

## DOD Biotech Public Company Limited and its subsidiaries

### Notes to consolidated financial statements

For the year ended 31 December 2022

#### 1. General information

DOD Biotech Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of food supplements and health drinks of all kinds. The registered office of the Company is at 111, Moo 2, Tumbol Taa jeen, Amphor Muengsamutsakhon, Samut Sakhon.

#### 2. Basis of preparation

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

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

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

#### 2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of DOD Biotech Public Company Limited (“ the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2022	2021
			Percent	Percent
<b>Direct subsidiaries</b>				
DOD Healthy Life Co., Ltd.	Holding business	Thailand	99.99	99.99
Ultima Life Co., Ltd.	Bankruptcy	Thailand	-	80.00
HY DOD Co., Ltd.	Dissolution and during process of liquidation	Thailand	51.00	51.00
DOD Sale power Co., Ltd.	Advisory service	Thailand	70.00	70.00
Siam Herbal Tech Co., Ltd.	Manufacturing extraction	Thailand	90.24	99.51
AK DOD Co., Ltd.	Trading business	Thailand	51.00	51.00
A Metaverse Co.,Ltd.	Supplementary business	Thailand	50.00	-
<b>Indirect subsidiary</b>				
PCCA Laboratory Co., Ltd.	Manufacturing cosmetic business	Thailand	90.00	90.00

Details of the changes in the structure of the Group during the current year are presented in Note 12 to the consolidated financial statements.

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries under the cost method.

### **3. New financial reporting standards**

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

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

#### **3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2023**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

#### **4. Significant accounting policies**

##### **4.1 Revenue and expense recognition**

###### **Sales of goods**

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts, allowances and price promotions to customers.

###### **Interest income**

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

###### **Finance cost**

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

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

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

##### **4.3 Inventories**

Finished goods and work in process are valued at the lower of cost (under the first-in, first-out method) and net realisable value. The cost of inventories includes all production costs and attributable factory overheads.

Raw materials, chemicals, spare parts and factory supplies are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

##### **4.4 Investments in subsidiaries**

Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

##### **4.5 Property, plant and equipment/Depreciation**

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Land improvements	-	5 - 20 years
Buildings	-	30 years
Buildings improvements	-	5 - 30 years
Machinery and equipment	-	5 - 20 years
Furniture, fixtures and office equipment	-	5 years
Motor vehicles	-	5 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

#### 4.6 Intangible assets

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>	
Licences	10	years
Patents	8	years
Computer software	5	years

#### 4.7 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash-generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

## 4.8 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### **The Group as a lessee**

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

#### ***Right-of-use assets***

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Right-of-use assets is buildings which has an estimated useful lives of 20 years.

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

#### ***Lease liabilities***

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

### ***Short-term leases and leases of low-value assets***

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

#### **4.9 Related party transactions**

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

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

#### **4.10 Foreign currencies**

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

#### **4.11 Impairment of non-financial assets**

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal. An impairment loss is recognised in profit or loss.

In the assessment of asset impairment (except for goodwill), if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

#### **4.12 Employee benefits**

##### **Short-term employee benefits**

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

##### **Post-employment benefits**

###### ***Defined contribution plans***

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

###### ***Defined benefit plans***

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

#### **4.13 Provisions**

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### **4.14 Income tax**

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

##### **Current tax**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

##### **Deferred tax**

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

#### **4.15 Financial instruments**

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

##### **Classification and measurement of financial assets**

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.



### ***Financial assets at amortised cost***

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

### ***Financial assets designated at FVOCI (equity instruments)***

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

### ***Financial assets at FVTPL***

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

### **Classification and measurement of financial liabilities**

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

## **Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

## **Impairment of financial assets**

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

## **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **4.16 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

### **5. Significant accounting judgements and estimates**

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

### **Determining the lease term with extension and termination options - The Group as a lessee**

In determining the lease term, the management is required to exercise judgment in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease, considering all relevant factors and circumstances that create an economic incentive for the Group to exercise either the extension or termination option. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

### **Allowance for expected credit losses of trade receivables**

In determining an allowance for expected credit losses of trade receivables, 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 loss on diminution in value of inventories**

The Group has provided allowance for obsolete inventories based upon the quantities of inventories which are no longer in the production plan. For slow-moving inventories, the Group estimates allowance based upon the quantities of inventories which are expected to be unsalable considering the actual sales information of the current year and sales plan for next year.

### **Property plant and equipment/Depreciation**

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

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

### **Goodwill**

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

## Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

## 6. Related party transactions

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unit: Baht)

	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	2022	2021	2022	2021	
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Sales of goods	-	-	-	4,183,885	Market price
Interest income	-	-	13,736,835	16,007,079	5 and 6% per annum (2021: 6% per annum)
Other income	-	-	24,535	40,383	Contract price
Other expenses	-	-	75,000	-	Contract price

As at 31 December 2022 and 2021, the balances of the accounts between the Group and those related companies are as follows:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b>Trade and other receivables - related parties (Note 8)</b>				
Subsidiaries	-	-	76,943,994	144,215,787
Less: Allowance for expected credit losses	-	-	(51,640,226)	(119,512,792)
	-	-	25,303,768	24,702,995
<b>Other payables - related party (Note 17)</b>				
Subsidiary	-	-	80,250	-
	-	-	80,250	-
<b>Advance received for goods - related party</b>				
Subsidiary	-	-	-	179,040
	-	-	-	179,040

## Loans to subsidiaries

As at 31 December 2022 and 2021, the balances of loans between the Group and the movement in loans are as follows:

(Unit: Baht)

	Separate financial statements			
	Balance as at 1 January 2022	Increase during the year	Decrease during the year	Balance as at 31 December 2022
<b>Loans to related parties</b>				
<b>Short-term loan to related party</b>				
Siam Herbal Tech Co., Ltd.	-	45,000,000	-	45,000,000
Total short-term loan to a subsidiary	-	45,000,000	-	45,000,000
<b>Long-term loans to related parties</b>				
DOD Healthy Life Co., Ltd.	298,000,000	-	-	298,000,000
DOD Sale power Co., Ltd.	5,800,000	-	-	5,800,000
PCCA Laboratory Co., Ltd.	277,100,000	-	-	277,100,000
Ultima Life Co., Ltd.	1,005,000	-	(1,005,000)	-
	581,905,000	-	(1,005,000)	580,900,000
Less: Allowance for expected credit losses	(363,567,330)	-	1,005,000	(362,562,330)
Total long-term loans to subsidiaries - net	218,337,670	-	-	218,337,670

Loans to related parties carried interest 5 and 6 percent per annum with repayment at call.

## Short-term loan from shareholder

As at 31 December 2022 and 2021, the balances of short-term loan from shareholder and the movement in loan is as follows:

(Unit: Baht)

	Consolidated / Separate financial statements			
	Balance as at 1 January 2022	Increase during the year	Decrease during the year	Balance as at 31 December 2022
<b>Short-term loan from shareholder</b>				
Major Shareholder	-	10,000,000	-	10,000,000
Total short-term loan from shareholder	-	10,000,000	-	10,000,000

Short-term loan from shareholder carried 3 percent per annum with repayment on 27 June 2023.

