

**Do Day Dream Public Company Limited  
and its Subsidiaries**

Financial statements for the year ended  
31 December 2021  
and  
Independent Auditor's Report

## **Independent Auditor's Report**

### **To the Shareholders of Do Day Dream Public Company Limited**

#### *Opinion*

I have audited the consolidated and separate financial statements of Do Day Dream Public Company Limited and its subsidiaries (the "Group") and of Do Day Dream Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2021, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2021 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

#### *Basis for Opinion*

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

#### *Key Audit Matters*

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

Impairment of goodwill and other intangible assets	
Refer to note 3(i), 3(j), 3(l), 13 and 14 to the financial statements	
<b>The key audit matter</b>	<b>How the matter was addressed in the audit</b>
<p>The Group has significant goodwill and other intangible assets with indefinite useful life which was mainly arising from business combinations.</p> <p>Management is required to assesses the impairment on an annual basis. The recoverable amount was based on its value in use, determined by discounting future cash flows to be generated from the continuing use of the asset. The entity engaged an independent valuer to assist in the analysis.</p> <p>Significant judgment is required to determine the assumptions which are subject to inherent uncertainty involved in forecasting and discounting of future cash flows. Consequently, I consider this is an area of focus.</p>	<p>My audit procedures included the following, I:</p> <ul style="list-style-type: none"> <li>• Inquired of management to gain an understanding of the process of determination of the recoverable amount;</li> <li>• Evaluated the qualifications and independence of the independent valuer of the Group;</li> <li>• Considered the key assumptions in the estimated recoverable amount of the asset by comparing the estimated result with industry trends, information derived from external and internal sources and assessed the financial methodologies used by the Group to determine the discount rate;</li> <li>• Performed sensitivity analysis around the key assumptions; and</li> <li>• Considered the adequacy of disclosures in accordance with Thai Financial Reporting Standards.</li> </ul>

Revenue recognition and recognition of accrued sales promotion expenses	
Refer to note 3(n), 3(p) and 18 to the financial statements	
<b>The key audit matter</b>	<b>How the matter was addressed in the audit</b>
<p>Revenue from sales of goods is 80% of the Group's revenues. The Group has agreements with customers, under which contain conditions regarding discounts, sale promotions, and special bonuses intended to boost sales during specific period. The accruals for these discounts and bonuses as at year end are estimated based on expected sales. Because of the significance of the amounts and the judgements involved, I consider this is an area of focus.</p>	<p>My audit procedures included the following, I:</p> <ul style="list-style-type: none"> <li>• Obtain an understanding of the Group's policy in relation to the estimates of discounts and promotional expenses;</li> <li>• Evaluated the design and tested the operating effectiveness of internal controls, on a sample basis, related to the estimates of discounts and promotional expenses;</li> <li>• Tested calculation of sales discounts, sales promotion expenses and accrued sales promotion expenses for a sample of items with related supporting documents whether they are compliant with the conditions in agreements and commercial agreements during the year and near the end of period;</li> <li>• Tested the appropriateness of accrued sales promotion expenses for a sample of items by performing subsequent cash payments, credit note and related supporting documents post year-end; and</li> <li>• Considered the adequacy of disclosures in accordance with Thai Financial Reporting Standards.</li> </ul>

### *Other Information*

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.

### *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 TFRSs, 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 and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

As part of an audit in accordance with TSAs, I exercise professional judgment 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 and the Company'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 and the Company’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor’s report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with 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.

(Veerachai Ratanajaratkul)  
Certified Public Accountant  
Registration No. 4323

KPMG Phoomchai Audit Ltd.  
Bangkok  
25 February 2022

## Do Day Dream Public Company Limited and its Subsidiaries

### Statement of financial position

Assets	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2021	2020	2021	2020
<i>(in Baht)</i>					
<b>Current assets</b>					
Cash and cash equivalents	6	887,921,299	762,555,889	559,709,086	529,054,351
Trade and other current receivables	7	679,322,928	359,466,720	308,236,768	268,880,015
Short-term loans to subsidiaries	5	-	-	145,000,000	230,000,000
Inventories	8	397,159,881	361,407,641	64,771,222	71,781,654
Other current financial assets	23	2,269,343,360	2,830,007,857	2,269,343,360	2,830,007,356
Other current assets		5,684,597	6,554,531	1,583,678	1,089,196
<b>Total current assets</b>		<b>4,239,432,065</b>	<b>4,319,992,638</b>	<b>3,348,644,114</b>	<b>3,930,812,572</b>
<b>Non-current assets</b>					
Investments in subsidiaries	9	-	-	1,392,760,400	936,160,400
Investment in an associate	10	-	78,970,101	-	-
Property, plant and equipment	11	241,055,798	251,587,374	218,896,523	227,077,459
Right-of-use assets	12	88,330,711	59,037,025	52,825,270	7,803,994
Goodwill	13	170,900,114	170,900,114	-	-
Intangible assets other than goodwill	14	414,484,872	426,098,376	12,092,758	11,737,445
Restricted deposits at financial institutions	15	25,473,000	20,473,000	20,273,000	20,273,000
Deferred tax assets	20	37,835,326	40,244,731	-	-
Other non-current assets		6,193,763	5,239,387	2,666,139	504,269
<b>Total non-current assets</b>		<b>984,273,584</b>	<b>1,052,550,108</b>	<b>1,699,514,090</b>	<b>1,203,556,567</b>
<b>Total assets</b>		<b>5,223,705,649</b>	<b>5,372,542,746</b>	<b>5,048,158,204</b>	<b>5,134,369,139</b>

The accompanying notes form an integral part of the financial statements.

## Do Day Dream Public Company Limited and its Subsidiaries

### Statement of financial position

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2021	2020	2021	2020
<i>(in Baht)</i>					
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Trade and other current payables		293,341,196	260,899,076	69,663,751	72,503,262
Current portion of lease liabilities	15	21,635,119	21,283,048	8,661,385	3,940,829
Current income tax payable		35,796,508	7,585,890	23,631,797	-
Other current liabilities		7,923,909	7,172,736	1,555,502	1,313,720
<b>Total current liabilities</b>		<b>358,696,732</b>	<b>296,940,750</b>	<b>103,512,435</b>	<b>77,757,811</b>
<b>Non-current liabilities</b>					
Lease liabilities	15	69,601,136	39,554,820	45,861,783	4,391,566
Put options	23	-	29,114,777	-	29,114,777
Deferred tax liabilities	20	35,521,315	79,667,794	4,869,339	51,726,180
Non-current provisions for employee benefits	16	37,958,933	34,772,963	4,942,879	3,415,581
<b>Total non-current liabilities</b>		<b>143,081,384</b>	<b>183,110,354</b>	<b>55,674,001</b>	<b>88,648,104</b>
<b>Total liabilities</b>		<b>501,778,116</b>	<b>480,051,104</b>	<b>159,186,436</b>	<b>166,405,915</b>

The accompanying notes form an integral part of the financial statements.

## Do Day Dream Public Company Limited and its Subsidiaries

### Statement of financial position

Liabilities and equity <i>(Continued)</i>	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2021	2020	2021	2020
		<i>(in Baht)</i>			
<b>Equity</b>					
Share capital:					
Authorised share capital <i>(318,000,000 ordinary shares, par value at Baht 1 per share)</i>		318,000,000	318,000,000	318,000,000	318,000,000
Issued and paid-up share capital <i>(317,887,700 ordinary shares, par value at Baht 1 per share)</i>		317,887,700	317,887,700	317,887,700	317,887,700
Share premium:					
Share premium on ordinary shares		4,399,859,862	4,399,859,862	4,399,859,862	4,399,859,862
Deficit on change in the ownership interests in subsidiaries					
		(43,627,513)	(31,835,833)	-	-
Retained earnings (Deficit)					
Appropriated					
Legal reserve	17	31,800,000	31,800,000	31,800,000	31,800,000
Unappropriated (Deficit)		(34,618,787)	43,005,310	139,424,206	254,334,405
Other equity interest		-	(35,918,743)	-	(35,918,743)
Other components of equity		5,925,031	(5,335,772)	-	-
<b>Equity attributable to owners of the parent</b>		<b>4,677,226,293</b>	<b>4,719,462,524</b>	<b>4,888,971,768</b>	<b>4,967,963,224</b>
Non-controlling interests		44,701,240	173,029,118	-	-
<b>Total equity</b>		<b>4,721,927,533</b>	<b>4,892,491,642</b>	<b>4,888,971,768</b>	<b>4,967,963,224</b>
<b>Total liabilities and equity</b>		<b>5,223,705,649</b>	<b>5,372,542,746</b>	<b>5,048,158,204</b>	<b>5,134,369,139</b>

The accompanying notes form an integral part of the financial statements.

## Do Day Dream Public Company Limited and its Subsidiaries

### Statement of comprehensive income

	Note	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2021	2020	2021	2020
<i>(in Baht)</i>					
<b>Revenue</b>					
Revenue from sale of goods	5, 18	1,411,311,210	1,000,337,479	155,352,020	158,809,529
Interest income		713,920	3,136,504	5,008,178	6,815,338
Dividend received from subsidiaries	5, 9	-	-	56,399,552	114,000,135
Dividend received from financial assets		77,022,278	36,049,349	77,022,278	36,049,349
Net gain on fair value measurement of financial assets		-	446,206,442	-	446,206,442
Net gain on disposal of financial assets and liabilities		279,284,802	99,655,974	278,011,869	99,655,974
Other income		5,948,254	4,889,507	10,734,098	10,629,670
<b>Total revenue</b>		<b>1,774,280,464</b>	<b>1,590,275,255</b>	<b>582,527,995</b>	<b>872,166,437</b>
<b>Expenses</b>					
Cost of sales of goods	8, 19	559,217,549	580,994,898	177,001,969	325,163,466
Distribution costs	19	546,135,855	490,651,301	6,606,189	11,191,584
Administrative expenses	19	276,226,105	265,579,868	102,847,748	129,163,055
Net loss on fair value measurement of financial assets	23	256,659,767	-	256,659,767	-
<b>Total expenses</b>		<b>1,638,239,276</b>	<b>1,337,226,067</b>	<b>543,115,673</b>	<b>465,518,105</b>
<b>Profit from operating activities</b>		<b>136,041,188</b>	<b>253,049,188</b>	<b>39,412,322</b>	<b>406,648,332</b>
Finance costs		1,294,797	2,002,248	625,821	499,770
(Reversal of) impairment loss determined in accordance with TFRS 9		6,187,065	17,287,016	(1,703,858)	(2,963,544)
Share of loss of investment in an associate accounted for using equity method	10	576,377	1,029,899	-	-
<b>Profit before income tax expense</b>		<b>127,982,949</b>	<b>232,730,025</b>	<b>40,490,359</b>	<b>409,112,106</b>
Tax expense (income)	20	26,037,302	53,185,401	(3,542,292)	57,107,514
<b>Profit for the year</b>	18	<b>101,945,647</b>	<b>179,544,624</b>	<b>44,032,651</b>	<b>352,004,592</b>

The accompanying notes form an integral part of the financial statements.

