

**Sappe Public Company Limited
and its Subsidiaries**

Condensed Interim financial statements
for the three-month and nine-month periods ended
30 September 2020
and
Independent auditor's review report



KPMG Phoomchai Audit Ltd.
50th Floor, Empire Tower
1 South Sathorn Road, Yannawa
Sathorn, Bangkok 10120, Thailand
Tel +66 2677 2000
Fax +66 2677 2222
Website home.kpmg/th

บริษัท เคพีเอ็มจี ภูมิไชย สอบบัญชี จำกัด
ชั้น 50 เอ็มไพร์ทาวเวอร์
1 ถนนสาทรใต้ แขวงยานนาวา
เขตสาทร กรุงเทพฯ 10120
โทร +66 2677 2000
แฟกซ์ +66 2677 2222
เว็บไซต์ home.kpmg/th

Independent auditor's report on review of interim financial information

To the Board of Directors of Sappe Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Sappe Public Company Limited and its subsidiaries, and of Sappe Public Company Limited, respectively, as at 30 September 2020; the consolidated and separate statements of income and comprehensive income for the three-month and nine-month periods ended 30 September 2020 and the consolidated and separate statements of changes in equity and cash flows for the nine-month period ended 30 September 2020; and condensed notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Information".

(Sureerat Thongarunsang)
Certified Public Accountant
Registration No. 4409

KPMG Phoomchai Audit Ltd.
Bangkok
11 November 2020

Sappe Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated		Separate	
		financial statements		financial statements	
		30 September	31 December	30 September	31 December
Assets	Note	2020	2019	2020	2019
		(Unaudited)		(Unaudited)	
		(in thousand Baht)			
<i>Current assets</i>					
Cash and cash equivalents		270,959	181,695	210,025	124,387
Trade accounts receivable	5, 14	396,315	352,869	374,510	334,595
Other current receivables	5	63,420	40,949	62,854	42,868
Short-term loans to related parties	5	-	-	5,610	7,650
Inventories		231,057	216,897	203,689	188,977
Other current financial assets	14	1,213,338	1,132,132	1,213,338	1,132,132
Other current assets		17,441	19,335	16,651	18,666
Total current assets		2,192,530	1,943,877	2,086,677	1,849,275
<i>Non-current assets</i>					
Investment in associates	6	14,286	29,744	-	-
Investment in subsidiaries	7	-	-	290,162	290,162
Other non-current financial assets		-	100,000	-	100,000
Property, plant and equipment	8	1,041,278	1,133,840	891,881	973,006
Right-of-use assets	8	75,634	-	66,136	-
Goodwill	4	90,899	90,899	-	-
Intangible assets other than goodwill		51,647	56,063	41,997	46,518
Deferred tax assets		16,154	14,957	16,060	14,921
Other non-current assets	5	21,133	20,587	5,395	5,369
Total non-current assets		1,311,031	1,446,090	1,311,631	1,429,976
Total assets		3,503,561	3,389,967	3,398,308	3,279,251

The accompanying notes from an integral part of the interim financial statements.

Sappe Public Company Limited and its Subsidiaries

Statement of financial position

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		30 September	31 December	30 September	31 December
		2020	2019	2020	2019
Liabilities and equity		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
<i>Current liabilities</i>					
Trade accounts payable	5	190,193	182,075	190,571	179,784
Other current payables	5, 9	351,346	366,348	326,276	345,159
Current portion of long-term borrowings					
from financial institution		57	103	-	-
Short-term borrowings from related parties	5	9,380	10,975	-	-
Current portion of lease liabilities (2019:					
<i>Current portion of finance lease liabilities)</i>		26,875	6,504	11,453	-
Current income tax payable		35,252	36,700	34,599	36,596
Total current liabilities		613,103	602,705	562,899	561,539
<i>Non-current liabilities</i>					
Long-term borrowings from financial institution		-	29	-	-
Lease liabilities (2019: <i>Finance lease liabilities</i>)		69,190	12,448	59,955	-
Deferred tax liabilities		2,401	2,571	-	-
Non-current provisions for employee benefits		25,675	20,303	25,144	19,955
Other non-current liabilities	5	8,759	8,141	-	-
Total non-current liabilities		106,025	43,492	85,099	19,955
Total liabilities		719,128	646,197	647,998	581,494

The accompanying notes from an integral part of the interim financial statements.