Set out below is the movements in the allowance for expected credit losses of loans to related parties and accrued interest receivables.

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Beginning balance	-	-	402,137,033	409,698,521
Provision for expected credit loss	-	-	13,100,260	-
Reversal	-	-	-	(7,561,488)
Write-off	-	-	(1,034,737)	-
Ending balance	-	-	401,102,296	402,137,033

#### Directors and management's benefits

The Group had employee benefit expenses payable to their directors and management as below.

(Unit: Baht)

	Consolidated		Separate financial	
	financial statements		statements	
	2022	2021	2022	2021
Short-term employee benefits	33,613,039	43,116,370	25,608,078	29,774,138
Post-employment benefits	1,161,851	829,012	931,473	829,012
Total	34,774,890	43,945,382	26,539,551	30,603,150

#### 7. Cash and cash equivalents

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Cash	114,885	122,808	81,800	88,549
Bank deposits	30,153,614	161,553,815	10,891,643	98,619,478
Total	30,268,499	161,676,623	10,973,443	98,708,027

As at 31 December 2022, bank deposits in saving accounts carried interests between 0.05 and 0.35 percent per annum (2021: between 0.05 and 0.30 percent per annum).

## 8. Trade and other receivables

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b>Trade receivables - related parties</b>				
Aged on the basis of due dates				
Past due				
3 - 6 months	-	-	-	590,023
6 - 12 months	-	-	-	8,412,587
Over 12 months	-	-	-	72,069,906
Total	-	-	-	81,072,516
Less: Allowance for expected credit losses (Note 6)	-	-	-	(80,943,089)
Total trade receivables - related parties, net	-	-	-	129,427
<b>Trade receivables - unrelated parties</b>				
Aged on the basis of due dates				
Not yet due	37,789,441	68,679,786	37,190,241	67,999,679
Past due				
Up to 3 months	31,302,740	151,561,732	30,999,539	150,805,887
3 - 6 months	76,226,491	83,374,647	76,226,491	82,041,073
6 - 12 months	204,249,445	12,268,023	203,796,785	12,260,356
Over 12 months	111,705,048	16,693,315	100,977,079	5,035,913
Total	461,273,165	332,577,503	449,190,135	318,142,908
Less: Allowance for expected credit losses	(422,221,730)	(17,206,805)	(411,041,102)	(5,496,149)
Total trade receivables - unrelated parties, net	39,051,435	315,370,698	38,149,033	312,646,759
Total trade receivables - net	39,051,435	315,370,698	38,149,033	312,776,186
<b>Other receivables</b>				
Advances payment - unrelated parties	546,132	303,685	545,900	58,338
Other receivables - related parties	-	-	93,625	-
Other receivables - unrelated parties	17,664,370	23,298,793	716,283	130,954
Interest receivables - related parties	-	-	76,850,369	63,143,271
Interest receivables - unrelated parties	28,042	28,055	28,042	28,055
Total	18,238,544	23,630,533	78,234,219	63,360,618
Less: Allowance for expected credit losses (Note 6)	-	(1,257,225)	(51,640,226)	(38,569,703)
Total other receivables - net	18,238,544	22,373,308	26,593,993	24,790,915
Total trade and other receivables - net	57,289,979	337,744,006	64,743,026	337,567,101

The normal credit term is 30 to 90 days.



Set out below is the movements in the allowance for expected credit losses of trade receivables.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Beginning balance	17,206,805	15,699,864	86,439,238	10,995,919
Provision for expected credit losses	405,014,925	1,506,941	405,544,953	75,443,319
Amount written off	-	-	(80,943,089)	-
Ending balance	<u>422,221,730</u>	<u>17,206,805</u>	<u>411,041,102</u>	<u>86,439,238</u>

The significant increase in allowance for expected credit losses of trade receivables in 2022 of Baht 405 million was mainly due to the allowance for expected credit losses of trade receivables of an unrelated party which had long outstanding balance (2021: Baht 75 million was mainly due to the allowance for expected credit losses of trade receivables from discontinued operation of a subsidiary)

During the current year, the Company had written-off trade receivables and allowance for expected credit losses of trade receivables of a subsidiary of Baht 81 million due to bankruptcy of the subsidiary.

## 9. Inventories

(Unit: Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2022	2021	2022	2021	2022	2021
	Finished goods	17,699,543	39,680,053	(3,097,439)	(25,006,189)	14,602,104
Work in process	17,146,058	6,395,802	(1,168,511)	(4,003,304)	15,977,547	2,392,498
Raw materials	103,752,113	157,221,661	(36,303,894)	(60,823,868)	67,448,219	96,397,793
Total	<u>138,597,714</u>	<u>203,297,516</u>	<u>(40,569,844)</u>	<u>(89,833,361)</u>	<u>98,027,870</u>	<u>113,464,155</u>

(Unit: Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2022	2021	2022	2021	2022	2021
	Finished goods	14,537,351	17,590,603	(3,097,439)	(6,866,957)	11,439,912
Work in process	5,428,299	3,031,373	(1,168,511)	(1,117,062)	4,259,788	1,914,311
Raw materials	101,256,810	85,528,116	(36,303,894)	(17,231,657)	64,952,916	68,296,459
Total	<u>121,222,460</u>	<u>106,150,092</u>	<u>(40,569,844)</u>	<u>(25,215,676)</u>	<u>80,652,616</u>	<u>80,934,416</u>

During the current year, the Group reversed the write-down of cost of inventories by Baht 49.3 million and reduced the amount of inventories recognised as expenses during the year (2021: the Group reduced value of inventories by Baht 78.2 million to reflect the net realisable value. This was included in cost of sales (the Company only: Reduced cost of inventories to reflect the net realisable value by Baht 15.4 million, (2021: Baht 15.4 million)).

## 10. Restricted bank deposits

These represent fixed deposits pledged with the banks to secure bank overdrafts and short-term loans from bank.