## Do Day Dream Public Company Limited and its Subsidiaries

### Statement of comprehensive income

	Note	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2021	2020	2021	2020
<i>(in Baht)</i>					
<b>Other comprehensive income</b>					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Exchange differences on translating financial statements		12,714,799	2,039,825	-	-
<b>Total items that will be reclassified subsequently to profit or loss</b>		<b>12,714,799</b>	<b>2,039,825</b>	<b>-</b>	<b>-</b>
<i>Items that will not be reclassified to profit or loss</i>					
Loss on remeasurements of defined benefit plans	16, 20	-	(2,289,356)	-	(303,947)
Income tax relating to item that will not be reclassified	20	-	457,871	-	60,789
<b>Total items that will not be reclassified to profit or loss</b>		<b>-</b>	<b>(1,831,485)</b>	<b>-</b>	<b>(243,158)</b>
<b>Other comprehensive income (expense) for the year, net of tax</b>		<b>12,714,799</b>	<b>208,340</b>	<b>-</b>	<b>(243,158)</b>
<b>Total comprehensive income for the year</b>		<b>114,660,446</b>	<b>179,752,964</b>	<b>44,032,651</b>	<b>351,761,434</b>
<b>Profit attributable to:</b>					
Owners of the parent		81,318,753	169,253,455	44,032,651	352,004,592
Non-controlling interests		20,626,894	10,291,169	-	-
<b>Profit for the year</b>		<b>101,945,647</b>	<b>179,544,624</b>	<b>44,032,651</b>	<b>352,004,592</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		92,579,556	168,382,824	44,032,651	351,761,434
Non-controlling interests		22,080,890	11,370,140	-	-
<b>Total comprehensive income for the year</b>		<b>114,660,446</b>	<b>179,752,964</b>	<b>44,032,651</b>	<b>351,761,434</b>
<b>Basic earnings per share (in Baht)</b>	21	<b>0.26</b>	<b>0.53</b>	<b>0.14</b>	<b>1.11</b>

The accompanying notes form an integral part of the financial statements.

## Do Day Dream Public Company Limited and its Subsidiaries

### Statement of changes in equity

	Consolidated financial statements										
	Note	Issued and paid-up share capital	Share premium	Difcicit on changes in the ownership interests in a subsidiary	Retained earnings		Other components of equity			Total equity	
					Legal reserve	Unappropriated	Other equity interest	Translation reserve	Equity attributable to owners of the parent		Non-controlling interests
						(in Baht)					
<b>Year ended 31 December 2020</b>											
<b>Balance at 1 January 2020</b>		<b>317,887,700</b>	<b>4,399,859,862</b>	<b>(31,835,833)</b>	<b>31,800,000</b>	<b>29,121,775</b>	<b>-</b>	<b>(6,296,817)</b>	<b>4,740,536,687</b>	<b>22,047,894</b>	<b>4,762,584,581</b>
<b>Transactions with owners, recorded directly in equity</b>											
<i>Distributions to owners of the parent</i>											
Dividends to owners of the Company	22	-	-	-	-	(153,538,435)	-	-	(153,538,435)	-	(153,538,435)
Dividends to non-controlling interests		-	-	-	-	-	-	-	-	(36,000,014)	(36,000,014)
<b>Total distributions to owners of the parent</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(153,538,435)</b>	<b>-</b>	<b>-</b>	<b>(153,538,435)</b>	<b>(36,000,014)</b>	<b>(189,538,449)</b>
<i>Changes in ownership interests in subsidiaries</i>											
Acquisition of non-controlling interests from new subsidiaries		-	-	-	-	-	-	-	-	138,486,289	138,486,289
Acquisition of non-controlling interests without a change in control		-	-	-	-	-	-	-	-	37,125,000	37,125,000
<b>Total changes in ownership interests in subsidiaries</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>175,611,289</b>	<b>175,611,289</b>
<b>Total transactions with owners, recorded directly in equity</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(153,538,435)</b>	<b>-</b>	<b>-</b>	<b>(153,538,435)</b>	<b>139,611,275</b>	<b>(13,927,160)</b>
<b>Put options</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(35,918,743)</b>	<b>-</b>	<b>(35,918,743)</b>	<b>-</b>	<b>(35,918,743)</b>
<b>Comprehensive income for the year</b>											
Profit		-	-	-	-	169,253,455	-	-	169,253,455	10,291,169	179,544,624
Other comprehensive income (expense)		-	-	-	-	(1,831,485)	-	961,045	(870,440)	1,078,780	208,340
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>167,421,970</b>	<b>-</b>	<b>961,045</b>	<b>168,383,015</b>	<b>11,369,949</b>	<b>179,752,964</b>
<b>Balance at 31 December 2020</b>		<b>317,887,700</b>	<b>4,399,859,862</b>	<b>(31,835,833)</b>	<b>31,800,000</b>	<b>43,005,310</b>	<b>(35,918,743)</b>	<b>(5,335,772)</b>	<b>4,719,462,524</b>	<b>173,029,118</b>	<b>4,892,491,642</b>

The accompanying notes form an integral part of the financial statements.

## Do Day Dream Public Company Limited and its Subsidiaries

### Statement of changes in equity

Consolidated financial statements										
	Retained (Deficit) earnings					Other components of equity				
Note	Issued and paid-up share capital	Share premium	Difcicit on changes in the ownership interests in subsidiaries	Legal reserve	Unappropriated (Deficit)	Other equity interest	Translation reserve	Equity attributable to owners of the parent	Non-controlling interests	Total equity
(in Baht)										
<b>Year ended 31 December 2021</b>										
<b>Balance at 1 January 2021</b>	<b>317,887,700</b>	<b>4,399,859,862</b>	<b>(31,835,833)</b>	<b>31,800,000</b>	<b>43,005,310</b>	<b>(35,918,743)</b>	<b>(5,335,772)</b>	<b>4,719,462,524</b>	<b>173,029,118</b>	<b>4,892,491,642</b>
<b>Transactions with owners, recorded directly in equity</b>										
<i>Distributions to owners of the parent</i>										
Dividends to owners of the Company	22	-	-	-	(158,942,850)	-	-	(158,942,850)	-	(158,942,850)
Dividends to non-controlling interests		-	-	-	-	-	-	-	(600,448)	(600,448)
<b>Total distributions to owners of the parent</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(158,942,850)</b>	<b>-</b>	<b>-</b>	<b>(158,942,850)</b>	<b>(600,448)</b>	<b>(159,543,298)</b>
<i>Changes in ownership interests in subsidiaries</i>										
Acquisition of non-controlling interests without a change in control	4	-	(11,791,680)	-	-	-	-	(11,791,680)	(149,808,320)	(161,600,000)
<b>Total changes in ownership interests in subsidiaries</b>		<b>-</b>	<b>(11,791,680)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(11,791,680)</b>	<b>(149,808,320)</b>	<b>(161,600,000)</b>
<b>Total transactions with owners, recorded directly in equity</b>		<b>-</b>	<b>(11,791,680)</b>	<b>-</b>	<b>(158,942,850)</b>	<b>-</b>	<b>-</b>	<b>(170,734,530)</b>	<b>(150,408,768)</b>	<b>(321,143,298)</b>
<b>Put options</b>	4	-	-	-	-	35,918,743	-	35,918,743	-	35,918,743
<b>Comprehensive income for the year</b>										
Profit		-	-	-	81,318,753	-	-	81,318,753	20,626,894	101,945,647
Other comprehensive income		-	-	-	-	-	11,260,803	11,260,803	1,453,996	12,714,799
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>81,318,753</b>	<b>-</b>	<b>11,260,803</b>	<b>92,579,556</b>	<b>22,080,890</b>	<b>114,660,446</b>
<b>Balance at 31 December 2021</b>		<b>317,887,700</b>	<b>4,399,859,862</b>	<b>(43,627,513)</b>	<b>31,800,000</b>	<b>(34,618,787)</b>	<b>5,925,031</b>	<b>4,677,226,293</b>	<b>44,701,240</b>	<b>4,721,927,533</b>

The accompanying notes form an integral part of the financial statements.

## Do Day Dream Public Company Limited and its Subsidiaries

### Statement of changes in equity

	Note	Separate financial statements				Other equity interest	Total equity
		Issued and paid-up share capital	Share premium	Legal reserve	Retained earnings Unappropriated		
<b>Year ended 31 December 2020</b>							
Balance at 1 January 2020		317,887,700	4,399,859,862	31,800,000	56,111,406	-	4,805,658,968
<b>Transactions with owners, recorded directly in equity</b>							
<i>Distributions to owners</i>							
Dividends to owners of the Company	22	-	-	-	(153,538,435)	-	(153,538,435)
<b>Total transactions with owners, recorded directly in equity</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(153,538,435)</b>	<b>-</b>	<b>(153,538,435)</b>
<b>Put options</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(35,918,743)</b>	<b>(35,918,743)</b>
<b>Comprehensive income for the year</b>							
Profit		-	-	-	352,004,592	-	352,004,592
Other comprehensive income (expense)		-	-	-	(243,158)	-	(243,158)
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>351,761,434</b>	<b>-</b>	<b>351,761,434</b>
<b>Balance at 31 December 2020</b>		<b>317,887,700</b>	<b>4,399,859,862</b>	<b>31,800,000</b>	<b>254,334,405</b>	<b>(35,918,743)</b>	<b>4,967,963,224</b>

The accompanying notes form an integral part of the financial statements.

**Do Day Dream Public Company Limited and its Subsidiaries**  
**Statement of changes in equity**

	Note	Separate financial statements				Other equity interest	Total equity
		Issued and paid-up share capital	Share premium	Legal reserve	Retained earnings Unappropriated		
<b>Year ended 31 December 2021</b>							
Balance at 1 January 2021		317,887,700	4,399,859,862	31,800,000	254,334,405	(35,918,743)	4,967,963,224
<b>Transactions with owners, recorded directly in equity</b>							
<i>Distributions to owners</i>							
Dividends to owners of the Company	22	-	-	-	(158,942,850)	-	(158,942,850)
<b>Total transactions with owners, recorded directly in equity</b>		-	-	-	(158,942,850)	-	(158,942,850)
<b>Put options</b>	4	-	-	-	-	35,918,743	35,918,743
<b>Comprehensive income for the year</b>							
Profit		-	-	-	44,032,651	-	44,032,651
Other comprehensive income		-	-	-	-	-	-
<b>Total comprehensive income for the year</b>		-	-	-	44,032,651	-	44,032,651
<b>Balance at 31 December 2021</b>		<b>317,887,700</b>	<b>4,399,859,862</b>	<b>31,800,000</b>	<b>139,424,206</b>	-	<b>4,888,971,768</b>

The accompanying notes form an integral part of the financial statements.

## Do Day Dream Public Company Limited and its Subsidiaries

### Statement of cash flows

	Note	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2021	2020	2021	2020
		<i>(in Baht)</i>			
<b>Cash flows from operating activities</b>					
Profit for the year		101,945,647	179,544,624	44,032,651	352,004,592
<i>Adjustments to reconcile profit (loss) to cash receipts (payments)</i>					
Tax expense (income)	20	26,037,302	53,185,401	(3,542,292)	57,107,514
Finance costs		1,294,797	2,002,248	625,821	499,770
Depreciation and amortisation	11, 12, 14	70,189,781	69,740,502	34,234,882	36,570,382
(Reversal of) impairment loss recognised in profit or loss		6,187,065	17,287,016	(1,703,858)	(2,963,544)
(Reversal of) provisions for employee benefits	16	8,432,306	(156,359)	1,527,297	977,434
Unrealised (gain) loss on exchange		(1,820,385)	1,245,654	(1,834,551)	1,533,904
(Gain) loss on fair value measurement of financial assets and liabilities	23	256,659,767	(446,206,442)	256,659,767	(446,206,442)
Gain on disposal of financial assets and liabilities		(279,284,802)	(99,655,974)	(278,011,869)	(99,655,974)
Share of loss of investment in an associate accounted for using equity method, net of tax	10	576,377	1,029,899	-	-
Loss on inventories devaluation	8	10,359,003	167,909,192	17,080,287	143,437,607
Gain on disposal of property, plant and equipment		-	(166,927)	-	(166,887)
Written-off property, plant and equipment/intangible assets		128,811	-	264,099	-
Dividend income		(77,022,278)	(36,049,349)	(133,421,830)	(150,049,484)
Interest income		(713,920)	(3,136,504)	(5,008,178)	(6,815,338)
		122,969,471	(93,427,019)	(69,097,774)	(113,726,466)
<i>Changes in operating assets and liabilities</i>					
Trade accounts receivable and other receivables		(325,981,707)	92,950,724	21,491,770	(32,722,496)
Inventories		(46,111,243)	(7,502,785)	(10,069,855)	61,446,174
Other current assets		869,934	16,878,931	(494,482)	4,263,481
Other non-current assets		(954,376)	(403,132)	(2,161,870)	(475,139)
Trade accounts payable and other payables		30,502,743	(31,369,954)	(6,066,838)	29,518,026
Provisions for employee benefits	16	(5,246,336)	(3,310,677)	-	-
Other current liabilities		751,174	(1,779,174)	241,784	330,693
Net cash generated used in operating		(223,200,340)	(27,963,086)	(66,157,265)	(51,365,727)
Taxes paid		(39,563,758)	(16,436,153)	(19,682,752)	(3,748,633)
<b>Net cash used in operating activities</b>		<b>(262,764,098)</b>	<b>(44,399,239)</b>	<b>(85,840,017)</b>	<b>(55,114,360)</b>

The accompanying notes form an integral part of the financial statements.

