	0.00	0.00	0.00
Sinudom Concrete Co., Ltd.				
Sales of goods	918,134.00	1,704,720.00	860,124.00	1,704,720.00
Cost of sales and services	7,888,040.02	0.00	1,574,665.00	0.00
Administrative expenses	2,524.50	0.00	0.00	0.00
Interest expenses-right of use	1,008,436.64	0.00	0.00	0.00

25.4 Other transaction with related persons and parties for the year ended December 31, 2020 and 2019 are as follows:

	<b>Consolidated financial statements (Baht)</b>		<b>Separate financial statements (Baht)</b>	
	<b>December 31, 2020</b>	<b>December 31, 2019</b>	<b>December 31, 2020</b>	<b>December 31, 2019</b>
Miss Wisara Pornkul				
Fixed assets - building	30,166,334.00	0.00	0.00	0.00
Orrada Co., Ltd.				
Fixed assets - building	0.00	0.00	1,939,326.73	0.00

## 26. DIRECTORS' REMUNERATION

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

## 27. MANAGEMENT BENEFIT EXPENSES

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

## 28. EXPENSES ANALYZED BY NATURE

Expenses analyzed by nature are as follows :

	<b>Consolidated financial statements (Baht)</b>		<b>Separate financial statements (Baht)</b>	
	<b>December 31, 2020</b>	<b>December 31, 2019</b>	<b>December 31, 2020</b>	<b>December 31, 2019</b>
Changes in inventories of finished				
goods and work in progress	85,747,122.01	(45,771,052.68)	(1,068,686.55)	837,424.00
Raw materials and consumables used	309,035,619.34	604,006,590.80	271,380,558.27	406,135,581.04
Contractor wages	76,654,912.25	102,299,418.46	66,735,955.31	86,082,328.97
Directors' remuneration	1,680,013.00	865,000.00	1,680,013.00	865,000.00
Management benefit expenses	8,972,028.00	9,781,264.00	5,048,242.00	5,478,278.00
Employees benefit expenses	117,584,653.48	121,030,181.69	92,563,180.02	101,032,846.15
Depreciation	55,529,255.07	49,342,912.27	41,928,143.20	43,657,051.13
Installation transportaion expenses	65,272,585.76	70,251,845.27	47,258,494.19	66,623,023.79

## **29. RIGHTS AND PRIVILEGES FROM PROMOTION CERTIFICATE**

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

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

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

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

29.2 The results of operation of the Group separated by privileges in accordance with promotion certificate for the year ended December 31, 2020 and 2019 are as follows:

(Unit : Baht)

	Promoted business		Non-promoted business		Total	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Sales and services	12,277,555.40	16,552,933.86	915,735,286.53	1,160,666,736.73	928,012,841.93	1,177,219,670.59
Cost of sales and services	(12,013,553.87)	(17,907,460.91)	(601,227,893.21)	(755,529,978.85)	(613,241,447.08)	(773,437,439.76)
Gross profit (loss)	264,001.53	(1,354,527.05)	314,507,393.32	405,136,757.88	314,771,394.85	403,782,230.83
Other income	229,220.73	344,645.72	13,589,785.14	11,098,527.34	13,819,005.87	11,443,173.06
Distribution costs	(3,036,536.90)	(3,944,899.83)	(136,913,826.87)	(160,318,043.39)	(139,950,363.77)	(164,262,943.22)
Administrative expenses	(4,529,110.47)	(4,156,377.77)	(75,306,304.29)	(81,010,921.59)	(79,835,414.76)	(85,167,299.36)
Profit from operation	(7,072,425.11)	(9,111,158.93)	115,877,047.30	174,906,320.24	108,804,622.19	165,795,161.31
Share of profit from investments in associate	0.00	0.00	11,113,120.78	0.00	11,113,120.78	0.00
Finance income	0.00	0.00	217,250.53	958,857.53	217,250.53	958,857.53
Finance costs	0.00	(3,842.30)	(4,936,531.47)	(1,111,279.20)	(4,936,531.47)	(1,115,121.50)
Profit (Loss) before income tax	(7,072,425.11)	(9,115,001.23)	122,270,887.14	174,753,898.57	115,198,462.03	165,638,897.34
Tax expense	0.00	0.00	(25,823,675.36)	(34,960,880.67)	(25,823,675.36)	(34,960,880.67)
Profit (Loss) for the year	(7,072,425.11)	(9,115,001.23)	96,447,211.78	139,793,017.90	89,374,786.67	130,678,016.67

Unidentifiable distribution cost, administrative expenses and finance costs were allocated to each related income segment.