## 11. Other non-current financial assets

(Unit: Baht)

	Consolidated financial statements and separate financial statements	
	2022	2021
<b>Equity instruments designated at FVOCI</b>		
Non-listed equity instruments	2,600,000	2,600,000
Total other non-current financial assets - net	2,600,000	2,600,000

## 12. Investments in subsidiaries

### Details of investments in subsidiaries as presented in separate financial statements

Company	Nature of business	Country of registration	Percentage of shareholding		Paid-up capital		Cost method	
			2022	2021	2022	2021	2022	2021
			(%)	(%)	Baht	Baht	Baht	Baht
<b>Direct subsidiaries</b>								
DOD Healthy Life Co., Ltd.	Holding business	Thailand	99.99	99.99	1,000,000	1,000,000	999,980	999,980
Ultima Life Co., Ltd.	Bankruptcy	Thailand	-	80.00	-	50,000,000	-	39,999,990
HY DOD Co., Ltd.	Dissolution and during process of liquidation	Thailand	51.00	51.00	500,000	500,000	254,990	254,990
DOD Sale power Co., Ltd.	Advisory service	Thailand	70.00	70.00	2,000,000	2,000,000	1,399,900	1,399,900
Siam Herbal Tech Co., Ltd.	Manufacturing Extraction	Thailand	90.24	99.51	260,000,000	260,000,000	234,633,600	258,733,600
AK DOD Co., Ltd.	Trading business	Thailand	51.00	51.00	500,000	500,000	254,990	254,990
A Metaverse Co., Ltd.	Supplementary business	Thailand	50.00	-	2,500,000	-	1,250,000	-
Total					266,500,000	314,000,000	238,793,460	301,643,450
Less: Allowance for impairment of investments							(186,215)	(39,999,990)
Investments in subsidiaries, net							238,607,245	261,643,460

**Ultima Life Co., Ltd**

During the year 2021, the Company recorded allowance for impairment of investments in Ultima Life Co., Ltd (“UTM”) of Baht 40 million. UTM registered its dissolution with the Ministry of Commerce on 31 August 2021 and during process of liquidation. During 2022, the Group’s decision to remove the financial statements of Ultima Life Company Limited from consolidation financial statements since the date of bankruptcy of the subsidiary.

**HY DOD Co., Ltd.**

During the year 2022, the Company recorded allowance for impairment of investments in HY DOD Co., Ltd (“HY DOD”) of Baht 0.2 million. HY DOD registered its dissolution with the Ministry of Commerce on 26 December 2022 and during process of liquidation

**Siam Herbal Tech Co., Ltd**

During the year 2021, the Company entered into an agreement to sell part of its shareholding in SHT to a strategic investor and one of the Company’s management (“investors”). The Company granted each investor rights to purchase ordinary shares of SHT in accordance with the terms and conditions stipulated in the agreement up to a maximum of 1,560,000 shares in total, or equivalent to approximately 60% of the issued and paid-up shares of SHT. During the year 2021, the Company sold 12,664 shares of SHT. During the year 2022, the Company sold 241,000 shares of SHT and received payment of Baht 20 million. Hence, as at 31 December 2022, the Company holds 2,346,336 shares of SHT or equivalent to approximately 90.24%. The Group recognized the difference between the amount received and the proportionate reduction in the book value due to the sale of the sales shares as surplus (deficit) arising from change in ownership interest in subsidiary. This was presented under “shareholders’ equity” in the consolidated financial statements.

**A Metaverse Co., Ltd.**

During the year 2022, the Company has invested in ordinary shares of A Metaverse Co., Ltd. (“AMV”) in the amount of 500,000 shares at 2.5 baht per share, of Baht 1.25 million, representing 50% of the issued and paid-up shares of AMV, which was registered with the Department of Business Development on 13 December 2022.

No dividend received from subsidiaries during the year.

### 13. Property, plant and equipment

(Unit: Baht)

#### Consolidated financial statements

	Furniture, fixtures and office equipment							Assets under construction	Total
	Land	Land improvement	Buildings	Building improvement	Machinery and equipment	Motor vehicles			
<b>Cost:</b>									
1 January 2021	220,565,727	6,930,072	342,613,698	157,681,533	237,994,517	25,722,624	9,101,051	22,274,689	1,022,883,911
Additions	-	-	-	2,142,202	9,806,720	4,114,811	452,562	165,101,787	181,618,082
Disposals	-	-	-	-	(32,342,724)	(12,257,206)	(2,633,645)	-	(47,233,575)
Transfers	-	4,652,255	-	8,090,310	4,825,489	2,335,493	-	(19,903,547)	-
31 December 2021	220,565,727	11,582,327	342,613,698	167,914,045	220,284,002	19,915,722	6,919,968	167,472,929	1,157,268,418
Additions	-	-	-	3,169,007	26,732,747	2,412,057	3,300,000	29,894,999	65,508,810
Disposals/write-off	-	-	-	(64,405)	(4,593,840)	(2,103,192)	(120,000)	(5,415,493)	(12,296,930)
Transfers	-	4,231,112	-	49,621,085	22,568,577	2,762,620	-	(79,183,394)	-
31 December 2022	220,565,727	15,813,439	342,613,698	220,639,732	264,991,486	22,987,207	10,099,968	112,769,041	1,210,480,298
<b>Accumulated depreciation:</b>									
1 January 2021	-	1,779,227	36,197,162	24,470,245	79,040,142	11,020,972	6,410,872	-	158,918,620
Depreciation for the year	-	1,037,789	15,925,822	9,597,881	27,988,596	4,653,853	1,238,842	-	60,442,783
Depreciation on disposals	-	-	-	-	(15,386,976)	(5,766,559)	(1,801,326)	-	(22,954,861)
31 December 2021	-	2,817,016	52,122,984	34,068,126	91,641,762	9,908,266	5,848,388	-	196,406,542
Depreciation for the year	-	1,239,843	17,811,549	8,265,854	29,015,801	3,240,135	786,699	-	60,359,881
Depreciation on disposals/write-off	-	-	-	(52,413)	(4,394,904)	(1,873,587)	(119,999)	-	(6,440,903)
31 December 2022	-	4,056,859	69,934,533	42,281,567	116,262,659	11,274,814	6,515,088	-	250,325,520
<b>Allowance for impairment loss:</b>									
1 January 2021	-	-	-	-	-	-	-	-	-
Increase during the year	1,699,500	-	23,000,000	4,965,471	16,182,819	2,641,607	1,369	8,227,493	56,718,259
31 December 2021	1,699,500	-	23,000,000	4,965,471	16,182,819	2,641,607	1,369	8,227,493	56,718,259
Decrease during the year	-	-	-	-	(127,457)	(141,323)	-	(5,377,493)	(5,646,273)
31 December 2022	1,699,500	-	23,000,000	4,965,471	16,055,362	2,500,284	1,369	2,850,000	51,071,986
<b>Net book value:</b>									
31 December 2021	218,866,227	8,765,311	267,490,714	128,880,448	112,459,421	7,365,849	1,070,211	159,245,436	904,143,617
31 December 2022	218,866,227	11,756,580	249,679,165	173,392,694	132,673,465	9,212,109	3,583,511	109,919,041	909,082,792
<b>Depreciation for the year</b>									
2021 (Baht 41 million included in manufacturing cost, and the balance in selling and administrative expenses)									60,442,783
2022 (Baht 38 million included in manufacturing cost, and the balance in selling and administrative expenses)									60,359,881