## Do Day Dream Public Company Limited and its Subsidiaries

### Statement of cash flows

	Note	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2021	2020	2021	2020
<i>(in Baht)</i>					
<b>Cash flows from investing activities</b>					
Changes in restricted deposits at financial institutions		(5,000,000)	(200,000)	-	-
Acquisition of capital increase in a subsidiary	4	-	-	(295,000,000)	-
Acquisition of investments in subsidiaries	4	-	-	(161,600,000)	(2,624,850)
Proceeds from sale of investment in an associate	10	79,666,657	-	-	-
Acquisition of subsidiaries, net of cash acquired		-	(554,050,401)	-	(732,506,040)
Acquisition of investment in an associate	10	-	(80,000,000)	-	-
Acquisitions of other current financial assets		(3,224,480,247)	(3,863,738,676)	(3,224,480,247)	(3,863,738,176)
Proceeds from sale of other current financial assets		3,813,300,311	4,480,830,952	3,813,300,311	4,480,830,952
Acquisitions of property, plant and equipment		(18,191,602)	(9,717,685)	(14,859,485)	(5,101,726)
Proceeds from sales of property, plant and equipment		55,900	1,323,233	-	1,399,976
Acquisitions of intangible assets		(3,978,209)	-	(2,801,431)	-
Proceeds from sales of intangible assets		-	23,361	-	-
Short-term loans to subsidiaries	5	-	-	(90,000,000)	(136,000,000)
Proceeds from repayment of loan to a subsidiary	5	-	-	175,000,000	20,000,000
Dividend received		77,068,728	36,049,349	77,068,728	150,049,484
Interest received		690,496	3,136,504	2,382,857	5,577,474
<b>Net cash from (used in) investing activities</b>		<b>719,132,034</b>	<b>13,656,637</b>	<b>279,010,733</b>	<b>(82,112,906)</b>
<b>Cash flows from financing activities</b>					
Proceeds from change in ownership interest in subsidiaries without a change in control		-	37,125,000	-	-
Acquisition of non-controlling interests	4	(161,600,000)	-	-	-
Repayments of borrowings from financial institutions		-	(57,613,144)	-	-
Payments of lease liabilities		(21,599,127)	(19,932,816)	(4,628,292)	(3,940,921)
Dividends paid to owners of the Company	22	(158,942,850)	(153,538,436)	(158,942,850)	(153,538,436)
Dividends paid to non-controlling interests		-	(36,000,014)	-	-
Interest paid		(1,140,503)	(2,073,088)	(625,821)	(499,770)
<b>Net cash used in financing activities</b>		<b>(343,282,480)</b>	<b>(232,032,498)</b>	<b>(164,196,963)</b>	<b>(157,979,127)</b>
Net increase (decrease) in cash and cash equivalents, before effect of exchange rates		113,085,456	(262,775,100)	28,973,752	(295,206,393)
Effect of exchange rate changes on cash and cash equivalents		12,279,954	1,640,630	1,680,983	(681,968)
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>125,365,410</b>	<b>(261,134,470)</b>	<b>30,654,735</b>	<b>(295,888,361)</b>
Cash and cash equivalents at 1 January		762,555,889	1,023,690,359	529,054,351	824,942,712
<b>Cash and cash equivalents at 31 December</b>		<b>887,921,299</b>	<b>762,555,889</b>	<b>559,709,086</b>	<b>529,054,351</b>
<b>Supplemental disclosures of cash flows information:</b>					
Property, plant and equipment acquired during the year are detailed as follows:					
Increase in property, plant and equipment during the year	11	21,449,395	9,308,335	18,074,138	4,619,736
Change in payables on acquisition of plant and equipment		(3,257,793)	409,350	(3,214,653)	481,990
<b>Net acquisition of property, plant and equipment paid by cash</b>		<b>18,191,602</b>	<b>9,717,685</b>	<b>14,859,485</b>	<b>5,101,726</b>
<b>Supplemental disclosures of cash flow information</b>					
<b>Non-cash transaction</b>					
Assets acquired under financial lease agreements	12	51,997,514	10,266,162	50,819,067	1,345,942

The accompanying notes form an integral part of the financial statements.

**Do Day Dream Public Company Limited and its subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2021**

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These notes form an integral part of the interim financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorized for issue by the Board of Directors on 25 February 2022.

**1 General information**

Do Day Dream Public Company Limited (“the Company”), is incorporated in Thailand and was listed on the Stock Exchange of Thailand on 26 December 2017. The Company’s registered office at 32 Keharomklao road, Kwang Ratphatthana, Khet Saphansung, Bangkok 10240, Thailand.

The Company’s major shareholder during the financial year was Mr. Sarawut Pornpatanarak (50.21% shareholding).

The principal businesses of the Company and its subsidiaries (together referred to the “Group”) are manufacturing and distributing cosmetics and beauty products.

Details of the Company’s subsidiaries as at 31 December 2021 and 2020 are given in note 9.

**2 Basis of preparation of the financial statements**

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The financial statements are presented in Thai Baht, which is the Company’s functional currency.

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

**3 Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

**(a) Basis of consolidation**

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associates.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

**Do Day Dream Public Company Limited and its subsidiaries**  
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At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree. In addition, when there is a change in the Group's interest in a subsidiary that do not result in a loss of control, any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received from the acquisition or disposal of the non-controlling interests with no change in control are accounted for as other surpluses/deficits in shareholders' equity.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities, any related non-controlling interests and other components of equity of the subsidiary. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

An associate is the entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

The Group recognised investments in an associate using the equity method in the consolidated financial statements. It is initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's dividend income and share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence ceases.

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated on consolidation. Unrealised gains arising from transactions with an associate is eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

*Business combinations*

The Group applies the acquisition method when the Group assess that the acquired set of activities and assets include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. The acquisition date is the date on which control is transferred to the Group. Expenses in connection with a business combination are recognised as incurred.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less net fair value of the identifiable assets acquired and liabilities assumed. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, any contingent consideration and equity interests issued by the Group.

Any contingent consideration is measured at fair value at the date of acquisition, and remeasured at fair value at each reporting date. Subsequent changes in the fair value are recognised in profit or loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group estimates provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

**Do Day Dream Public Company Limited and its subsidiaries**  
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**(b) *Investments in subsidiaries***

Investments in subsidiaries in the separate financial statements are measured at cost less allowance for impairment losses. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established. If the Company disposes of part of its investment, the deemed cost of the part sold is determined using the weighted average method. Gains and losses on disposal of the investments are recognised in profit or loss.

**(c) *Foreign currencies***

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to the respective functional currencies of each entity in the Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the reporting date. Non-monetary assets and liabilities measured at fair value in foreign currencies are translated at the exchange rates at the dates that fair value was determined.

Foreign currency differences are generally recognised in profit or loss.

*Foreign operations*

The assets and liabilities of foreign operations are translated to Thai Baht at the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve until disposal of the investment, except to the extent that the translation difference is allocated to non-controlling interests.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the translation reserve in equity until disposal of the investment.

**(d) *Financial instruments***

*(d.1) Classification and measurement*

Other financial assets and financial liabilities (except trade accounts receivables (see note 3(f))) are initially recognised when the Group becomes a party to the contractual provisions of the instrument, and measured at fair value, taking into account for transaction costs that are directly attributable to its acquisition, except for financial assets and financial liabilities measured at FVTPL, which are initially and subsequently measured at fair value, and any transaction costs that are directly attributable to its acquisition are recognised in profit or loss.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or fair value through profit or loss (FVTPL). Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

**Do Day Dream Public Company Limited and its subsidiaries**  
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On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method or FVTPL. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss and any gain or loss on derecognition are recognised in profit or loss.

*(d.2) Derecognition and offset*

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and the Group intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

*(d.3) Derivatives*

Derivatives are recognised at fair value and remeasured at fair value at each reporting date. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

*(d.4) Impairment of financial assets other than trade accounts receivables*

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, debt investments measured at FVOCI, and loan commitments issued which are not measured at FVTPL.

The Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

The Group considers a financial asset to have low credit risk when its credit rating is equivalent to the globally understood definition of 'investment grade'. The Group recognises ECLs for low credit risk financial asset as 12-month ECLs

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The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

*(d.5) Write offs*

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

*(d.6) Interest*

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

*(e) Cash and cash equivalents*

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments which has a maturity of three months or less from the date of acquisition. Bank overdrafts that are repayable on demand are a component of cash and cash equivalents for the purpose of the statement of cash flows.

*(f) Trade and other accounts receivable*

A trade receivable is recognised when the Group has an unconditional right to receive consideration. A trade receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

The Group estimates lifetime expected credit losses (ECLs), using a provision matrix to find ECLs rate. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

**Do Day Dream Public Company Limited and its subsidiaries**  
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**(g) Inventories**

Inventories are measured at the lower of cost and net realisable value.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition less all attributable discount. In the case of manufactured inventories and work-in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Cost are calculated using the following principles:

Finished goods from Original Equipment Manufacturer. (OEM)	- at cost (moving average cost)
Finished goods and work in progress	- at standard cost which approximates actual (moving average cost)
Raw materials packaging and factory supplies	- at cost (moving average cost) and considered as cost of production when used

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

An allowance for decline in value of inventories are made for all deteriorated, damaged, obsolete and slow-moving inventories.

A right to recover returned products is recognised when the products are expected to be returned by customers and measured by reference to the former carrying amount of the sold inventories less any expected costs to recover those products.

**(h) Property, plant and equipment**

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes capitalised borrowing costs, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of property, plant and equipment are recognised in profit or loss.

*Subsequent costs*

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

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*Depreciation*

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land and assets under construction.

The estimated useful lives are as follows:

Buildings and building improvements	5 - 20 years
Machinery and equipment	3 - 10 years
Vehicles	5 years

**(i) Goodwill**

Goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investee, the carrying amount of goodwill is included in the carrying amount of the investment. Internally generated goodwill and brands, is recognised in profit or loss as incurred.

**(j) Other intangible assets**

Other intangible assets that have indefinite useful lives are measured at cost less impairment losses. Other intangible assets are measured at cost less accumulated amortisation and impairment losses. Subsequent expenditure is capitalised only when it will generate the future economic benefits. Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss.

The estimated useful lives are as follows:

Software licences	2 - 10 years
Patents and trademarks	7, 10 years and indefinite useful lives
Customers relationships	10 years

**(k) Leases**

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

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.