Sappe Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated		Separate	
		financial statements		financial statements	
		30 September	31 December	30 September	31 December
Liabilities and equity	Note	2020	2019	2020	2019
		(Unaudited)		(Unaudited)	
		(in thousand Baht)			
Equity					
Share capital					
Authorised share capital					
(308,438 ordinary shares, par value at Baht 1 per share)		308,438	308,438	308,438	308,438
Issued and paid-up share capital					
(304,378 ordinary shares, par value at Baht 1 per share)		304,378	304,378	304,378	304,378
Share premium on ordinary shares		975,608	975,608	975,608	975,608
Warrants	10	26,075	20,931	26,075	20,931
Retained earnings					
Legal reserve		30,844	30,844	30,844	30,844
Unappropriated		1,350,670	1,312,462	1,413,405	1,365,996
Difference arising from common					
control transactions		(4,365)	(4,365)	-	-
Currency translation differences		3,850	7,337	-	-
Equity attributable to owners of the parent		2,687,060	2,647,195	2,750,310	2,697,757
Non-controlling interests		97,373	96,575	-	-
Total equity		2,784,433	2,743,770	2,750,310	2,697,757
Total liabilities and equity		3,503,561	3,389,967	3,398,308	3,279,251

The accompanying notes from an integral part of the interim financial statements.

Sappe Public Company Limited and its Subsidiaries

Statement of income (Unaudited)

		Consolidated financial statements		Separate financial statements	
		Three-month period ended		Three-month period ended	
		30 September		30 September	
	Note	2020	2019	2020	2019
		(in thousand Baht)			
Revenue					
Revenue from sale of goods	5, 11	940,366	814,713	850,456	752,194
Other income	5	12,714	18,112	12,029	16,647
Net foreign exchange gain		1,168	154	-	2,317
Total revenues		954,248	832,979	862,485	771,158
Expenses					
Cost of sales of goods		576,349	491,794	503,300	440,238
Distribution costs	5	124,785	136,382	117,437	127,536
Administrative expenses	5	73,167	72,830	67,357	66,521
Net foreign exchange loss		-	-	2,028	-
Total expenses		774,301	701,006	690,122	634,295
Profit from operating activities		179,947	131,973	172,363	136,863
Finance costs	5	(749)	(293)	(517)	-
Reversal of impairment loss (impairment loss)					
determined in accordance with TFRS 9	14	426	-	(1,156)	-
Share of loss of associates accounted					
for using equity method	6, 11	(9,956)	(3,664)	-	-
Profit before income tax expense		169,668	128,016	170,690	136,863
Tax expense		35,104	26,698	33,899	27,462
Profit for the period		134,564	101,318	136,791	109,401
Profit (loss) attributable to:					
Owners of the parent		132,773	102,184	136,791	109,401
Non-controlling interests		1,791	(866)	-	-
		134,564	101,318	136,791	109,401
Earnings per share (in Baht)					
Basic earnings per share		0.44	0.34	0.45	0.36
Diluted earnings per share		0.44	0.34	0.45	0.36

The accompanying notes from an integral part of the interim financial statements.

Sappe Public Company Limited and its Subsidiaries

Statement of comprehensive income (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Three-month period ended		Three-month period ended	
	30 September		30 September	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Profit for the period	134,564	101,318	136,791	109,401
Other comprehensive income				
<i>Items that will be reclassified subsequently</i>				
<i>to profit or loss</i>				
Exchange differences on translating				
financial statements	<u>(3,200)</u>	<u>2,093</u>	<u>-</u>	<u>-</u>
Other comprehensive income				
for the period, net of tax	<u>(3,200)</u>	<u>2,093</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>131,364</u>	<u>103,411</u>	<u>136,791</u>	<u>109,401</u>
Total comprehensive income (expense)				
attributable to:				
Owners of the parent	129,906	104,066	136,791	109,401
Non-controlling interests	<u>1,458</u>	<u>(655)</u>	<u>-</u>	<u>-</u>
	<u>131,364</u>	<u>103,411</u>	<u>136,791</u>	<u>109,401</u>

The accompanying notes from an integral part of the interim financial statements.