## Separate financial statements

	Land		Building		Machinery and equipment	Furniture, fixtures and office equipment		Motor vehicles	Assets under construction	Total
	Land	improvement	Buildings	improvement						
<b>Cost:</b>										
1 January 2021	144,376,728	6,930,072	148,036,918	102,755,474	176,493,083	12,566,054	7,087,720	17,795,944	616,041,993	
Additions	-	-	-	2,116,702	8,500,033	3,536,781	452,562	30,424,300	45,030,378	
Disposals	-	-	-	-	-	(411,376)	-	-	(411,376)	
Transfers	-	4,652,255	-	7,845,590	2,878,495	57,383	-	(15,433,723)	-	
31 December 2021	144,376,728	11,582,327	148,036,918	112,717,766	187,871,611	15,748,842	7,540,282	32,786,521	660,660,995	
Additions	-	-	-	1,054,786	5,275,152	1,265,690	3,300,000	15,181,752	26,077,380	
Disposals	-	-	-	-	(2,934,750)	(286,913)	(120,000)	-	(3,341,663)	
Transfers	-	-	-	17,025,585	9,233,103	2,762,620	-	(29,021,308)	-	
31 December 2022	144,376,728	11,582,327	148,036,918	130,798,137	199,445,116	19,490,239	10,720,282	18,946,965	683,396,712	
<b>Accumulated depreciation:</b>										
1 January 2021	-	1,779,227	13,939,780	13,209,873	65,129,060	8,343,040	5,397,614	-	107,798,594	
Depreciation for the year	-	1,037,789	5,782,035	4,999,132	19,582,725	2,350,632	1,072,954	-	34,825,267	
Depreciation on disposals	-	-	-	-	-	(211,814)	-	-	(211,814)	
31 December 2021	-	2,817,016	19,721,815	18,209,005	84,711,785	10,481,858	6,470,568	-	142,412,047	
Depreciation for the year	-	1,070,019	5,782,035	5,773,443	19,890,024	2,266,200	786,205	-	35,567,926	
Depreciation on disposals	-	-	-	-	(2,934,739)	(254,587)	(119,999)	-	(3,309,325)	
31 December 2022	-	3,887,035	25,503,850	23,982,448	101,667,070	12,493,471	7,136,774	-	174,670,648	
<b>Net book value:</b>										
31 December 2021	144,376,728	8,765,311	128,315,103	94,508,761	103,159,826	5,266,984	1,069,714	32,786,521	518,248,948	
31 December 2022	144,376,728	7,695,292	122,533,068	106,815,689	97,778,046	6,996,768	3,583,508	18,946,965	508,726,064	
<b>Depreciation for the year</b>										
2021 (Baht 29 million included in manufacturing cost, and the balance in selling and administrative expenses)									34,825,267	
2022 (Baht 31 million included in manufacturing cost, and the balance in selling and administrative expenses)									35,567,926	

As at 31 December 2022, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 90 million (2021: Baht 85 million) (the Company only: Baht 63 million, 2021: Baht 48 million).

The Group has mortgaged their property, plant and equipment amounting to approximately Baht 376 million (2021: Baht 390 million) (the Company only: Baht 259 million, 2021: Baht 267 million) as collateral against credit facilities received from financial institutions.

The Group has property, plant and equipment which retired from active use and not classified as held for sales with net book value amounting to Baht 232 million (2021: Baht 251 million).

#### 14. Leases

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 5 - 20 years.

##### a) Right-of-use assets

Movements of right-of-use assets in the consolidated financial statements for the years ended 31 December 2022 and 2021 are summarised below:

	(Unit: Baht)		
	Buildings	Office equipment	Total
1 January 2021	11,537,361	252,976	11,790,337
Additions	59,360,906	-	59,360,906
Decrease	(9,189,875)	(183,135)	(9,373,010)
Depreciation for the year	(4,820,857)	(69,841)	(4,890,698)
31 December 2021	56,887,535	-	56,887,535
Depreciation for the year	(2,968,046)	-	(2,968,046)
31 December 2022	<u>53,919,489</u>	<u>-</u>	<u>53,919,489</u>

##### b) Lease liabilities

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Lease liabilities	89,666,597	92,314,342	2,466,597	314,342
Less: Deferred interest expenses	(31,221,809)	(34,083,781)	(150,192)	(13,781)
Total	58,444,788	58,230,561	2,316,405	300,561
Less: Portion due within one year	(2,621,222)	(4,921,215)	(722,711)	(121,215)
Lease liabilities - net of current portion	<u>55,823,566</u>	<u>53,309,346</u>	<u>1,593,694</u>	<u>179,346</u>

Movements of the lease liability account during the years ended 31 December 2022 and 2021 are summarised below:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Balance at beginning of year	58,230,561	12,899,508	300,561	639,979
Additions	3,300,000	59,360,906	3,300,000	-
Accretion of interest	2,318,279	2,887,679	60,605	13,178
Repayments	(5,404,052)	(8,297,096)	(1,344,761)	(352,596)
Cancelled lease	-	(8,620,436)	-	-
Balance at end of year	58,444,788	58,230,561	2,316,405	300,561

**c) Expenses relating to leases that are recognised in profit or loss**

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Depreciation expense of right-of-use assets	2,968,046	4,890,698	-	-
Interest expense on lease liabilities	2,318,279	2,887,679	60,605	13,178
Expense relating to leases of low-value assets	159,493	165,999	159,493	165,999

**d) Others**

The Group had total cash outflows for leases for the year ended 31 December 2022 of Baht 5 million (2021: Baht 8 million), including the cash outflow related to short-term lease and leases of low-value assets.

**15. Goodwill**

The Group has goodwill from acquired PCCA Laboratory Co., Ltd. amounting to Baht 108 million. As result of Covid-19 pandemic has substantially decreased on forecast sales and gross margins of PCCA Laboratory Co., Ltd. The Group recognised an impairment loss of goodwill for whole amount in the consolidated financial statements for the year ended 31 December 2020.

## 16. Bank overdrafts and short-term loans from financial institutions

(Unit: Baht)

	Interest rate (percent per annum)	Consolidated		Separate	
		financial statements		financial statements	
		2022	2021	2022	2021
Bank overdrafts	MOR	17,698,839	-	17,698,839	-
Short-term loans from bank	MOR -1, MLR - 0.50	121,000,000	77,000,000	121,000,000	77,000,000
Total		<u>138,698,839</u>	<u>77,000,000</u>	<u>138,698,839</u>	<u>77,000,000</u>

Bank overdrafts and short-term loans from bank are secured by the mortgage of the Company's land, building on land, fixed deposit, machineries and certain directors.