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Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Group uses the Group's incremental borrowing rate to discount the lease payments to the present value. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification, or a change in the assessment of options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

**(l) *Impairment of non-financial assets***

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount, unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

The recoverable amount is the greater of the asset's value in use and fair value less costs to sell. In assessing 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. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses of assets recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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**(m) Employee benefits**

*Defined contribution plans*

Obligations for contributions to the Group's provident funds are expensed as the related service is provided.

*Defined benefit plans*

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**(n) Provisions**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

**(o) 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 market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

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

- *Level 1*: quoted prices in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- *Level 3*: inputs for the asset or liability that are based on unobservable input.

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

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and asset positions at a bid price and liabilities and liability positions at an ask price

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price, the financial instrument is initially measured at fair value adjusted for the difference between the fair value on initial recognition and the transaction price and the difference is recognised in profit or loss immediately. However, for the fair value categorised as level 3, such difference is deferred and will be recognised in profit or loss on an appropriate basis over the life of the instrument or until the fair value level is transferred or the transaction is closed out.

**(p) Revenue from contracts with customers**

*Revenue recognition*

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax or other sales taxes and is after deduction of any trade discounts and volume rebates.

Revenue from sales of goods is recognised on the date on which the goods are delivered to the customers. For the sales that permit the customers to return the goods, the Group estimates the returns based on the historical return data, does not recognise revenue for this transaction and remains recognition of inventory for the estimated products to be returned.

Revenue for rendering of services is recognised over time based on stage of completion as the services are provided. The related costs are recognised in profit or loss when they are incurred.

**(q) Income tax**

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is recognised in respect of 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.

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Deferred tax is recognised 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 recognised for the temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in the separate financial statements.

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 utilised. 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 realised.

**(r) Earnings per share**

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

**(s) Segment reporting**

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly finance costs, income tax expenses and other assets.

**4 Acquisition of non-controlling interests**

On 4 March 2021, the Group acquired an additional 24% interest in Kuron Corporation Limited ("Kuron") for Baht 157.74 million in cash and incurred shared acquisition-related costs of Baht 1.60 million, increasing its ownership from 76% to 100%. The carrying amount of Kuron's net assets in the Group's financial statements on the date of the acquisition was Baht 349.57 million. The Group recognised a decrease in non-controlling interests of Baht 146.29 million, and an increase in deficit on changes in the ownership interests in subsidiaries of Baht 13.05 million attributable to owners of the Group of Baht 159.34 million of changes in the Group's ownership interest in Kuron.

On 4 March 2021, the Group acquired an additional 24% interest in Alexi Training and Consulting Company Limited ("Alexi") for Baht 2.26 million in cash, increasing its ownership from 76% to 100%. The carrying amount of Alexi's net assets in the Group's financial statements on the date of the acquisition was Baht 14.69 million. The Group recognised a decrease in non-controlling interests of Baht 3.52 million, and decrease in deficit on changes in the ownership interests in subsidiaries of Baht 1.26 million attributable to owners of the Group of Baht 2.26 million of changes in the Group's ownership interest in the equity in Alexi.

However, non-controlling interests (NCI) of Kuron and Alexi did not exercise the put options in accordance with the acquisition agreements. The Company, therefore, reversed the other equity interest of Baht 35.92 million.

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**5 Related parties**

A related party is a person or entity that has direct or indirect control or joint control, has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or joint control, has significant influence over the financial and managerial decision-making of a person or entity.

Relationships with subsidiaries and an associate are described in notes 9 and 10. Other related parties that the Group had significant transactions with during the year were as follows:

<b>Name of parties</b>	<b>Country of incorporation / nationality</b>	<b>Nature of relationships</b>
Mr.Sarawut Pornpatanarak	Thai	Persons having authority and responsibility for planning, directing and controlling the activities of the group, directly or indirectly, including major shareholder and director of the Group
PM Chemical Company Limited	Thailand	Shared directors and share holders
The Fourteen Company Limited	Thailand	Related by director
Nama Nama Group Company Limited	Thailand	Shared directors and share holders
Vitainno Company Limited	Thailand	Related by director and share holders
Key management personnel	Thai	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group

5.1 Significant transactions for the years ended 31 December with related parties were as follows:

<b>Year ended 31 December</b>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b>Subsidiaries</b>				
Sales of goods, net of discount	-	-	151,074	157,086
Rental income	-	-	554	539
Sub-lease income	-	-	1,633	542
Management fee income	-	-	3,751	3,468
Interest income	-	-	4,455	3,975
Dividend income	-	-	56,400	114,000
Other income	-	-	830	2,644
Other expenses	-	-	5	-
<b>Associate</b>				
Rental income	1,261	16	-	-
Service income	-	542	-	-
Other income	34	1,252	-	-

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<i>Year ended 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b>Other related parties</b>				
Sales of goods, net of discount	775	5,299	-	-
Rental income	-	-	1,261	16
Service income	-	-	-	542
Other income	-	5	34	1,257
Purchases of goods	5,684	360	1,291	360
Sales promotion expense	111	829	-	-
Rental fee expense	792	852	792	852
Service expense	60	-	60	-
Other expenses	50	-	50	-
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term employee benefits	38,956	54,960	38,956	36,377
Post-employment benefits	601	4,013	601	207
<b>Total key management personnel compensation</b>	<b>39,557</b>	<b>58,973</b>	<b>39,557</b>	<b>36,584</b>

5.2 Balances as at 31 December with related parties were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b>Trade and other accounts receivable</b>				
Subsidiaries	-	-	195,595	245,302
Associate	-	1	-	1
Other related parties	21	308	-	-
<b>Total</b>	<b>21</b>	<b>309</b>	<b>195,595</b>	<b>245,303</b>
Less allowance for expected credit loss	-	-	-	-
<b>Net</b>	<b>21</b>	<b>309</b>	<b>195,595</b>	<b>245,303</b>
<b>Short term loans to</b>				
Subsidiaries	-	-	145,000	230,000
<b>Total</b>	<b>-</b>	<b>-</b>	<b>145,000</b>	<b>230,000</b>
Less allowance for expected credit loss	-	-	-	-
<b>Net</b>	<b>-</b>	<b>-</b>	<b>145,000</b>	<b>230,000</b>
<b>Trade and other accounts payable</b>				
Subsidiaries	-	-	4	935
Other related parties	1,564	71	1,175	71
<b>Total</b>	<b>1,564</b>	<b>71</b>	<b>1,179</b>	<b>1,006</b>

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5.3 Significant agreements with related parties

- a.) The Company has service agreement with Namu Life Plus Company Limited, Do Infinite Dream Company Limited, Dream Dermatology Company Limited and Skin Make Smiles Company Limited (subsidiaries). Under the terms of each agreement, the Company agreed to provide the service of consulting and management. In this regard, the subsidiaries agreed to pay monthly fee to the Company at the rate as stipulated in the agreements.
- b.) The Company has office rental agreement with Namu Life Plus Company Limited, Do Infinite Dream Company Limited, Dream Dermatology Company Limited and Skin Make Smiles Company Limited (subsidiaries). Under the term of each agreement, the Company agreed the subsidiaries to use the building space for their office. In this regards, the subsidiaries agreed to pay rental fee to the Company at the rate stipulated in the agreements.
- c.) The Company has service agreement with Do Day Dream Trading Pte. Ltd. (a foreign indirect subsidiary). Under the terms of the agreement, the Company agreed to provide the accounting receivable management service and capital management service. In this regard, the foreign indirect subsidiaries agreed to pay monthly fee to the Company at the rate of 0.1 percent of the total net sales. This agreement is terminated by mutually agreed by both parties in writing or either party upon receipt of 30 days prior written notice in the event the other party materially fails to comply with the terms of agreement through no fault of the other.
- d.) Alexi Training and Consulting Company Limited (“Alexi”) (a subsidiary) has service agreement with Kuron Corporation Limited (“Kuron”) (a subsidiary). Under the terms of agreement, Alexi agreed to provide service of recruiting and training personnel to Kuron. In this regard, Kuron agreed to pay monthly fee to Alexi at the rate stipulated in the agreements.
- e.) Kuron Corporation Limited (“Kuron”) (a subsidiary) has service agreement with Alexi Training and Consulting Company Limited (“Alexi”) (a subsidiary). Under the terms of agreement, Kuron agreed to provide the accounting service and management service to Alexi. In this regard, Alexi agreed to pay service fee to Kuron at the rate stipulated in the agreements.
- f.) Kuron Corporation Limited (“Kuron”) (a subsidiary) has office rental agreement with Alexi Training and Consulting Company Limited (“Alexi”) (a subsidiary). Under the terms of agreement, Kuron agreed Alexi to use the building space for its office. In this regard, Alexi agreed to pay rental fee to Kuron at the rate stipulated in the agreement.
- g.) Do Infinite Dream Company Limited (a subsidiary) has service agreement with Kuron Corporation Limited (“Kuron”) (a subsidiary). Under the terms of agreement, Do Infinite Dream Company Limited agrees to provide service of consultation related to personnel management, product management advice service, financial planning, capital management, providing of capital funding sources and legal operation and coordination services to Kuron. In this regard, Kuron agrees to pay for monthly fee to Do Infinite Dream Company Limited at the rate stipulated in the agreement.
- h.) Alexi Training and Consulting Company Limited (“Alexi”) (a subsidiary) has service agreement with Namu Life Plus Company Limited (a subsidiary). Under the terms of agreement, Alexi agrees to provide service of recruitment and control of promotional staffs to increase sales and service efficiency for Namu Life Plus Company Limited. In this regard, Namu Life Plus Company Limited agrees to pay for monthly fee to Alexi at the rate stipulated in the agreements.

# Do Day Dream Public Company Limited and its subsidiaries

## Notes to the financial statements

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- i.) The Company had short-term loans to Dream Dermatology Company Limited and Skin Make Smiles Company Limited and Do Infinite Dream Company Limited (subsidiaries) at an interest rate to 1.9% per annum (2020: 1.9% per annum), which will become due at call.

### 6 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Cash on hand	218	214	42	35
Cash at banks	884,715	759,354	556,679	526,031
Highly liquid short-term investments	2,988	2,988	2,988	2,988
<b>Total</b>	<b>887,921</b>	<b>762,556</b>	<b>559,709</b>	<b>529,054</b>

### 7 Trade and other current receivables

At 31 December	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b>Trade accounts receivable</b>				
Within credit terms	459,427	209,534	55,071	35,681
Overdue:				
1-30 days	45,334	49,361	8,662	8,236
31-60 days	5,933	16,755	14,111	2,686
61-90 days	86	4,733	10,129	11,771
More than 90 days	29,142	38,276	24,335	168,488
<b>Total</b>	<b>539,922</b>	<b>318,659</b>	<b>112,308</b>	<b>226,862</b>
Less allowance for expected credit loss	(30,300)	(23,989)	-	(1,704)
<b>Net</b>	<b>509,622</b>	<b>294,670</b>	<b>112,308</b>	<b>225,158</b>
<b>Other current receivables</b>				
Within credit terms	169,701	64,748	182,738	39,977
Overdue:				
1-30 days	-	57	975	1,920
31-60 days	-	29	2,305	1,111
61-90 days	-	-	190	751
More than 90 days	-	-	9,721	-
<b>Total</b>	<b>169,701</b>	<b>64,834</b>	<b>195,929</b>	<b>43,759</b>
Less allowance for expected credit loss	-	(37)	-	(37)
<b>Net</b>	<b>169,701</b>	<b>64,797</b>	<b>195,929</b>	<b>43,722</b>
<b>Total trade and other current receivables</b>	<b>679,323</b>	<b>359,467</b>	<b>308,237</b>	<b>268,880</b>

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<i>At 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b><i>Allowance for expected credit loss</i></b>				
At 1 January	(24,027)	(8,343)	(1,741)	(6,229)
Addition	(10,391)	(20,251)	-	-
Reversal	4,204	2,964	1,704	2,964
Write-off	37	1,524	37	1,524
Difference on foreign exchange	(123)	79	-	-
<b>At 31 December</b>	<b><u>(30,300)</u></b>	<b><u>(24,027)</u></b>	<b><u>-</u></b>	<b><u>(1,741)</u></b>

Information of credit risk is disclosed in note 23 (b.1).