Sappe Public Company Limited and its Subsidiaries

Statement of income (Unaudited)

		Consolidated		Separate	
		financial statements		financial statements	
		Nine-month period ended		Nine-month period ended	
		30 September		30 September	
	<i>Note</i>	2020	2019	2020	2019
		<i>(in thousand Baht)</i>			
Revenue					
Revenue from sale of goods	<i>5, 11</i>	2,474,825	2,511,071	2,238,585	2,324,365
Other income	<i>5</i>	38,934	43,821	36,794	40,294
Gain from changes in interest in associate	<i>4</i>	-	10,082	-	-
Net foreign exchange gain		-	2,258	-	7,210
Total revenues		2,513,759	2,567,232	2,275,379	2,371,869
Expenses					
Cost of sales of goods		1,564,674	1,551,325	1,370,853	1,403,172
Distribution costs	<i>5</i>	324,448	343,290	303,101	318,704
Administrative expenses	<i>5</i>	222,787	213,789	203,705	194,588
Net foreign exchange loss		12,563	-	16,837	-
Total expenses		2,124,472	2,108,404	1,894,496	1,916,464
Profit from operating activities		389,287	458,828	380,883	455,405
Finance costs	<i>5</i>	(2,443)	(875)	(1,598)	-
Reversal of impairment loss determined in accordance with TFRS 9	<i>14</i>	4,118	-	3,235	-
Share of loss of associates accounted for using equity method	<i>6, 11</i>	(15,458)	(13,698)	-	-
Profit before income tax expense		375,504	444,255	382,520	455,405
Tax expense		76,290	91,410	75,225	90,967
Profit for the period		299,214	352,845	307,295	364,438
Profit (loss) attributable to:					
Owners of parent		297,537	353,146	307,295	364,438
Non-controlling interests		1,677	(301)	-	-
		299,214	352,845	307,295	364,438
Earnings per share <i>(in Baht)</i>					
Basic earnings per share		0.98	1.16	1.01	1.20
Diluted earnings per share		0.98	1.16	1.01	1.20

The accompanying notes from an integral part of the interim financial statements.

Sappe Public Company Limited and its Subsidiaries

Statement of comprehensive income (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Nine-month period ended		Nine-month period ended	
	30 September		30 September	
	2020	2019	2020	2019
	(in thousand Baht)			
Profit for the period	299,214	352,845	307,295	364,438
Other comprehensive income				
<i>Items that will be reclassified subsequently to profit or loss</i>				
Exchange differences on translating foreign operations	(3,944)	4,780	-	-
<i>Items that will not be reclassified to profit or loss</i>				
Gains on remeasurements of defined benefit plans	-	525	-	525
Other comprehensive income for the period, net of tax	(3,944)	5,305	-	525
Total comprehensive income for the period	295,270	358,150	307,295	364,963
Total comprehensive income attributable to:				
Owners of the parent	294,050	357,953	307,295	364,963
Non-controlling interests	1,220	197	-	-
	295,270	358,150	307,295	364,963

The accompanying notes from an integral part of the interim financial statements.

Sappe Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

Consolidated financial statements											
				Retained earnings		Other components of equity					
		Share							Equity		
	Issued and	premium on		Legal		Difference	Translating	Total other	attributable to	Non-	Total
Note	share capital	ordinary	Warrants	reserve	Unappropriated	arising from	foreign	components	owners of	controlling	equity
		shares				common control	operations	of equity	the parent	interests	
						transactions					

The accompanying notes from an integral part of the interim financial statements.

Sappe Public Company Limited and its Subsidiaries
Statement of changes in equity (Unaudited)

Consolidated financial statements											
				Retained earnings		Other components of equity					
		Share				Difference			Equity		
	Issued and	premium on		Legal		arising from	Translating	Total other	attributable to	Non-	Total
Note	share capital	ordinary	Warrants	reserve	Unappropriated	common control	foreign	components	owners of	controlling	equity
		shares				transactions	operations	of equity	the parent	interests	
(in thousand Baht)											
Nine-month period ended 30 September 2020											
Balance at 31 December 2019 - as reported	304,378	975,608	20,931	30,844	1,312,462	(4,365)	7,337	2,972	2,647,195	96,575	2,743,770
Impact of changes in accounting policies	3	-	-	-	(6,762)	-	-	-	(6,762)	(422)	(7,184)
Balance at 1 January 2020	304,378	975,608	20,931	30,844	1,305,700	(4,365)	7,337	2,972	2,640,433	96,153	2,736,586
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners of the parent											
Share-based payment transactions	10	-	-	5,144	-	-	-	-	5,144	-	5,144
Dividends	13	-	-	-	(252,567)	-	-	-	(252,567)	-	(252,567)
Total contributions by and distributions to owners of the parent		-	-	5,144	(252,567)	-	-	-	(247,423)	-	(247,423)
Total transactions with owners, recorded directly in equity		-	-	5,144	(252,567)	-	-	-	(247,423)	-	(247,423)
Comprehensive income for the period											
Profit	-	-	-	-	297,537	-	-	-	297,537	1,677	299,214
Other comprehensive income	-	-	-	-	-	-	(3,487)	(3,487)	(3,487)	(457)	(3,944)
Total comprehensive income (expense) for the period	-	-	-	-	297,537	-	(3,487)	(3,487)	294,050	1,220	295,270
Balance at 30 September 2020	304,378	975,608	26,075	30,844	1,350,670	(4,365)	3,850	(515)	2,687,060	97,373	2,784,433