## 17. Trade and other payables

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Trade payables - unrelated parties	80,442,052	93,085,948	75,454,244	89,504,017
Other payables - related party	-	-	80,250	-
Other payables - unrelated parties	12,582,433	13,856,542	9,844,633	7,939,853
Accrued expenses - unrelated parties	17,171,072	13,643,822	12,391,704	5,710,634
Prepaid cheque - unrelated parties	47,035	-	47,035	-
Total trade and other payables	<u>110,242,592</u>	<u>120,586,312</u>	<u>97,817,866</u>	<u>103,154,504</u>

## 18. Long-term loans

(Unit: Baht)

Loan	Interest rate (percent per annum)	Repayment schedule	Consolidated		Separate	
			financial statements		financial statements	
			2022	2021	2022	2021
1	MLR	Semi-annual installments as from July 2020 due in July 2023	7,109,754	19,829,754	7,109,754	19,829,754
2	MLR	Semi-annual installments as from March 2019 due in March 2024	12,200,000	22,280,000	12,200,000	22,280,000
3	MLR	Semi-annual installments as from January 2017 due in September 2023	1,243,000	2,911,000	-	-
4	MLR	Semi-annual installments as from February 2017 due in October 2023	1,382,000	3,050,000	-	-
Total			<u>21,934,754</u>	<u>48,070,754</u>	<u>19,309,754</u>	<u>42,109,754</u>
Less: Current portion			<u>(19,814,754)</u>	<u>(28,671,000)</u>	<u>(17,189,754)</u>	<u>(22,800,000)</u>
Long-term loans, net of current portion			<u>2,120,000</u>	<u>19,309,754</u>	<u>2,120,000</u>	<u>19,309,754</u>



Movements of the long-term loan account during the years ended 31 December 2022 and 2021 are summarised below:

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Beginning balance	48,070,754	61,857,558	42,109,754	42,600,000
Additional borrowings	-	22,309,754	-	22,309,754
Repayments	(26,136,000)	(36,096,558)	(22,800,000)	(22,800,000)
Ending balance	<u>21,934,754</u>	<u>48,070,754</u>	<u>19,309,754</u>	<u>42,109,754</u>

The loans are secured by the mortgage of land, buildings on land as collateral for the borrowings and is guaranteed by certain directors.

The loan agreements contain several covenants which, among other things, require the Group to maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements.

As at 31 December 2021 and 2022, A subsidiary is unable to maintain financial ratios of its long-term borrowings in accordance with a bank's requirement. The Group classified such long-term borrowings as current portion of Baht 6 million in the financial statements as at 31 December 2021 (2022: There is no non-current portion of long-term loan).

## 19. Share capital and warrants to purchase ordinary shares

During the year 2021, the Warrants to Purchase Ordinary Shares of the Company (DOD-W1) holder exercised 493 warrants to purchase ordinary shares, at an exercise price of Baht 15.75 per share. The outstanding DOD-W1 warrants were expired on 7 July 2021.

On 20 October 2021, the extraordinary general meeting of shareholders to approve the issuance of up to 205,000,246 units of "Warrants to Purchase Ordinary Shares of the Company" (DOD-W2) which are to be sold to the shareholders of the Company in proportion to their respective shareholdings at a ratio of 1 warrant for every 2 existing ordinary shares. The warrants have a term of 2 years, an offering price of Baht 0.10 per unit, an exercise price of Baht 18 per share and an exercise ratio of 1 warrant to 1 ordinary share. On 31 May 2022, the DOD-W2 warrant holders exercised 1 warrant to purchase 1 newly issued ordinary share with a par value of Baht 0.5 each, at an exercise price of Baht 18 per share. The Company registered the increase in its issued and paid-up share capital with the Ministry of Commerce on 10 June 2022.

## 20. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

## 21. Other expenses

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Impairment loss on financial assets (reversal)	405,861,352	(4,572,801)	418,645,214	67,881,831
Impairment loss on investment in subsidiary	-	-	186,215	39,999,990
Impairment loss on fixed assets and advance for purchasing fixed assets	-	53,227,493	-	-
Gain on measuring fair value of financial assets	-	(9,371,910)	-	(9,371,910)
<b>Total</b>	<b>405,861,352</b>	<b>39,282,782</b>	<b>418,831,429</b>	<b>98,509,911</b>

## 22. Discontinued operation

During the second quarter 2021, a meeting of the Company's Board of Directors passed a resolution to discontinue an operation of PCCA Laboratory Company Limited and Ultima Life Company Limited. Therefore, the comparative statement of comprehensive income has been reclassified to present the discontinued operation as a separate transaction from the continued operation.

Discontinued operation in the consolidated financial statements for the year ended 31 December 2022 and 2021 are as follows.

(Unit: Baht)

	PCCA Laboratory		Ultima Life	
	Company Limited		Company Limited	
	2022	2021	2022	2021
<b>Statements of comprehensive income</b>				
Revenue	12,367,759	85,834,805	-	65,179,251
Expenses	(60,354,149)	(260,821,332)	(13,416,204)	(114,096,137)
<b>Loss before income tax</b>	<b>(47,986,390)</b>	<b>(174,986,527)</b>	<b>(13,416,204)</b>	<b>(48,916,886)</b>
Income tax income (expenses)	1,372,034	10,250,475	-	(54,157)
<b>Loss for the year from discontinued operation</b>	<b>(46,614,356)</b>	<b>(164,736,052)</b>	<b>(13,416,204)</b>	<b>(48,971,043)</b>

Significant cash flow information from the discontinued operation for the year ended 31 December 2022 and 2021 are as follows.

	(Unit: Baht)			
	PCCA Laboratory Company Limited		Ultima Life Company Limited	
	2022	2021	2022	2021
Net cash from (used in) operating activities	6,682,864	(8,486,842)	-	(1,208,268)
Net cash used in investing activities	(2,352)	(1,306,227)	-	(977,524)
Net cash from (used in) financing activities	(3,336,000)	15,850,902	-	(347,930)
Net cash flows from (used in) discontinued operation	<u>3,344,512</u>	<u>6,057,833</u>	<u>-</u>	<u>(2,533,722)</u>

### 23. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Salaries and wages and other employee benefits	159,696,094	188,546,541	144,794,157	145,004,905
Depreciation and amortisation	64,502,105	67,043,029	36,614,573	35,734,138
Loss on impairment of financial assets	404,635,902	3,233,661	418,645,214	67,881,831
Loss on impairment of property, plant and equipment	-	101,718,260	-	-
Raw materials and consumables used	319,997,663	519,949,622	247,573,256	441,238,544
Changes in inventories of finished goods and work in progress	11,230,254	29,466,864	656,326	9,282,006

### 24. Income tax

Income tax (income) expenses for the years ended 31 December 2022 and 2021 are made up as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>Current income tax:</b>				
Current income tax charge	6,436,554	14,296,561	6,436,554	14,296,561
Adjustment in respect of income tax of previous year	(902,958)	-	(902,958)	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(84,640,772)	17,660,343	(82,686,615)	15,866,977
<b>Income tax (income) expense reported in profit or loss</b>	<u>(79,107,176)</u>	<u>31,956,904</u>	<u>(77,153,019)</u>	<u>30,163,538</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2022 and 2021 are as follows:

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Deferred tax on gain from the change in value of financial assets measured at FVOCI	-	(680,000)	-	(680,000)
Deferred tax on actuarial gains and losses	-	(204,821)	-	(204,821)
	-	(884,821)	-	(884,821)