**8 Inventories**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Finished goods	382,102	381,342	49,034	71,575
Work in progress	5,649	5,180	5,649	5,180
Raw materials	54,909	50,997	54,909	50,997
Packaging	104,619	96,797	102,476	94,711
Supplies	5,606	3,740	5,422	3,654
Goods in transit	25,582	14,194	-	1,198
<b>Total</b>	<b><u>578,467</u></b>	<b><u>552,250</u></b>	<b><u>217,490</u></b>	<b><u>227,315</u></b>
<i>Less allowance for decline in value</i>	<i>(181,307)</i>	<i>(190,842)</i>	<i>(152,719)</i>	<i>(155,533)</i>
<b>Net</b>	<b><u>397,160</u></b>	<b><u>361,408</u></b>	<b><u>64,771</u></b>	<b><u>71,782</u></b>
Inventories recognised in ‘cost of sales of goods’:				
- Cost	548,859	413,086	159,922	181,725
- Write-down	10,359	167,909	17,080	143,438
<b>Net</b>	<b><u>559,218</u></b>	<b><u>580,995</u></b>	<b><u>177,002</u></b>	<b><u>325,163</u></b>

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**9 Investments in subsidiaries**

<b>Separate financial statements</b>														
Name of entity	Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income for the year	
			2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
			(%)						(in thousand Baht)					
<b>Direct subsidiaries</b>														
Namu Life Plus Company Limited	Distribution of cosmetics and supplement	Thailand	100	100	300,000	5,000	347,655	52,655	-	-	347,655	52,655	-	-
Do Infinite Dream Company Limited	Management, technical, financing and enterprise service	Thailand	100	100	100,000	100,000	100,000	100,000	-	-	100,000	100,000	-	-
Dream Dermatology Company Limited	Distribution of cosmetics and supplement	Thailand	95	95	50,000	50,000	47,500	47,500	-	-	47,500	47,500	11,400	-
Skin Make Smiles Company Limited	Distribution of cosmetics	Thailand	70	70	5,000	5,000	3,499	3,499	-	-	3,499	3,499	-	-
Kuron Corporation Limited	Distribution of beauty products	Thailand	100	76	295,392	295,392	883,348	724,013	-	-	883,348	724,013	35,000	114,000
Alexi Training and Consulting Company Limited	Training services and providing sales advice	Thailand	100	76	5,000	5,000	10,758	8,493	-	-	10,758	8,493	10,000	-
<b>Total</b>							<b>1,392,760</b>	<b>936,160</b>	<b>-</b>	<b>-</b>	<b>1,392,760</b>	<b>936,160</b>	<b>56,400</b>	<b>114,000</b>
<b>Indirect subsidiaries</b>														
Do Day Dream Holding Pte.Ltd.	Holding company	Singapore	100	100	USD 2,000,000	USD 2,000,000								
Do Day Dream Trading Pte.Ltd.	General wholesale trade (include general importer and exporter)	Singapore	100	100	USD 300,000	USD 300,000								
Do Day Dream Philippines Corporation	General wholesale trade (include general importer and exporter)	Philippines	51	51	PHP 66,000,000	PHP 66,000,000								

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<i>Material movement for the year ended 31 December</i>	<i>Note</i>	<b>Separate financial statements</b>	
		2021	2020
		<i>(in thousand Baht)</i>	
<b><i>Subsidiaries</i></b>			
Acquire investment in Kuron Corporation Limited	4	159,335	724,013
Acquire investment in Alexi Training and Consulting Company Limited	4	2,265	8,493
Increase capital of Namu Life Plus Company Limited		295,000	-

- (1) The Company invested in Kuron Corporation Limited by acquiring additional 708,939 ordinary shares from the former shareholders on 4 March 2021 with the consideration paid of Baht 222.50 per share, totaling of Baht 157.74 million, which represent 24% shareholding and incurred shared acquisition-related costs totaling of Baht 1.60 million. The shares transfer has been completed on 4 March 2021.
- (2) The Company invested in Alexi Training and Consulting Company Limited by acquiring additional 12,000 ordinary shares from the former shareholders on 4 March 2021 with the consideration paid of Baht 188.69 per share, totaling of Baht 2.26 million, which represent 24% shareholding. The shares transfer has been completed on 4 March 2021.
- (3) At the Shareholders Meeting of Namu Life Plus Company Limited, a subsidiary, held on 12 November 2021, the subsidiary's shareholders approved to increase their authorised share capital of Baht 295 million (from Baht 5 million to Baht 300 million) by issuing 2,950,000 new ordinary shares with the par value of Baht 100 per share. The subsidiary registered the increase of the share capital with the Ministry of Commerce on 9 December 2021. The Company invested in this subsidiary by acquired 2,950,000 ordinary shares with the consideration paid of Baht 100 per share, totaling of Baht 295 million, which represent 100% shareholding. The share transfer has been completed on 9 December 2021.

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**10 Investment in an associate**

Name of entity	Type of business	Country of incorporation	Ownership interest (%)		Paid-up capital		Consolidated financial statements					
							Cost		At equity method		Dividend income for the year	
							2021	2020	2021	2020	2021	2020
<i>Associate</i>												
JMS Global Solution Company Limited	Production, OEM, retail and distribution cosmetics	Thailand	-	28	200,000	200,000	-	80,000	-	78,970	-	-
<b>Total</b>							<b>-</b>	<b>80,000</b>	<b>-</b>	<b>78,970</b>	<b>-</b>	<b>-</b>

None of the Group's associate is publicly listed and consequently do not have published price quotations.

The Group accounts for investment in an associate by using the equity method in the consolidated financial statements.

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<i>Material movement for the year ended 31 December</i>	<b>Consolidated financial statements</b>	
	2021	2020
	<i>(in thousand Baht)</i>	
<b>Associate</b>		
Acquisition of investment in JMS Global Solution Company Limited	-	80,000
Disposal of investment in JMS Global Solution Company Limited	78,394	-

In December 2021, a subsidiary sold all investments in JMS Global Solution Company Limited, for a consideration of Baht 79.66 million. The Group recognised gain on disposal of investment in the consolidated financial statements of Baht 1.27 million.

*Immaterial associate*

The following is summarized financial information for the Group's interest in immaterial associate based on the amounts reported in the Group's consolidated financial statements:

	Immaterial Associate	
	2021	2020
	<i>(in thousand Baht)</i>	
<b>Carrying amount of interests in immaterial associate</b>	-	<b>78,970</b>
Group's share of loss from continuing operations	<u>(576)</u>	<u>(1,030)</u>

**11 Property, plant and equipment**

	<b>Consolidated financial statements</b>					
	Land	Buildings and building improvements	Machinery and equipment <i>(in thousand Baht)</i>	Vehicles	Assets under construction and installation	Total
<b>Cost</b>						
At 1 January 2020	59,596	150,090	135,142	12,567	1,392	358,787
Acquisitions through business acquisition	-	40,816	23,533	1,167	-	65,516
Additions	-	1,078	6,090	27	2,114	9,309
Transfers	-	-	2,138	-	(2,138)	-
Disposals	-	-	(491)	-	(1,202)	(1,693)
Effect of movements in exchange rates	-	-	32	72	-	104
<b>At 31 December 2020 and 1 January 2021</b>	<b>59,596</b>	<b>191,984</b>	<b>166,444</b>	<b>13,833</b>	<b>166</b>	<b>432,023</b>
Additions	-	666	9,669	-	11,114	21,449
Transfers	-	10,794	76	-	(10,870)	-
Disposals	-	(3,607)	(233)	-	-	(3,840)
Effect of movements in exchange rates	-	-	60	68	-	128
<b>At 31 December 2021</b>	<b>59,596</b>	<b>199,837</b>	<b>176,016</b>	<b>13,901</b>	<b>410</b>	<b>449,760</b>

**Do Day Dream Public Company Limited and its subsidiaries**  
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	Land	Buildings and building improvements	Machinery and equipment (in thousand Baht)	Vehicles	Assets under construction and installation	Total
<b>Depreciation</b>						
At 1 January 2020	-	27,970	65,851	9,801	-	103,622
Acquisitions through business acquisition	-	24,727	16,808	683	-	42,218
Depreciation charge for the year	-	8,882	24,800	1,278	-	34,960
Disposals	-	-	(407)	-	-	(407)
Effect of movements in exchange rates	-	-	43	-	-	43
<b>At 31 December 2020 and 1 January 2021</b>	<b>-</b>	<b>61,579</b>	<b>107,095</b>	<b>11,762</b>	<b>-</b>	<b>180,436</b>
Depreciation charge for the year	-	9,223	22,024	764	-	32,011
Disposals	-	(3,607)	(177)	-	-	(3,784)
Effect of movements in exchange rates	-	-	27	14	-	41
<b>At 31 December 2021</b>	<b>-</b>	<b>67,195</b>	<b>128,969</b>	<b>12,540</b>	<b>-</b>	<b>208,704</b>
<b>Net book value</b>						
<b>At 31 December 2020</b>	<b>59,596</b>	<b>130,405</b>	<b>59,349</b>	<b>2,071</b>	<b>166</b>	<b>251,587</b>
<b>At 31 December 2021</b>	<b>59,596</b>	<b>132,642</b>	<b>47,047</b>	<b>1,361</b>	<b>410</b>	<b>241,056</b>

**Separate financial statements**

	Land	Buildings and building improvements	Machinery and equipment (in thousand Baht)	Vehicles	Assets under construction and installation	Total
<b>Cost</b>						
At 1 January 2020	59,596	150,090	132,979	11,199	1,392	355,256
Additions	-	748	1,758	-	2,114	4,620
Transfers	-	-	2,138	-	(2,138)	-
Disposals	-	-	(155)	-	(1,202)	(1,357)
<b>At 31 December 2020 and 1 January 2021</b>	<b>59,596</b>	<b>150,838</b>	<b>136,720</b>	<b>11,199</b>	<b>166</b>	<b>358,519</b>
Additions	-	-	6,960	-	11,114	18,074
Transfers	-	10,794	76	-	(10,870)	-
Disposals	-	-	(1)	-	-	(1)
<b>At 31 December 2021</b>	<b>59,596</b>	<b>161,632</b>	<b>143,755</b>	<b>11,199</b>	<b>410</b>	<b>376,592</b>
<b>Depreciation</b>						
At 1 January 2020	-	27,970	64,718	9,769	-	102,457
Depreciation charge for the year	-	7,537	20,586	985	-	29,108
Disposals	-	-	(123)	-	-	(123)
<b>At 31 December 2020 and 1 January 2021</b>	<b>-</b>	<b>35,507</b>	<b>85,181</b>	<b>10,754</b>	<b>-</b>	<b>131,442</b>
Depreciation charge for the year	-	7,552	18,258	445	-	26,255
Disposals	-	-	(2)	-	-	(2)
<b>At 31 December 2021</b>	<b>-</b>	<b>43,059</b>	<b>103,437</b>	<b>11,199</b>	<b>-</b>	<b>157,695</b>

**Do Day Dream Public Company Limited and its subsidiaries**  
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	<b>Separate financial statements</b>					Total
	Land	Buildings and building improvements	Machinery and equipment <i>(in thousand Baht)</i>	Vehicles	Assets under construction and installation	
<i>Net book value</i>						
<b>At 31 December 2020</b>	<u>59,596</u>	<u>115,331</u>	<u>51,539</u>	<u>445</u>	<u>166</u>	<u>227,077</u>
<b>At 31 December 2021</b>	<u>59,596</u>	<u>118,573</u>	<u>40,318</u>	<u>-</u>	<u>410</u>	<u>218,897</u>

*Security*

At 31 December 2021, the Company's property, plant and equipment with total net book value of Baht 92.91 million (2020: Baht 95.37 million) were pledged under long-term loans and credit facilities from financial institutions (Note 15).