### 30. OPERATING SEGMENTS

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

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

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

	(Unit : Baht)							
	Sales of construction supplies		Sales of real estate		Real estate for lease		Total	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
<u>Statement of comprehensive income</u>								
Revenues	763,190,643.58	950,857,550.33	149,629,758.35	211,201,120.26	15,192,440.00	15,161,000.00	928,012,841.93	1,177,219,670.59
Costs	(518,511,259.17)	(626,811,468.72)	(92,508,799.06)	(144,105,592.63)	(2,221,388.85)	(2,520,378.41)	(613,241,447.08)	(773,437,439.76)
Segment gross profit	244,679,384.41	324,046,081.61	57,120,959.29	67,095,527.63	12,971,051.15	12,640,621.59	314,771,394.85	403,782,230.83
Distribution costs	(107,388,763.44)	(131,332,712.42)	(32,561,600.33)	(32,930,230.80)	0.00	0.00	(139,950,363.77)	(164,262,943.22)
Administrative expenses	(58,732,482.66)	(61,291,241.25)	(11,221,077.94)	(14,144,379.62)	0.00	0.00	(69,953,560.60)	(75,435,620.87)
Profit before operations	78,558,138.31	131,422,127.94	13,338,281.02	20,020,917.21	12,971,051.15	12,640,621.59	104,867,470.48	164,083,666.74
Other income							13,819,005.87	11,443,173.06
Unallocated expenses							(9,881,854.16)	(9,731,678.49)
Share of profit from investments in associate							11,113,120.78	0.00
Finance costs							217,250.53	958,857.53
Finance income							(4,936,531.47)	(1,115,121.50)
Tax expense							(25,823,675.36)	(34,960,880.67)
Profit for the year							89,374,786.67	130,678,016.67



(Unit : Baht)

	Sales of construction supplies		Sales of real estate		Real estate for lease		Total	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
<u>Statement of financial position</u>								
Segment assets	794,691,975.96	914,385,232.05	1,468,779,869.00	1,375,650,682.04	324,676,646.23	306,787,346.80	2,588,148,491.19	2,596,823,260.89
Unallocated assets							201,849,768.09	26,378,934.60
Total assets							<u>2,789,998,259.28</u>	<u>2,623,202,195.49</u>
Segment liabilities	333,391,562.74	152,274,150.87	1,851,176.94	31,034,945.02	2,207,000.00	2,402,000.00	337,449,739.68	185,711,095.89
Unallocated liabilities							6,631,097.65	6,589,674.09
Total liabilities							<u>344,080,837.33</u>	<u>192,300,769.98</u>

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

30.5 For the year ended December 31, 2020 and 2019, the Group have income from sales of construction supplies in the amount of Baht 126.51 million and Baht 224.80 million respectively received from 5 major customers.

### 31. DISCLOSURE AND PRESENTATION OF FINANCIAL INSTRUMENTS

#### 31.1 Accounting policy

The significant accounting policies and method adopted including the basis of recognition and measurement relating to each class of financial assets and liabilities have been disclosed in notes to financial statements No. 4.14.

#### 31.2 Credit risk

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

#### 31.3 Interest rate risk

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

As at December 31, 2020 and 2019, the significant financial assets and liabilities can be classified by interest rate as follows :

Unit : Million Baht

Consolidated financial statements											
	Floating interest rate		Fixed interest rate		Non-interest rate		Total		Interest rate		
Note	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	
<b>Financial assets</b>											
Cash and cash equivalents	6	77.69	176.23	0.00	0.00	9.19	15.40	86.88	191.63	0.05%-0.15%	0.10%-0.63%
Trade and other current receivables	7	0.00	0.00	0.00	0.00	118.93	127.66	118.93	127.66	-	-
<b>Financial liabilities</b>											
Bank overdrafts and short-term borrowings											
from financial institutions	17	165.36	0.44	0.00	0.00	0.00	0.00	165.36	0.44	4.47-5.25	5.40-6.35
Trade and other current payables	18	0.00	0.00	0.00	0.00	96.59	130.82	96.59	130.82	-	-
Lease liabilities	19	0.00	0.00	33.80	33.80	0.00	0.00	33.80	33.80	3.65%-4.60%	3.65%-3.75%