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Accounting profit (loss) before tax	(423,273,556)	265,061,025	(391,208,607)	221,636,208
Applicable tax rate	20%	20%	20%	20%
Accounting profit (loss) before tax multiplied by income tax rate	(84,654,711)	53,012,205	(78,241,721)	44,327,242
Unused tax losses for the year	7,038,751	1,449,568	-	-
Adjustment in respect of income tax of previous year	(902,958)	-	(902,958)	-
Effects of:				
Promotional privileges (Note 25)	(8,001,606)	(31,129,831)	(8,001,606)	(31,129,831)
Non-deductible expenses	7,791,802	8,662,610	3,400,920	13,527,507
Additional expense deductions allowed	(378,454)	(37,648)	(378,454)	(37,648)
Other	-	-	6,970,800	3,476,268
Total	(588,258)	(22,504,869)	1,991,660	14,163,704
Income tax expense (income) reported in profit or loss	(79,107,176)	31,956,904	(77,153,019)	30,163,538

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Baht)

	Statements of financial position			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>Deferred tax assets</b>				
Allowance for expected credit losses	82,208,220	1,009,230	82,208,220	2,954,230
Allowance for diminution in value of inventories	8,113,969	5,043,135	8,113,969	5,043,135
Provision for long-term employee benefits	1,535,760	1,074,812	1,436,603	1,074,812
Unrealised fair value loss on investments	680,000	680,000	680,000	680,000
Total	92,537,949	7,897,177	92,438,792	9,752,177
<b>Deferred tax liabilities</b>				
Revaluation surplus of land, buildings and intangible assets	10,681,665	12,053,698	-	-
Total	10,681,665	12,053,698	-	-

As at 31 December 2022, the subsidiaries has unused tax losses totaling Baht 239 million (2021: Baht 247 million) on which deferred tax assets have not been recognised as the subsidiaries believes future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

The unused tax losses amounting to Baht 239 million will expire by 2027.

## 25. Promotional privileges

The Company has received promotional privileges from the Board of Investment for the manufacturing or conservation of traditional drug as tablets and capsule and product from herbs, pursuant to the investment promotion certificate No. 2272(2)/2557 issued on 3 June 2014. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted operations begin generating revenues (5 August 2014) which expired during the current year.

The Company's operating revenues for the years ended 31 December 2022 and 2021, divided between promoted and non-promoted operations, are summarised below.

	(Unit: Baht)	
	2022	2021
<b>Domestic sales</b>		
Promoted operations	321,568,895	526,548,772
Non-promoted operations	210,134,260	490,753,492
Total	531,703,155	1,017,302,264

## 26. Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing profit (loss) for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

Diluted earnings (loss) per share is calculated by dividing profit (loss) for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

The following table sets forth the computation of basic and diluted earnings (loss) per share.

	Consolidated financial statements					
	Continued operation		Discontinued operation		Total	
	2022	2021	2022	2021	2022	2021
<u>Basic earnings (loss) per share</u>						
Profit (loss) attributable to equity holders of the parent (Baht)	(342,964,919)	237,228,807	(55,369,124)	(187,439,272)	(398,334,043)	49,789,535
Weighted average number of ordinary shares (Thousand shares)	410,000	410,000	410,000	410,000	410,000	410,000
Basic earnings (loss) per share (Baht per share)	<u>(0.84)</u>	<u>0.58</u>	<u>(0.13)</u>	<u>(0.46)</u>	<u>(0.97)</u>	<u>0.12</u>
<u>Diluted earnings (loss) per share</u>						
Weighted average number of ordinary shares (Thousand shares)	410,000	410,000	410,000	410,000	410,000	410,000
Effect of exercised warrants to purchase ordinary shares	-	-	-	-	-	-
Number of weighted average ordinary shares used in the calculation of diluted earnings per (thousand shares)	<u>410,000</u>	<u>410,000</u>	<u>410,000</u>	<u>410,000</u>	<u>410,000</u>	<u>410,000</u>
Diluted earnings (loss) per share (Baht per share)	<u>(0.84)</u>	<u>0.58</u>	<u>(0.13)</u>	<u>(0.46)</u>	<u>(0.97)</u>	<u>0.12</u>

	Separate financial statements	
	2022	2021
<u>Basic earnings (loss) per share</u>		
Profit (loss) for the year (Baht)	(314,055,588)	191,472,670
Weighted average number of ordinary shares (Thousand shares)	410,000	410,000
Earnings (loss) per share (Baht per share)	(0.77)	0.47
<u>Diluted earnings (loss) per share</u>		
Weighted average number of ordinary shares (Thousand shares)	410,000	410,000
Effect of exercised warrants to purchase ordinary shares	-	-
Number of weighted average ordinary shares used in the calculation of diluted earnings per thousand shares	410,000	410,000
Diluted earnings (loss) per share (Baht per share)	(0.77)	0.47

There was no dilution of the Company's earnings (loss) per share for year ended 31 December 2022 and 2021 as a result of the warrants (DOD-W1 and DOD-W2) because the price of the warrants was higher than the market price of the common stock of the Company and the warrants (DOD-W1) expired on 7 July 2021.

## 27. Segment information

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

For management purposes, the Group is organised into business units based on its products and services and have reportable segments as Supplementary business, Manufacturing Cosmetic business, Network marketing Business, Manufacturing Extraction business and others.

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit and total assets/total liabilities information regarding the Group's operating segments for the years ended 31 December 2022 and 2021.

For the year ended 31 December 2022.

(Unit: Baht)

	Supplementary business	Manufacturing Cosmetic business (Discontinued operation)	Network marketing business (Discontinued operation)	Manufacturing Extraction business	Others	Elimination of inter-segment	Total
Revenues from sales	531,703,155	11,274,805	-	5,112,516	418,107	(75,000)	548,433,583
Finance income	13,822,224	3,189	-	18,540	471,607	(14,204,435)	111,125
Other income	10,654,179	1,116,065	-	323,797	220,000	(50,835)	12,263,206
<b>Total revenue</b>	<b>556,179,558</b>	<b>12,394,059</b>	<b>-</b>	<b>5,454,853</b>	<b>1,109,714</b>		<b>560,807,914</b>
Total profit (loss) from reportable segments							
before finance costs	(387,112,196)	(40,869,573)	-	(35,534,657)	18,475	(14,805,009)	(478,302,960)
Finance costs	(4,096,411)	(17,323,946)	-	(636,575)	(18,228,000)	32,959,792	(7,325,140)
Total loss from reportable segments	(391,208,607)	(58,193,519)	-	(36,171,232)	(18,209,525)		(485,628,100)
Income tax income							80,479,210
Net loss for the year							(405,148,890)



For the year ended 31 December 2021.