Information relating to leases are disclosed in note 12.

**12 Leases**

<i>Right-of-use assets</i> <i>At 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Land	1,127	1,896	-	-
Building and building improvements	83,264	47,382	51,079	2,566
Machinery and equipment	1,658	3,675	1,658	3,676
Vehicles	2,282	6,084	88	1,562
<b>Total</b>	<u>88,331</u>	<u>59,037</u>	<u>52,825</u>	<u>7,804</u>

In 2021, additions to the right-of-use assets of the Group and the Company were Baht 52 million and Baht 50.82 million, respectively (2020: Baht 10.27 million and Baht 1.35 million, respectively).

The Group leases a number of building and warehouses for 1.5 to 9 years, with extension options at the end of lease term. The rental is payable monthly as specified in the contract.

*Extension options*

The Group has extension options on property leases exercisable up to one year before the end of the contract period. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options and will regularly reassess so.

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<i>Year ended 31 December</i>	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		2021	2020	2021	2020
		<i>(in thousand Baht)</i>			
<b><i>Amounts recognised in profit or loss</i></b>					
Sub-lease income		-	-	1,091	1,084
Depreciation of right-of-use assets:					
- Land		1,092	908	-	-
- Building and building improvements		15,792	14,534	2,305	1,346
- Machinery and equipment		2,018	2,012	2,018	2,012
- Vehicles		3,803	3,809	1,339	1,668
Interest on lease liabilities		1,213	2,002	626	500
Expenses relating to short-term leases and low-value assets	<i>19</i>	502	2,325	3,944	5,251

In 2021, total cash outflow for leases of the Group and the Company were Baht 22.10 million and Baht 8.57 million, respectively (*2020: Baht 22.26 million and Baht 9.19 million, respectively*).

### **13 Goodwill**

	<b>Consolidated financial statements</b>	
	2021	2020
	<i>(in thousand Baht)</i>	
<b><i>Cost</i></b>		
At 1 January	170,900	-
Acquired through business acquisition	-	170,900
<b>At 31 December</b>	<b>170,900</b>	<b>170,900</b>
<b><i>Impairment losses</i></b>		
At 1 January	-	-
Impairment loss	-	-
<b>At 31 December</b>	<b>-</b>	<b>-</b>
<b><i>Net book value</i></b>		
<b>At 31 December</b>	<b>170,900</b>	<b>170,900</b>

#### *Impairment testing for CGUs containing goodwill*

Goodwill was arising from acquisitions of shares of Kuron Corporation Limited and Alexi Training and Consulting Company Limited. For the purposes of impairment testing, goodwill has been allocated to the Group's CGU which is Kuron Corporation Limited and Alexi Training and Consulting Company Limited.

#### *Impairment testing*

In evaluating and testing of impairment, the Group determined the recoverable amount on the higher of its value in use by estimating discounted future cash flows and the fair value less cost of disposal if sale the business.

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In this regard, the preparation of future cash flows that the Group expects to receive is derived from the determination of financial assumptions based on the management's assessment by considering the factors related to future trends in the relevant industries and historical financial data from external and internal sources of information.

The key assumptions used in the estimation of the recoverable amount were as follows:

*Discount rate*

The discount rates were based on weighted average cost of capital comprised of key financial assumptions such as targeted capital structure, cost of debt and cost of equity.

*Terminal growth rate*

Terminal growth rates were determined based on average consumer price index, inflation rates, growth rates of the relevant industries of the countries of the operation and the long-term growth plan as well as the comparable businesses in the same industries.

*Budgeted future cash flow that the Group expects to receive*

Budgeted future cash flow that the Group expects to receive comprises of budgeted revenue growth, costs and related expenses, by taking the average growth rate in the past, budgeted sale quantities, selling price, and expenses into account and referencing to future trend of market growth along with the business strategies and the operation of the Group in the future.

Based on the impairment testing, the recoverable amount of CGU was estimated to be higher than its carrying amount and no impairment was required to these financial statements.

**14 Other intangible assets**

	<b>Consolidated financial statements</b>				Total
	Patents and Trademarks	Customer relationships	Software licences	Computer programs under installation	
	<i>(in thousand Baht)</i>				
<b>Cost</b>					
At 1 January 2020	97,314	-	16,209	-	113,523
Acquisitions through business acquisition	238,690	81,510	38,396	-	358,596
Disposals	(18)	-	(6)	-	(24)
<b>At 31 December 2020 and 1 January 2021</b>	<b>335,986</b>	<b>81,510</b>	<b>54,599</b>	-	<b>472,095</b>
Additions	-	-	1,192	2,797	3,989
Disposals	(128)	-	-	-	(128)
<b>At 31 December 2021</b>	<b>335,858</b>	<b>81,510</b>	<b>55,791</b>	<b>2,797</b>	<b>475,956</b>

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	<b>Consolidated financial statements</b>				Total
	Patents and Trademarks	Customer relationships	Software licences <i>(in thousand Baht)</i>	Computer programs under installation	
<b><i>Amortisation and impairment losses</i></b>					
At 1 January 2020	8,799	-	5,428	-	14,227
Acquisitions through business acquisition	-	-	18,320	-	18,320
Amortisation for the year	1,736	6,793	4,921	-	13,450
<b>At 31 December 2020 and 1 January 2021</b>	<b>10,535</b>	<b>6,793</b>	<b>28,669</b>	<b>-</b>	<b>45,997</b>
Amortisation for the year	1,931	8,150	5,393	-	15,474
<b>At 31 December 2021</b>	<b>12,466</b>	<b>14,943</b>	<b>34,062</b>	<b>-</b>	<b>61,471</b>
<b><i>Net book value</i></b>					
<b>At 31 December 2020</b>	<b>325,451</b>	<b>74,717</b>	<b>25,930</b>	<b>-</b>	<b>426,098</b>
<b>At 31 December 2021</b>	<b>323,392</b>	<b>66,567</b>	<b>21,729</b>	<b>2,797</b>	<b>414,485</b>
<b>Separate financial statements</b>					
		Trademarks	Software licences <i>(in thousand Baht)</i>	Computer programs under installation	Total
<b><i>Cost</i></b>					
At 1 January 2020		5,456	15,777	-	21,233
Additions		-	-	-	-
<b>At 31 December 2020 and 1 January 2021</b>		<b>5,456</b>	<b>15,777</b>	<b>-</b>	<b>21,233</b>
Additions		-	4	2,797	2,801
Disposals		(128)	-	-	(128)
<b>At 31 December 2021</b>		<b>5,328</b>	<b>15,781</b>	<b>2,797</b>	<b>23,906</b>
<b><i>Amortisation</i></b>					
At 1 January 2020		1,710	5,349	-	7,059
Amortisation for the year		763	1,674	-	2,437
<b>At 31 December 2020 and 1 January 2021</b>		<b>2,473</b>	<b>7,023</b>	<b>-</b>	<b>9,496</b>
Amortisation for the year		761	1,556	-	2,317
<b>At 31 December 2021</b>		<b>3,234</b>	<b>8,579</b>	<b>-</b>	<b>11,813</b>
<b><i>Net book value</i></b>					
<b>At 31 December 2020</b>		<b>2,983</b>	<b>8,754</b>	<b>-</b>	<b>11,737</b>
<b>At 31 December 2021</b>		<b>2,094</b>	<b>7,202</b>	<b>2,797</b>	<b>12,093</b>

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**Impairment testing for intangible assets**

The recoverable amount was based on its value in use, determined by discounting the future cash flows. The key assumptions used in the estimation of value in use were expectations of future outcomes taking into account past experience adjusted for anticipated revenue growth and discount rate which calculated from weighted average cost of capital. According to the impairment testing, the estimated recoverable amount was closed to the carrying amount of intangible assets. Therefore, the management was not considered to recognise or reverse an impairment loss of intangible assets for the year ended 31 December 2021.

**15 Interest-bearing liabilities**

	<b>Consolidated financial statements</b>					
	Secured	2021 Unsecured	Total <i>(in thousand Baht)</i>	Secured	2020 Unsecured	Total
Lease liabilities	-	91,236	91,236	-	60,838	60,838
<b>Total interest-bearing liabilities</b>	<b>-</b>	<b>91,236</b>	<b>91,236</b>	<b>-</b>	<b>60,838</b>	<b>60,838</b>

	<b>Separate financial statements</b>					
	Secured	2021 Unsecured	Total <i>(in thousand Baht)</i>	Secured	2020 Unsecured	Total
Lease liabilities	-	54,523	54,523	-	8,332	8,332
<b>Total interest-bearing liabilities</b>	<b>-</b>	<b>54,523</b>	<b>54,523</b>	<b>-</b>	<b>8,332</b>	<b>8,332</b>

<i>Assets pledged as security for liabilities as at 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
Fixed deposit	25,473	20,273	20,273	20,273
Property, plant and equipment	92,905	95,374	92,905	95,374
<b>Total</b>	<b>118,378</b>	<b>115,647</b>	<b>113,178</b>	<b>115,647</b>

As at 31 December 2021, the Group and the Company had unutilised credit facilities totalling Baht 1,272 million and 1,016 million, respectively (2020: Baht 1,299 million and Baht 1,016 million, respectively).

**16 Non-current provisions for employee benefits**

<i>At 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
Defined benefit plan	37,959	34,773	4,943	3,416
<b>Total</b>	<b>37,959</b>	<b>34,773</b>	<b>4,943</b>	<b>3,416</b>

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***Defined benefit plan***

The Group operate a defined benefit plan 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. The defined benefit plans expose the Group to actuarial risks, such as longevity risk, interest rate risk, future salary growth risk and turnover rate risk.

<b><i>Present value of the defined benefit obligations</i></b>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
At 1 January	34,773	2,296	3,416	2,134
Acquisitions through business acquisition	-	33,655	-	-
<b><i>Recognised in profit or loss:</i></b>				
(Reversal of) current service cost	7,843	(212)	1,476	941
Interest on obligation	589	56	51	37
	<b>8,432</b>	<b>(156)</b>	<b>1,527</b>	<b>978</b>
<b><i>Recognised in other comprehensive income:</i></b>				
Actuarial loss				
- Demographic assumptions	-	1,961	-	304
- Financial assumptions	-	7	-	-
- Experience adjustment	-	321	-	-
	-	<b>2,289</b>	-	<b>304</b>
Benefit paid	(5,246)	(3,311)	-	-
<b>At 31 December</b>	<b>37,959</b>	<b>34,773</b>	<b>4,943</b>	<b>3,416</b>

<b><i>Principal actuarial assumptions</i></b>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(%)</i>			
Discount rate	1.86	1.86	1.49	1.49
Future salary growth	4 - 5	4 - 5	5	5
Employee turnover	2 - 57	2 - 57	10 - 57	10 - 57

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2021, the weighted-average duration of the defined benefit obligation was 17.8 years (2020: 18.8 years).

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*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.