Unit : Million Baht

Separate financial statements											
	Floating interest rate		Fixed interest rate		Non-interest rate		Total		Interest rate		
Note	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	
<b>Financial assets</b>											
Cash and cash equivalents	6	56.12	120.72	0.00	0.00	4.34	8.66	60.46	129.38	0.05%-0.15%	0.10%-0.63%
Trade and other current receivables	7	0.00	0.00	0.00	0.00	92.59	111.30	92.59	111.30	-	-
Short-term loans	8	0.00	0.00	1,385.00	1,202.00	0.00	0.00	1,385.00	1,202.00	0.30%	0.30%
<b>Financial liabilities</b>											
Bank overdrafts and short-term borrowings											
from financial institutions	17	165.36	0.44	0.00	0.00	0.00	0.00	165.36	0.44	4.47-5.25	5.40-6.35
Trade and other current payables	18	0.00	0.00	0.00	0.00	77.48	87.21	77.48	87.21	-	-
Lease liabilities	19	0.00	0.00	7.85	15.37	0.00	0.00	7.85	15.37	3.65%-3.75%	3.65%-3.75%

### 31.4 Liquidity risk

The Group has liquidity risk management by maintaining adequate reserves cash and cash equivalents and high liquid investment in equity securities for the Group's operation and in order to reduce of effects from cash flows fluctuation.

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

	<b>Consolidated financial statements (Baht)</b>			
	<u>Less than 1 year</u>	<u>1 - 3 years</u>	<u>3 - 5 years</u>	<u>Total</u>
Bank overdrafts and short-term borrowings				
from financial institutions	165,360,620.52	0.00	0.00	165,360,620.52
Trade and other current payables	96,597,236.09	0.00	0.00	96,597,236.09
Lease liabilities	7,191,352.99	5,405,158.56	21,205,971.37	33,802,482.92
<b>Total</b>	<b>269,149,209.60</b>	<b>5,405,158.56</b>	<b>21,205,971.37</b>	<b>130,399,719.01</b>

	<b>Separate financial statements (Baht)</b>			
	<u>Less than 1 year</u>	<u>1 - 3 years</u>	<u>3 - 5 years</u>	<u>Total</u>
Bank overdrafts and short-term borrowings				
from financial institutions	165,360,620.52	0.00	0.00	165,360,620.52
Trade and other current payables	77,479,039.93	0.00	0.00	77,479,039.93
Lease liabilities	6,328,170.54	1,522,614.99	0.00	7,850,785.53
<b>Total</b>	<b>249,167,830.99</b>	<b>1,522,614.99</b>	<b>0.00</b>	<b>85,329,825.46</b>

### 31.5 Fair value of financial instrument

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

### 32. HIERARCHY LEVELS OF FAIR VALUE

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

Unit : Million Baht

<b>Consolidated financial statements (Baht)</b>					
Note	Level 1	Level 2	Level 3	Total	
<b>Assets measured at fair value</b>					
Investments in associate	10	148.42	0.00	0.00	148.42
Investment properties	12	0.00	0.00	566.85	566.85

Unit : Million Baht

<b>Separate financial statements (Baht)</b>					
Note	Level 1	Level 2	Level 3	Total	
<b>Assets measured at fair value</b>					
Investments in associate	10	148.42	0.00	0.00	148.42

### 33. COMMITMENT AND CONTINGENT LIABILITIES

33.1 The Group have commitment under hire contractors agreement, purchase inventories agreement, lease land agreement and others as at December 31, 2020 and 2019, totally Baht 44.58 million and Baht 70.59 million in the consolidated financial statements and Baht 18.27 million and Baht 35.10 million in the separate financial statements respectively.