(Unit: Baht)

	Supplementary business	Manufacturing Cosmetic business (Discontinued operation)	Network marketing business (Discontinued operation)	Manufacturing Extraction business	Others	Elimination of inter-segment	Total
Revenues from sales	1,017,302,264	84,233,644	63,681,675	2,198,813	-	(4,183,885)	1,163,232,511
Finance income	16,210,266	3,548	1,305	48,392	470,517	(16,476,703)	257,325
Other income	2,767,810	1,597,613	1,496,271	31,100	-	(181,883)	5,710,911
<b>Total revenue</b>	<b>1,036,280,340</b>	<b>85,834,805</b>	<b>65,179,251</b>	<b>2,278,305</b>	<b>470,517</b>		<b>1,169,200,747</b>
Total profit (loss) from reportable segments before finance costs	338,589,244	(174,229,078)	(48,896,776)	(60,435,821)	(51,888)	(5,506,773)	49,468,908
Finance costs	(3,879,614)	(17,168,496)	(49,847)	-	(18,228,000)	31,014,661	(8,311,296)
Total profit (loss) from reportable segments	334,709,630	(191,397,574)	(48,946,623)	(60,435,821)	(18,279,888)		41,157,612
Income tax expense							(21,760,586)
Net profit for the year							<u>19,397,026</u>
As at 31 December 2022							
Total assets for reportable segments	1,294,102,108	164,465,983	-	220,527,140	10,379,047	(398,556,682)	1,290,917,596
Total liabilities for reportable segments	303,878,333	343,763,848	-	12,749,664	376,184,226	(639,290,236)	397,285,835
As at 31 December 2021							
Total assets for reportable segments	1,315,686,288	216,274,043	10,832,334	208,937,987	2,702,672	(127,438,334)	1,626,994,990
Total liabilities for reportable segments	254,318,180	337,378,388	86,960,650	10,088,436	358,221,479	(682,266,866)	364,700,267

## Geographic information

The Group operates in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

## Major customers

The Group has revenue from a major customer in amount of Baht 278 Million, arising from sales of the supplementary business (2021: Baht 708 million derived from a major customer, arising from sales of the supplementary business).

## **28. Provident fund**

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 2 to 15 percent of basic salary. The fund, which is managed by BBL Asset Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2022 amounting to approximately Baht 2 million (2021: Baht 1 million) were recognised as expenses.

## **29. Retained earnings**

On 29 April 2021, the Annual General Meeting of shareholders approved resolution to transfer legal reserve in the amount of Baht 30 million, and share premium in the amount of Baht 67 million, total amount of Baht 97 million to compensate the deficits.

## **30. Commitments and contingent liabilities**

### **30.1 Capital commitments**

As at 31 December 2022, the Group had capital commitments of approximately Baht 18 million (2021: Baht 42 million), (the Company only: Baht 3 million, 2021: Baht 13 million) relating to the construction of factory buildings and acquisition of machinery.

### **30.2 Long-term service commitments**

On 24 January 2020, the Company entered into a license agreement on a research about "The Development of medical food products for patients with diabetes using rice as the main raw material to replace imported products from abroad" with the Agricultural Research Development Agency (Public Organization). The agreement enables the Company to exercise unlimited rights on the research for a period of 8 years upon signing the agreement with permission to produce and distribute the product both domestically and abroad.

The Company is also permitted to use the technology in its production under this agreement, or to use it for the purpose of research, development, and improvement, or even transfer the technology to others without prior notice.

### 30.3 Guarantees

There were outstanding bank guarantees of approximately Baht 1 million (2021: Baht 1 million) issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business.

### 30.4 Litigation

On 3 September 2021, a Subsidiary (“Plaintiff”) filed a lawsuit against a company (“Defendant”) with the Civil Court, claiming Baht 2 million over the Defendant’s alleged breach of a contract to purchase goods. Subsequently, on 29 November 2021, the Defendant filed a countersuit against the Plaintiff claiming Baht 5 million on the grounds that the Plaintiff did not manufacture the goods to the specifications. On 15 August 2022, the Plaintiff entered into a settlement agreement with the Defendant on mutually agreed terms and conditions, and the Court already wendered a consent judgement. The Plaintiff already received full compensation under the Court’s ruling.

On 15 February 2022, the Company, the Company’s former employee, an independent dealer and other related persons (“the Defendant”) were involed in a lawsuit brought by a customer (“the Plaintiff”) a misconduct committed by an agent, whereby the Plaintiff claimed a compensation of approximately Baht 8 million. The case is under the Civil Court’s consideration.

On 14 January 2022, a subsidiary (“Defendant”) faced a lawsuit lodged by a company (“Plaintiff”) over alleged breach of contract, whereby the latter sought Baht 2 million in damages. This case is under the Civil Court’s consideration.

On 19 August 2022, a Subsidiary (“Defendant”) was involved in a lawsuit brought by a company (“Plaintiff”) over a breach of contract on delivery of goods, whreby the Plaintiff claimed a compensation of approximately Baht 2 million. The case is under the Civil Court’s consideration.

On 13 September 2022, the Company (“Defendant”) was involved in a lawsuit brought by a person (“Plaintiff”) over a breach of contract committed by an employee, whereby the Plaintiff claimed a compensation of approximately Baht 400,000. The case is under the Civil Court’s consideration.

As at 31 December 2022, the Group did not record provision for this litigation in the consolidated financial statements as the management believe that the Group will not incur any losses from the litigation.

### 31. Fair value hierarchy

As at 31 December 2022 and 2021, the Group had the assets and liabilities that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

(Unit: Baht)

	Consolidated financial statements and Separate financial statements			
	As at 31 December 2022			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Financial assets measured at FVOCI				
Equity investments	-	-	2,600,000	2,600,000

  

	Consolidated financial statements and Separate financial statements			
	As at 31 December 2021			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Financial assets measured at FVOCI				
Equity investments	-	-	2,600,000	2,600,000

### 32. Financial instruments

#### 32.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, loans to subsidiaries, investments, and short-term and long-term loans from banks. The financial risks associated with these financial instruments and how they are managed is described below.

#### **Credit risk**

The Group is exposed to credit risk primarily with respect to trade accounts receivable, loans, deposits with banks and financial institutions and other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

#### **Trade receivables**

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, outstanding trade receivables are consistently monitored and the Group has policy to conduct most transactions with reliable corporate partners in order to reduce the risk of financial loss due to failure to comply with contractual obligations.

The Group has concentration of credit risk of its trade receivables in the consolidated financial statement 89% from a major customer and the separate financial statements 91% from a major customer (2021: the consolidated financial statement 83% from a major customers and the separate financial statements 69% from a major customers).

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due. The Group does not hold collateral as security. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and not subject to enforcement activity.

### ***Financial instruments and cash deposits***

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

### **Market risk**

The market risk comprising interest rate risk.