<i>Effect to the defined benefit obligation At 31 December</i>	<b>Consolidated financial statements</b>			
	1% increase in assumption		1% decrease in assumption	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Discount rate	(3,980)	(3,508)	4,607	4,071
Future salary growth	4,985	4,024	(4,371)	(3,540)
Employee turnover	(336)	(274)	394	324
Future mortality	(18)	(14)	18	14

<i>Effect to the defined benefit obligation At 31 December</i>	<b>Separate financial statements</b>			
	1% increase in assumption		1% decrease in assumption	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Discount rate	(597)	(473)	701	563
Future salary growth	713	534	(617)	(459)
Employee turnover	(80)	(59)	81	60
Future mortality	(3)	(3)	3	3

**17 Additional paid-up capital and reserves**

*Premium on ordinary shares*

Section 51 of the Public Limited Company Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account (“Premium on ordinary shares”). Premium on ordinary shares is not available for dividend distribution.

*Appropriate of profit and/or retained earnings*

**Legal reserve**

Section 116 of the Public Limited Company Act B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorized capital. Legal reserve is not available for dividend distribution.

As at 31 December 2021 and 2020, the legal reserve has fully been set aside.

*Other components of equity*

**Translation reserve**

The translation reserves comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

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**18 Segment information and disaggregation of revenue**

*Segment information*

Segment information is based on core business operations of manufacturing and distributing cosmetics and distributing beauty products. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

Segment 1	Skincare business
Segment 2	Beauty products business

Each segment's performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

*Disaggregation of revenue*

The Group's operations and main revenue streams are described in the last annual financial statements. The Group's main revenue is derived from sale of goods and have timing of revenue recognition only at a point in time.

*Geographic information*

Revenue from external customers is based on locations of the customers.

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Revenue and results, based on segments, in the consolidated financial statements for the years ended 31 December 2021 and 2020 were as follows:

<i>Year ended 31 December</i>	<b>Consolidated financial statements</b>									
	Skincare segments		Beauty products Segments		Total		Eliminate		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	<i>(in thousand Baht)</i>									
<b>Disaggregation of revenue</b>										
<b>Primary geographical markets</b>										
Revenue from local sales	574,258	460,487	753,592	641,159	1,327,850	1,101,646	(211,206)	(276,516)	1,116,644	825,130
Revenue from export sales	407,591	326,916	22,521	2,696	430,112	329,612	(135,445)	(154,405)	294,667	175,207
<b>Total revenue from sales of goods</b>	<b>981,849</b>	<b>787,403</b>	<b>776,113</b>	<b>643,855</b>	<b>1,757,962</b>	<b>1,431,258</b>	<b>(346,651)</b>	<b>(430,921)</b>	<b>1,411,311</b>	<b>1,000,337</b>
Profit from operation	107,475	313,007	85,629	54,213	193,104	367,220	(57,063)	(114,171)	136,041	253,049
Finance costs									1,295	2,002
Impairment losses on TFRS9									6,187	17,287
Share of loss of investment in an associate									576	1,030
Income tax expense									26,037	53,185
<b>Profit for the year</b>									<b>101,946</b>	<b>179,545</b>

Assets and liabilities, based on segments, in the consolidated financial statements as at 31 December 2021 and 2020 were as follows:

	<b>Consolidated financial statements</b>									
	Skincare segments		Beauty products Segments		Total		Eliminate		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	<i>(in million Baht)</i>									
Reportable segment assets as at 31 December	6,094	6,053	558	475	6,652	6,528	(1,428)	(1,155)	5,224	5,373
Reportable segment liabilities as at 31 December	687	902	181	123	868	1,025	(366)	(545)	502	480

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*Geographical segments*

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

<i>Geographical information</i>	<b>Consolidated financial statements</b>			
	<b>Revenues</b>		<b>Non-current assets</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Thailand	1,116,644	825,130	958,450	1,028,100
Philippines	277,942	158,753	4,018	2,699
Others	16,725	16,454	21,806	21,751
<b>Total</b>	<b>1,411,311</b>	<b>1,000,337</b>	<b>984,274</b>	<b>1,052,550</b>

**19 Expenses by nature**

	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		2021	2020	2021	2020
		<i>(in thousand Baht)</i>			
Raw materials and consumables used		491,902	335,483	104,312	110,086
Sales promotion and marketing expenses		364,969	339,670	5,668	10,576
Employee benefit expenses		353,509	317,803	85,800	102,327
Depreciation and amortization		70,190	69,741	34,235	36,570
Office expense		31,075	25,576	9,103	11,277
Service fee		27,656	20,906	10,981	11,471
Loss on inventories devaluation	8	10,359	167,909	17,080	143,438
Lease-related expenses	12	502	2,325	3,944	5,251
Others		31,418	57,813	15,333	34,522
<b>Total</b>		<b>1,381,580</b>	<b>1,337,226</b>	<b>286,456</b>	<b>465,518</b>

During 2021, the Group has contributed provident funds for its employees amounting to Baht 3.72 million and Baht 2.43 million, respectively (2020: Baht 8.80 million and Baht 4.91 million, respectively), which included in employee benefit expenses.

**20 Income tax**

<i>Income tax recognised in profit or loss</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b>Current tax expense</b>				
Current year	70,627	18,219	43,315	-
Under (over) provided in prior years	(2,853)	-	-	-
	<b>67,774</b>	<b>18,219</b>	<b>43,315</b>	<b>-</b>
<b>Deferred tax expense</b>				
Movements in temporary differences	(41,737)	34,966	(46,857)	57,108
	<b>(41,737)</b>	<b>34,966</b>	<b>(46,857)</b>	<b>57,108</b>
<b>Total income tax expense (income)</b>	<b>26,037</b>	<b>53,185</b>	<b>(3,542)</b>	<b>57,108</b>

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<b>Consolidated financial statements</b>								
	Before tax	2021 Tax (expense) benefit	Net of tax <i>(in thousand Baht)</i>	Before tax	2020 Tax (expense) benefit	Net of tax		
<b>Income tax</b>								
<b>Recognised in other comprehensive income</b>								
Defined benefit plan actuarial losses	-	-	-	(2,289)	458	(1,831)		
<b>Total</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,289)</u>	<u>458</u>	<u>(1,831)</u>		
<b>Separate financial statements</b>								
	Before tax	2021 Tax (expense) benefit	Net of tax <i>(in thousand Baht)</i>	Before tax	2020 Tax (expense) benefit	Net of tax		
<b>Income tax</b>								
<b>Recognised in other comprehensive income</b>								
Defined benefit plan actuarial losses	-	-	-	(304)	61	(243)		
<b>Total</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(304)</u>	<u>61</u>	<u>(243)</u>		
<b>Reconciliation of effective tax rate</b>	<b>Consolidated financial statements</b>				<b>Separate financial statements</b>			
	Rate (%)	2021 <i>(in thousand Baht)</i>	Rate (%)	2020 <i>(in thousand Baht)</i>	Rate (%)	2021 <i>(in thousand Baht)</i>	Rate (%)	2020 <i>(in thousand Baht)</i>
Profit before income tax expense		<u>127,983</u>		<u>232,730</u>		<u>40,490</u>		<u>409,112</u>
Income tax using the Thai corporation tax rate	20	25,597	20	46,546	20	8,098	20	81,822
Income tax reduction - current		(768)		(3,034)		(768)		(3,034)
Effect of different tax rates		(1,764)		1,646		-		-
Income not subject to tax		(3)		(22)		(11,280)		(22,800)
Expenses not deductible for tax purposes		3,366		3,718		4,727		1,171
Additional expenses deductible		(4,297)		(107)		(4,294)		(75)
Current year losses for which no deferred tax asset was recognised		6,670		4,414		-		-
Under (over) provided in prior years		(2,853)		-		-		-
Others		89		24		(25)		24
<b>Total</b>	<u>20</u>	<u>26,037</u>	<u>23</u>	<u>53,185</u>	<u>(9)</u>	<u>(3,542)</u>	<u>14</u>	<u>57,108</u>

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<i>Deferred tax</i> <i>At 31 December</i>	<b>Consolidated</b> <b>financial statements</b>		<b>Separate</b> <b>financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Deferred tax assets	37,835	40,245	31,876	37,530
Deferred tax liabilities	(35,521)	(79,668)	(36,745)	(89,256)
<b>Net</b>	<b>2,314</b>	<b>(39,423)</b>	<b>(4,869)</b>	<b>(51,726)</b>

<i>Deferred tax</i>	<b>Consolidated financial statements</b> <b>(Charged) / Credited to</b>				<b>At 31</b> <b>December</b>
	<b>At 1</b> <b>January</b>	Profit or loss	Other comprehensive income	Acquired in business acquisition	
	<i>(in thousand Baht)</i>				
<b>2021</b>					
<b><i>Deferred tax assets (liabilities)</i></b>					
Trade accounts receivable	4,426	1,634	-	-	6,060
Inventories	38,800	(315)	-	-	38,485
Property, plant and equipment and intangible assets	(64,863)	2,049	-	-	(62,814)
Right-of-use assets	109	214	-	-	323
Put options	(1,361)	1,361	-	-	-
Non-current provisions for employee benefits	6,954	638	-	-	7,592
Revenue from consignment	30,532	(4,476)	-	-	26,056
Financial assets measured at FVTPL	(87,880)	51,135	-	-	(36,745)
Inter-profit on inventories	6,830	(580)	-	-	6,250
Loss carry forward	26,912	(9,914)	-	-	16,998
Others	118	(9)	-	-	109
<b>Net</b>	<b>(39,423)</b>	<b>41,737</b>	<b>-</b>	<b>-</b>	<b>2,314</b>
<b>2020</b>					
<b><i>Deferred tax assets (liabilities)</i></b>					
Accounts receivable	1,278	2,757	-	391	4,426
Inventories	5,268	32,048	-	1,484	38,800
Property, plant and equipment and intangible assets	394	1,948	-	(67,205)	(64,863)
Right-of-use assets	-	(96)	-	205	109
Put options	-	(1,361)	-	-	(1,361)
Non-current provisions for employee benefits	459	(694)	458	6,731	6,954
Revenue from consignment	-	(205)	-	30,737	30,532
Financial assets measured at FVTPL	(1,608)	(86,272)	-	-	(87,880)
Inter-profit on inventories	9,287	(2,457)	-	-	6,830
Loss carry forward	7,864	19,048	-	-	26,912
Others	(200)	318	-	-	118
<b>Net</b>	<b>22,742</b>	<b>(34,966)</b>	<b>458</b>	<b>(27,657)</b>	<b>(39,423)</b>

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<i>Deferred tax</i>	<b>At 1 January</b>	<b>Separate financial statements (Charged) / Credited to</b>		<b>At 31 December</b>
		Profit or loss <i>(in thousand Baht)</i>	Other comprehensive income	
<b>2021</b>				
<b><i>Deferred tax assets (liabilities)</i></b>				
Accounts receivable	348	(348)	-	-
Inventories	31,106	(563)	-	30,543
Property, plant and equipment and intangible assets	328	(66)	-	262
Right-of-use assets	76	6	-	82
Put options	(1,361)	1,361	-	-
Non-current provisions for employee benefits	684	305	-	989
Financial assets measured at FVTPL	(87,880)	51,136	-	(36,744)
Loss carry forward	4,988	(4,988)	-	-
Others	(15)	14	-	(1)
<b>Net</b>	<b>(51,726)</b>	<b>46,857</b>	<b>-</b>	<b>(4,869)</b>
<b>2020</b>				
<b><i>Deferred tax assets (liabilities)</i></b>				
Accounts receivable	1,246	(898)	-	348
Inventories	5,037	26,069	-	31,106
Property, plant and equipment and intangible assets	394	(66)	-	328
Right-of-use assets	-	76	-	76
Put options	-	(1,361)	-	(1,361)
Non-current provisions for employee benefits	427	196	61	684
Financial assets measured at FVTPL	(1,608)	(86,272)	-	(87,880)
Loss carry forward	-	4,988	-	4,988
Others	(175)	160	-	(15)
<b>Net</b>	<b>5,321</b>	<b>(57,108)</b>	<b>61</b>	<b>(51,726)</b>

The tax losses will expire during the year 2022 to 2025. As at 31 December 2021 the Group had temporary difference arising from the unutilised tax losses carry forward totaling Baht 55.49 million (2020: Baht 22.07 million) which have not been recognised as deferred tax assets in the consolidated statement of financial position totaling Baht 11.10 million (2020: Baht 4.41 million) because it is not probable that the Group will be able to utilise the tax benefit in the foreseeable future.