The accompanying notes from an integral part of the interim financial statements.

Statement of changes in equity (Unaudited)

The accompanying notes from an integral part of the interim financial statements.

Sappe Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

		Separate financial statements					
		Issued and paid-up share capital	Share premium on ordinary shares	Warrants	Retained earning		Total equity
Note	Legal reserve				Unappropriated		
(in thousand Baht)							
Nine-month period ended 30 September 2020							
Balance at 31 December 2019 - as reported		304,378	975,608	20,931	30,844	1,365,996	2,697,757
Impact of changes in accounting policies	3	-	-	-	-	(7,319)	(7,319)
Balance at 1 January 2020		304,378	975,608	20,931	30,844	1,358,677	2,690,438
Transactions with owners, recorded directly in equity							
<i>Contributions by and distributions to owners</i>							
Share-based payment transactions	10	-	-	5,144	-	-	5,144
Dividends	13	-	-	-	-	(252,567)	(252,567)
<i>Total contributions by and distributions to owners</i>		-	-	5,144	-	(252,567)	(247,423)
Comprehensive income for the period							
Profit		-	-	-	-	307,295	307,295
Total comprehensive income for the period		-	-	-	-	307,295	307,295
Balance at 30 September 2020		304,378	975,608	26,075	30,844	1,413,405	2,750,310

Sappe Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		Nine-month period ended		Nine-month period ended	
		30 September		30 September	
		2020	2019	2020	2019
<i>(in thousand Baht)</i>					
Cash flows from operating activities					
Profit for the period		299,214	352,845	307,295	364,438
<i>Adjustments to reconcile profit to cash receipts (payments)</i>					
Tax expense		76,290	91,410	75,225	90,967
Finance costs		2,443	875	1,598	-
Depreciation		149,679	135,826	131,073	120,878
Amortisation		4,723	5,644	4,613	5,559
Reversal of impairment loss recognised in profit or loss	14	(4,118)	-	(3,235)	-
Bad and doubtful debts expenses (reversal)		-	1,242	-	(464)
Losses on inventories devaluation		2,888	179	2,347	1,131
Unrealised loss (gain) on foreign exchange		683	353	(362)	1,639
Unrealised gain from current investments revaluation		(5,457)	(8,586)	(5,457)	(8,586)
Loss (gain) on sale of current investments		2,554	(4,188)	2,554	(4,188)
Gain from changes in interest in associate	4	-	(10,082)	-	-
Loss (gain) on sale of plant and equipment		704	704	(514)	(75)
Loss on write off of other intangible assets		71	-	71	-
Share of loss of investments in associates accounted for using equity method, net of tax		15,458	13,698	-	-
Non-current provisions for employee benefits		5,812	7,342	5,629	7,223
Share-based payment	10	5,144	8,924	5,144	8,924
Interest income		(4,011)	(1,368)	(4,396)	(1,801)
Dividend income		(457)	-	(457)	-
		551,620	594,818	521,128	585,645
Changes in operating assets and liabilities					
Trade accounts receivable		(43,030)	(37,461)	(39,413)	(58,409)
Other receivables		(21,215)	3,813	(19,923)	(5,743)
Inventories		(17,048)	1,213	(17,059)	2,503
Other current assets		1,894	(7,196)	2,015	(7,889)
Other non-current assets		(546)	255	(26)	(50)
Trade accounts payable		8,097	(4,209)	10,766	818
Other current payables		(12,472)	19,761	(16,963)	33,419
Other non-current liabilities		244	-	-	-
Foreign currency translation differences of subsidiaries		(3,401)	(1,349)	-	-
Net cash generated from operating activities		464,143	569,645	440,525	550,294
Provisions for employee benefits paid		(440)	(565)	(440)	(565)
Tax paid		(77,058)	(93,924)	(76,532)	(92,947)
Net cash from operating activities		386,645	475,156	363,553	456,782

The accompanying notes from an integral part of the interim financial statements.