33.2 The Group have contingent liabilities from a bank issuance of letter of guarantees for purchasing raw materials from several sellers for guarantee the work performance to the employer and guarantee central utilities usage to government agencies as at December 31, 2020 and 2019 amounting to Baht 138.32 million and Baht 99.35 million in the consolidated financial statements, and amounting to Baht 116.01 million and amounting to Baht 81.20 million in the separate financial statements respectively. Contingent liabilities are guaranteed by land, building, machinery and equipment (note 13).

33.3 As at December 31, 2020 and 2019, the Company has contingent liabilities from entering into credit line guarantee agreement which the subsidiary made with a bank in the maximum guarantee for principal amount of Baht 41.30 million.

#### **34. PROVIDENT FUND**

On June 1, 2004, the Group have joined to be a member of provident fund named "SCBAM Master Fund" which registered in accordance with the Provident Fund Act B.E. 2530 and the amendment by appointing the fund management to be fund manager. The fund is contributed to the employees rate of 3-15% of employees wage and the Group at the rate of 3-15%. The accumulation and benefits will be paid to the members upon their retirement, death or resignation.

As at December 31, 2020 and 2019, the Group has contributed provident fund amount of Baht 2.12 million and Baht 1.78 million in the consolidated financial statements, and amount of Baht 1.50 million and Baht 1.36 million in separate financial statements respectively.

#### **35. CAPITAL MANAGEMENT**

The objective of financial management of the Group are to preserve the ability to continue its operation as a going concern and capital structure to be properly appropriated.

### 36. RECLASSIFICATION

The certain accounts in the 2019 financial statements have been reclassified for corresponding with the presentation in the 2020 financial statements as follows:

	Consolidated financial statements (Baht)			Separate financial statements (Baht)		
	<u>Before reclassify</u>	<u>Reclassified</u>	<u>After reclassify</u>	<u>Before reclassify</u>	<u>Reclassified</u>	<u>After reclassify</u>
<u>STATEMENTS OF FINANCIAL POSITION</u>						
<u>AS AT DECEMBER 31, 2019</u>						
Land held for development	19,933,323.78	(19,933,323.78)	0.00	0.00	0.00	0.00
Investment properties	315,475,822.84	19,933,323.78	335,409,146.62	0.00	0.00	0.00
Property, plant and equipment	492,127,161.42	29,879,634.40	522,006,795.82	367,411,626.46	29,879,634.40	397,291,260.86
Non-operating assets	29,879,634.40	(29,879,634.40)	0.00	29,879,634.40	(29,879,634.40)	0.00
<u>STATEMENTS OF FINANCIAL POSITION</u>						
<u>AS AT JANUARY 1, 2019</u>						
Land held for development	19,933,323.78	(19,933,323.78)	0.00	0.00	0.00	0.00
Investment properties	48,794,864.94	19,933,323.78	68,728,188.72	0.00	0.00	0.00
Property, plant and equipment	466,116,936.68	32,819,911.89	498,936,848.57	383,169,928.36	32,819,911.89	415,989,840.25
Non-operating assets	32,819,911.89	(32,819,911.89)	0.00	32,819,911.89	(32,819,911.89)	0.00
<u>STATEMENTS OF CASH FLOWS</u>						
<u>AS AT DECEMBER 31, 2019</u>						
Other intangible assets	(1,629,866.39)	1,629,866.39	0.00	(41,000.00)	41,000.00	0.00
Payments for other						
intangible assets	0.00	(1,629,866.39)	(1,629,866.39)	0.00	(41,000.00)	(41,000.00)

### 37. EVENTS AFTER THE REPORTING PERIOD

According to the minutes of Board of directors' meeting No. 1/2021 held on February 24, 2021, passed the resolution to submit the approval to the general meeting of the shareholders for the year 2020 Pay dividend from the results of operation for the year 2019 to the shareholders at Baht 0.008 per share for 5,386.34 million shares totally Baht 43.09 million.

### 38. FINANCIAL STATEMENTS APPROVAL

These financial statements were approved and authorized for issue by the Company's Board of directors on February 24, 2021.

# DCON GROUP



---

## DCON PRODUCT COMPANY LIMITED

3300/57 Elephant Building, Tower B 8th FL.

Phaholyotin Road, Chatujak, Bangkok 10900 Thailand.

Tel. (66) 0 2937 3312-7

Fax. (66) 0 2937 3328, 0 2937 4762



[www.dconproduct.com](http://www.dconproduct.com)