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**21 Earnings per share**

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht / thousand shares)</i>			
<i>Profit attributable to ordinary shareholders</i>				
<b>Profit for the year attributable to ordinary shareholders of the Company (basic)</b>	<b>81,319</b>	<b>169,253</b>	<b>44,033</b>	<b>352,005</b>
<b>Weighted average number of ordinary shares outstanding (basic) at 31 December</b>	<b>317,888</b>	<b>317,888</b>	<b>317,888</b>	<b>317,888</b>
<b>Earnings per share (basic) (in Baht)</b>	<b>0.26</b>	<b>0.53</b>	<b>0.14</b>	<b>1.11</b>

**22 Dividends**

	Approval date	Payment schedule	Dividend rate per share <i>(in Baht)</i>	Amount <i>(in million Baht)</i>
<b>2021</b>				
2020 Annual dividend	22 April 2021	May 2021	0.50	158.94
<b>Total</b>			<b>0.50</b>	<b>158.94</b>
<b>2020</b>				
2019 Annual dividend	7 April 2020	April 2020	0.125	39.74
2020 Interim dividend	14 August 2020	September 2020	0.358	113.80
<b>Total</b>			<b>0.483</b>	<b>153.54</b>

**23 Financial instruments**

*(a) Carrying amount and fair values*

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

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	Consolidated/Separate financial statements					
	Carrying amount		Fair value			
	Financial instruments measured at FVTPL	Total	Level 1	Level 2	Level 3	Total
<i>At 31 December</i>			<i>(in million Baht)</i>			
<b>2021</b>						
<b>Financial assets</b>						
Other financial assets:						
Equity instruments	629	629	629	-	-	629
Unit trust:						
Equity instruments	23	23	-	23	-	23
Debt instruments	1,617	1,617	-	1,617	-	1,617
<b>Total other financial assets</b>	<b>2,269</b>	<b>2,269</b>				
<b>2020</b>						
<b>Financial assets</b>						
Other financial assets:						
Equity instruments	1,793	1,793	-	1,793	-	1,793
Unit trust - Debt instruments	1,037	1,037	-	1,037	-	1,037
<b>Total other financial assets</b>	<b>2,830</b>	<b>2,830</b>				
<b>Financial Liability</b>						
Put Options	29	29	-	-	29	29

The following tables present valuation technique of financial instruments measured at fair value in the statements of financial position:

Type	Valuation technique
Investments in marketable unit trusts classified as financial assets measured at FVTPL	The net asset value as of the reporting date.
Equity securities measured at FVTPL	Quoted prices in the Stock Exchange of Thailand by using the closing price as at the reporting date.
Put Options	Considering the present value of expected payment, discounted using a risk-adjusted discount rate. The expected payment is determined by considering the possible scenarios of forecast profit, the amount to be paid under each scenario and the probability of each scenario.

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*Movement of marketable equity and debt securities*

<i>Marketable equity and debt securities</i>	<b>Consolidated/Separate financial statements</b>				At 31 December 2021
	At 1 January 2021	Purchase	Disposal <i>(in thousand Baht)</i>	Fair value adjustment	
<b><i>Current financial assets</i></b>					
Equity securities measured at FVTPL	1,793,415	1,817,480	(2,693,989)	(264,726)	652,180
Debt securities measured at FVTPL	1,036,593	1,407,000	(834,496)	8,066	1,617,163
<b>Total</b>	<b><u>2,830,008</u></b>	<b><u>3,224,480</u></b>	<b><u>(3,528,485)</u></b>	<b><u>(256,660)</u></b>	<b><u>2,269,343</u></b>

*Reconciliation of Level 3 fair values*

	<b>Consolidated/Separate financial statements</b>	
	2021	2020
<i>(in thousand Baht)</i>		
<b><i>Put Options</i></b>		
At 1 January	29,115	-
Reversal	(29,115)	-
Acquisitions through business acquisition	-	35,919
Net change in fair value - recognised in other income	-	(6,804)
<b>At 31 December</b>	<b><u>-</u></b>	<b><u>29,115</u></b>

(b) *Financial risk management policies*

*Risk management framework*

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

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*(b.1) Credit risk*

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities.

**(b.1.1) Trade and other current receivables and loans to subsidiaries**

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's commercial terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the risk management committee.

The Group limits its exposure to credit risk from trade accounts receivable by establishing a maximum payment period of 3 months. Outstanding trade receivables are regularly monitored by the Group. An impairment analysis is performed by the Group at each reporting date. The provision rates of expected credit loss are based on days past due for individual trade receivables/groupings of various customer segments with similar credit risks to reflect differences between economic conditions in the past, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Information relevant to trade and other current receivables are disclosed in note 7.

**(b.1.2) Investment in debt securities**

The Group considers that all debt investments measured at FVTPL have low credit risk. Then the credit loss allowance assessed during the year was therefore limited to 12 months expected losses or 'low credit risk'. Marketable bonds are considered to be an investment grade credit rating published by external credit rating agencies. The credit risk of other instruments are considered to be low when the risk of default is low and the issuer has a strong capacity to meet its contractual cash flow obligations.

**(b.1.3) Cash and cash equivalent**

The Group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions which the Group considers to have low credit risk.

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(b.2) *Liquidity risk*

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

The following table are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

		<b>Consolidated financial statements</b>				
		Contractual cash flows				
<i>At 31 December</i>	Carrying amount	1 year or less	More than 1 year but less than 5 years	More than 5 years	Total	
<i>(in thousand Baht)</i>						
<b>2021</b>						
<b>Financial liabilities</b>						
Trade and other current payables	293,341	293,341	-	-	293,341	
Lease liabilities	91,236	21,635	44,538	25,063	91,236	
	<b>384,577</b>	<b>314,976</b>	<b>44,538</b>	<b>25,063</b>	<b>384,577</b>	
<b>2020</b>						
<b>Financial liabilities</b>						
Trade and other current payables	260,899	260,899	-	-	260,899	
Put options	29,115	29,115	-	-	29,115	
Lease liabilities	60,838	21,283	39,555	-	60,838	
	<b>350,852</b>	<b>311,297</b>	<b>39,555</b>	<b>-</b>	<b>350,852</b>	
		<b>Separate financial statements</b>				
		Contractual cash flows				
<i>At 31 December</i>	Carrying amount	1 year or less	More than 1 year but less than 5 years	More than 5 years	Total	
<i>(in thousand Baht)</i>						
<b>2021</b>						
<b>Financial liabilities</b>						
Trade and other current payables	69,664	69,664	-	-	69,664	
Lease liabilities	54,523	8,661	20,798	25,064	54,523	
	<b>124,187</b>	<b>78,325</b>	<b>20,798</b>	<b>25,064</b>	<b>124,187</b>	
<b>2020</b>						
<b>Financial liabilities</b>						
Trade and other current payables	72,503	72,503	-	-	72,503	
Put options	29,115	29,115	-	-	29,115	
Lease liabilities	8,332	3,941	4,391	-	8,332	
	<b>109,950</b>	<b>105,559</b>	<b>4,391</b>	<b>-</b>	<b>109,950</b>	

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(b.3) *Market risk*

The Group is exposed to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is as follows:

(b.3.1) Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies.

<i>Exposure to foreign currency at 31 December</i>	<b>Consolidated financial statements</b>					
	2021			2020		
	SGD	HKD	USD <i>(in thousand Baht)</i>	SGD	HKD	USD
Cash and cash equivalents	10	2,713	6,177	9	2,349	6,799
Trade and other current receivables	-	-	-	-	-	1,704
Trade and other current payables	-	-	(5,513)	-	-	(728)
<b>Net exposure</b>	<b>10</b>	<b>2,713</b>	<b>664</b>	<b>9</b>	<b>2,349</b>	<b>7,775</b>

<i>Exposure to foreign currency at 31 December</i>	<b>Separate financial statements</b>					
	2021			2020		
	SGD	HKD	USD <i>(in thousand Baht)</i>	SGD	HKD	USD
Cash and cash equivalents	-	-	6,177	-	-	6,799
Trade and other accounts receivable	-	-	-	-	-	1,704
Trade and other accounts payable	-	-	(5,513)	-	-	(728)
<b>Net exposure</b>	<b>-</b>	<b>-</b>	<b>664</b>	<b>-</b>	<b>-</b>	<b>7,775</b>

(b.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because debt securities and loan interest rates are mainly fixed. So the Group has low interest rate risk. The sensitivity impact to the increase or decrease in interest expenses from borrowings, as a result of changes in interest rates is immaterial on financial statements of the Group.

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<i>Exposure to interest rate risk at 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b>Financial instruments with fixed interest rates</b>				
Financial assets	28,462	23,261	23,261	23,261
Short-term loans to subsidiaries	-	-	145,000	230,000
	<b>28,462</b>	<b>23,261</b>	<b>168,261</b>	<b>253,261</b>

## 24 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board regularly monitors the return on capital, by evaluating result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

## 25 Commitments with non-related parties

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b>Capital commitment</b>				
Machinery and equipment	3,075	723	3,075	723
<b>Total</b>	<b>3,075</b>	<b>723</b>	<b>3,075</b>	<b>723</b>
<b>Other commitments</b>				
Short-term lease commitments	3,827	3,957	3,790	3,453
Bank guarantee of electricity use	273	273	273	273
Unused letters of credit for goods and supplies	-	7,242	-	-
<b>Total</b>	<b>4,100</b>	<b>11,472</b>	<b>4,063</b>	<b>3,726</b>

## 26 Events after the reporting period

At the Board of Directors' meeting of the Company held on 25 February 2022, the Company's Board of Directors approved to propose to the annual general shareholders' meeting of the Company for approval to declare the annual dividend from unappropriated retain earnings as at 31 December 2021 of Baht 0.35 per share for 317.89 million ordinary shares, totaling Baht 111.26 million. The declaration of dividend payment must be approved by the shareholders' meeting of the Company in April 2022.

**Do Day Dream Public Company Limited and its subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2021**

**27 Reclassification of accounts**

Certain accounts in the statement of financial position for the year ended 31 December 2020 have been reclassified to conform to the presentation in the interim financial statements for the year ended 31 December 2021. Other significant reclassifications were as follows:

	<b>Consolidated financial statements</b>			<b>Separate financial statements</b>		
	Before Reclassi- fication	Reclassi- fication	After Reclassi- fication <i>(in thousand Baht)</i>	Before Reclassi- fication	Reclassi- fication	After Reclassi- fication
<b><i>Statement of financial position as at 31 December 2020</i></b>						
Cash and cash equivalents	488,582	273,974	762,556	255,081	273,974	529,055
Trade and other current receivables	341,087	18,379	359,466	250,501	18,379	268,880
Other current financial assets	3,083,330	(253,322)	2,830,008	3,083,330	(253,322)	2,830,008
Trade and other current payables	(221,903)	(38,996)	(260,899)	(33,507)	(38,996)	(72,503)
Other current liabilities	(7,138)	(35)	(7,173)	(1,279)	(35)	(1,314)
		<u>-</u>			<u>-</u>	

The reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the Group's business.