Sappe Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited)

		Consolidated		Separate	
		financial statements		financial statements	
	Note	Nine-month period ended		Nine-month period ended	
		30 September		30 September	
		2020	2019	2020	2019
		(in thousand Baht)			
Cash flows from investing activities					
Payment on investments in subsidiaries		-	-	-	(93,000)
Acquisition of subsidiary, net of cash acquired	4	-	6,571	-	-
Acquisition of associate	6	-	(50,000)	-	-
Acquisition of current investments		(2,162,102)	(1,250,000)	(2,162,102)	(1,250,000)
Proceeds from sale of current investments		2,083,799	1,200,000	2,083,799	1,200,000
Acquisition of other long-term investments		-	(50,000)	-	(50,000)
Proceeds from sale of other long-term investments		100,000	-	100,000	-
Acquisition of plant and equipment		(49,104)	(87,675)	(43,002)	(81,427)
Proceeds from sale of plant and equipment		693	793	523	75
Acquisition of other intangible assets		(1,598)	(3,139)	(96)	(1,368)
Proceeds from repayment of loans to subsidiaries	5	-	-	2,040	350
Dividends received		457	-	457	-
Interest received		2,080	1,373	2,895	1,399
Net cash used in investing activities		(25,775)	(232,077)	(15,486)	(273,971)
Cash flows from financing activities					
Proceeds from bank overdrafts		968	-	-	-
Repayment of bank overdrafts		(968)	(948)	-	-
Proceeds from exercise of share options		-	205	-	205
Repayment of short-term borrowings		(1,960)	-	-	-
Repayment of long-term borrowings		(76)	(63)	-	-
Payment of lease liabilities (2019: Payment by a lessee for reduction of the outstanding liability relating to a finance lease)		(14,018)	(4,083)	(8,266)	-
Dividends paid to owners of the Company		(252,567)	(200,830)	(252,567)	(200,830)
Interest paid		(2,987)	(1,570)	(1,598)	-
Net cash used in financing activities		(271,608)	(207,289)	(262,431)	(200,625)
Net increase (decrease) in cash and cash equivalents,					
before effect of exchange rate changes		89,262	35,790	85,636	(17,814)
Effect of exchange rate changes on cash and cash equivalents		2	-	2	-
Net increase (decrease) in cash and cash equivalents		89,264	35,790	85,638	(17,814)
Cash and cash equivalents at 1 January		181,695	172,637	124,387	159,559
Cash and cash equivalents at 30 September		270,959	208,427	210,025	141,745
Non-cash transactions					
Outstanding payables for purchases of plant and equipment		4,102	6,301	2,211	5,656
Outstanding payables for purchases of intangible assets		432	216	162	216

The accompanying notes from an integral part of the interim financial statements.

Sappe Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and nine-month periods ended 30 September 2020 (Unaudited)

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Sappe Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and nine-month periods ended 30 September 2020 (Unaudited)

These notes form an integral part of the financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language financial statements and were approved and authorised for issue by the Board of Directors on 11 November 2020.

1 General information

The principal activities of the Company are manufacturing and distributing health drinking and food products. The principal activities of the Group are manufacturing and distributing health drinking, food and coconut products.

Details of subsidiaries and associates as at 30 September 2020 and 31 December 2019 were as following;

Name of company	Nature of business	Country of incorporation /Nationality	Ownership interest (%)	
			30 September 2020	31 December 2019
Direct subsidiaries				
Sappe Europe s.r.o.	Distributing health drinking product	Slovakia	60	60
Sappe Holding (Thailand) Co., Ltd.	Group management service	Thailand	100	100
Indirect subsidiaries				
Sappe Trading (HongKong) Company Limited	Import, export and distribution of goods	Hong Kong	100	100
Sappe Hong Kong Company Limited	Group management service	Hong Kong	100	100
Sappe Trading (Shanghai) Co., Ltd.	Distributing health drinking product	People's Republic of China	100	100
All Coco Group Co., Ltd.	Producing and distributing coconut products	Thailand	51	51
with subsidiaries as follows :				
- All Coco Co., Ltd.	Distributing coconut products	Thailand	51	51
- K Best Farm Co., Ltd.	Providing and distributing domestic fresh coconut	Thailand	51	51
Indirect associate				
Danone Sappe Beverages Co., Ltd.	Distributing health drinking product	Thailand	25	25

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2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The condensed interim financial statements are presented in the same format as the annual financial statements and prepared its notes to the interim financial statements on a condensed basis (“interim financial statements”) in accordance with Thai Accounting Standard (TAS) No. 34 *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiaries for the year ended 31 December 2019.