#### ***Interest rate risk***

The Group's exposure to interest rate risk relates primarily to its long-term loans to subsidiaries and long-term loans from bank. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings, in which it agrees to exchange, at specified intervals, between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

As at 31 December 2022 and 2021, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

## Consolidated financial statements

2022

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate  (% per annum)
	Within 1 year	1 - 5 years	Over 5 years				
<u>Financial assets</u>							
Cash and cash equivalent	-	-	-	30	-	30	0.05 - 0.35
Deposits at bank with restrictions	-	-	-	17	-	17	0.40
	-	-	-	47	-	47	
<u>Financial liabilities</u>							
Bank overdrafts and short-term							
loans from financial institutions	-	-	-	139	-	139	1.88 - 6.65
Short-term loans from shareholders	10	-	-	-	-	10	3.00
Lease liability	3	10	45	-	-	58	5.25
Long-term loans	-	-	-	22	-	22	4.85 - 5.13
	13	10	45	161	-	229	

(Unit: Million Baht)

## Consolidated financial statements

2021

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate  (% per annum)
	Within 1 year	1 - 5 years	Over 5 years				
<u>Financial assets</u>							
Cash and cash equivalent	-	-	-	162	-	162	0.05 - 0.30
Deposits at bank with restrictions	-	-	-	17	-	17	0.13
	-	-	-	179	-	179	
<u>Financial liabilities</u>							
Bank overdrafts and short-term							
loans from financial institutions	-	-	-	77	-	77	5.88 - 6.15
Lease liabilities	5	14	39	-	-	58	5.25
Long-term loans	-	-	-	48	-	48	5.25
	5	14	39	125	-	183	

(Unit: Million Baht)

## Separate financial statements

2022

	Fixed interest rates					Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non-interest bearing		
<u>Financial assets</u>							
Cash and cash equivalent	-	-	-	11	-	11	0.05 - 0.30
Loans to subsidiaries	263	-	-	-	-	263	5.00
Deposits at bank with restrictions	-	-	-	16	-	16	0.40
	<u>263</u>	<u>-</u>	<u>-</u>	<u>27</u>	<u>-</u>	<u>290</u>	
<u>Financial liabilities</u>							
Bank overdrafts and short-term							
loans from financial institutions	-	-	-	139	-	139	1.88 - 6.65
Short-term loans from shareholders	-	-	-	-	-	10	3.00
Lease liability	1	1	-	-	-	2	5.25
Long-term loans	-	-	-	20	-	20	4.85 - 5.13
	<u>11</u>	<u>1</u>	<u>-</u>	<u>159</u>	<u>-</u>	<u>171</u>	

(Unit: Million Baht)

## Separate financial statements

2021

	Fixed interest rates					Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non-interest bearing		
<u>Financial assets</u>							
Cash and cash equivalent	-	-	-	99	-	99	0.05 - 0.30
Long-term loans to subsidiaries	218	-	-	-	-	218	6.00
Deposits at bank with restrictions	-	-	-	16	-	16	0.13
	<u>218</u>	<u>-</u>	<u>-</u>	<u>115</u>	<u>-</u>	<u>333</u>	
<u>Financial liabilities</u>							
Bank overdrafts and short-term							
loans from financial institutions	-	-	-	77	-	77	5.88 - 6.15
Long-term loans	-	-	-	42	-	42	5.25
	<u>-</u>	<u>-</u>	<u>-</u>	<u>119</u>	<u>-</u>	<u>119</u>	

### Interest rate sensitivity

The sensitivity analyses below have been determined based on the exposure to interest rates for long-term borrowings from banks at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. A 0.25% increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. If interest rates had been 0.25% higher/lower and all other variables were held constant, the Group's profit for the year ended 31 December 2022 would increase/decrease in the consolidated and separate financial statements by Baht 0.05 million and Baht 0.04 million, respectively. This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

### Liquidity risk

The Group manages its liquidity risk by maintaining a level of cash and cash equivalents as well as management of current assets and current liabilities and sources of funds as deemed adequate to finance the operations of the Group.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2022 and 2021 based on contractual undiscounted cash flows:

(Unit: Million Baht)

	Consolidated financial statements				
	2022				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Bank overdraft and short-term loans					
from financial institutions	-	139	-	-	139
Short-term loans from shareholders	-	10	-	-	10
Lease liability	-	6	21	63	90
Long-term loans	-	20	2	-	22
	-	175	23	63	261

(Unit: Million Baht)

	Consolidated financial statements				
	2021				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Bank overdraft and short-term loans					
from financial institutions	-	77	-	-	77
Lease liabilities	-	5	19	68	92
Long-term loans	-	31	20	-	51
	-	113	39	68	220



(Unit: Million Baht)

	Separate financial statements				
	2022				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Bank overdraft and short-term loans					
from financial institutions	-	139	-	-	139
Short-term loans from shareholders	-	10	-	-	10
Lease liability	-	1	1	-	2
Long-term loans	-	18	2	-	20
	-	168	3	-	155

(Unit: Million Baht)

	Separate financial statements				
	2021				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Bank overdraft and short-term loans					
from financial institutions	-	77	-	-	77
Long-term loans	-	24	20	-	44
	-	101	20	-	121

### 32.2 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

### 33. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value.

As at 31 December 2022, the Group's debt-to-equity ratio was 0.44:1 (2021: 0.29:1) and the Company's was 0.30:1 (2021: 0.19:1).

### **34. Events after reporting period**

On 20 January 2023, the Board of Directors' Meeting passed a resolutions approving the incorporation of a new subsidiary, DOD Infinite Co., Ltd. (“DOD Infinite”), to operate an investment business, in which the Company invests 599,997 shares (equivalent to 100 percent of the Company's issued and paid-up shares) with a par value of Baht 10 per share, totaling Baht 6 million. DOD Infinite already registered its incorporation with Ministry of Commerce on 20 January 2023.

On 22 February 2023, the Board of Directors' Meeting passed a resolution approving:

- a) Investment of a subsidiary, DOD Infinite Co., Ltd. (“DOD Infinite”), to acquire 425,000 ordinary shares (equivalent to 89.29 percent of the total issued and paid-up shares) of Auswell Life Co., Ltd. (“Auswell Life”), which is engaged in operating a dietary supplementary business, at a price of Baht 211.76 per share, totaling Baht 90 million.
- b) Increase in the Company's registered capital of Baht 35,971,191 from Baht 307,500,369.50 to Baht 343,471,560.00 through the issue of 71,942,382 additional ordinary shares with a par value of Baht 0.50 per share in order to accommodate the allocation of the newly issued ordinary shares to the existing shareholders proportionate to their respective shareholdings, the allocation through private placements and the adjustment of rights of DOD-W2 warrants, proposed to the Annual General Meeting of Shareholders for further consideration.
- c) Allocation of no more than 24,390,000 newly issued ordinary shares with a par value of Baht 0.50 per share to be offered to unrelated persons through a private placement at an offering price of Baht 4.10 per share, representing up to 5.95 percent of the total issued and paid-up shares, totaling of Baht 100 million, to be proposed to the Annual General Meeting of Shareholders for further consideration.
- d) Allocation of no more than 25,552,382 newly issued ordinary shares with a par value of Baht 0.50 per share, to be allocated to existing shareholders in proportion to the number of shares held by each shareholders at a ratio of 17 existing ordinary shares to 1 newly issued ordinary share, at an offering price of Baht 4.00 per share, representing up to 6.23 percent of the Company's total issued and paid-up shares, totaling of Baht 102 million, to be proposed to the Annual General Meeting of Shareholders for further consideration.

### **35. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 22 February 2023.