The Group has initially applied TFRS - Financial instruments standards and TFRS 16 Leases and disclosed impact from changes to significant accounting policies in note 3.

In addition, the Group has not early adopted a number of new and revised TFRS which are not yet effective for the current period in preparing these financial statements.

(b) Use of judgements, estimates and accounting policies

In preparing these interim financial statements, judgements and estimates are made by management in applying the Group’s accounting policies. Actual results may differ from these estimates. The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those that described in the financial statements for the year ended 31 December 2019, except for the new significant judgements and key sources of estimation uncertainty related to the application of new TFRS as described in note 3.

3 Changes in accounting policies

From 1 January 2020, the Group has initially applied TFRS - Financial instruments standards and TFRS 16. Impact of changes in accounting policies on shareholders’ equity are as follows:

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		Retained earnings	Other components of equity (in thousand Baht)	Retained earnings	Other components of equity
At 31 December 2019 - as reported		1,312,462	2,972	1,365,996	-
<i>Increase (decrease) due to:</i>					
Adoption of TFRS - Financial instruments standards					
Classification of financial instruments	A(1)	(1,264)	-	(1,264)	-
Impairment losses on financial assets	A(2)	(2,502)	-	(3,380)	-
Related tax		976	-	928	-
Adoption of TFRS 16 - net of tax	B	(3,972)	-	(3,603)	-
At 1 January 2020 - restated		1,305,700	2,972	1,358,677	-

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A. TFRS - Financial instruments standards

The Group has adopted TFRS - Financial instruments standards by adjusting the cumulative effects to retained earnings and other components of equity on 1 January 2020. Therefore, the Group did not adjust the information presented for 2019.

These TFRS - Financial instruments standards establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. The impact from adoption of TFRS – Financial instruments standards are as follows:

(1) Classification and measurement of financial assets and financial liabilities

TFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value to other comprehensive income (FVOCI) and fair value to profit or loss (FVTPL). The classification under TFRS 9 is based on the cash flow characteristics of the financial asset and the business model in which they are managed. TFRS 9 eliminates the previous classification of held-to-maturity debt securities, available-for-sale securities, trading securities and general investment as specified by TAS 105.

Under TFRS 9, interest income and interest expenses recognised from all financial assets and financial liabilities measured at amortised cost shall be calculated using effective interest rate method. Previously, the Group recognised interest income and interest expenses at the rate specified in the contract.

Under TFRS 9, derivatives are measured at FVTPL. Previously, the Group recognised the derivatives when they were exercised.

The following table shows measurement categories under previous standards and TFRS 9, including reconciliation of the carrying amounts of each class of the Group's financial assets and financial liabilities as at 1 January 2020.

Consolidated financial statements			
Classification under previous standards at 31 December 2019		Classification under TFRS 9 at 1 January 2020	
	Carrying amounts	Fair value through profit or loss (in thousand Baht)	Amortised cost - net
Cash and cash equivalents	181,695	-	181,695
Trade and other receivables	393,818	-	391,261
Other financial assets			
- Deposits at financial institutions	100,000	-	100,000
- Debt instruments available for sale	1,132,132	1,132,132	-
- Derivative assets	2,514	1,250	-
Total other financial assets	1,234,646	1,133,382	100,000
Total	1,810,159	1,133,382	672,956
Trade and other payables	548,423	-	548,423
Long-term borrowings from financial institutions	132	-	132
Loan from related parties	10,975	-	10,975
Total	559,530	-	559,530

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Separate financial statements			
Classification under previous standards at 31 December 2019		Classification under TFRS 9 at 1 January 2020	
	Carrying amounts	Fair value through profit or loss (in thousand Baht)	Amortised cost - net
Cash and cash equivalents	124,387	-	124,387
Trade and other receivables	377,463	-	374,083
Loan to related parties	7,650	-	7,650
Other financial assets			
- Deposits at financial institutions	100,000	-	100,000
- Debt instruments available for sale	1,132,132	1,132,132	-
- Derivative assets	2,514	1,250	-
Total other financial assets	1,234,646	1,133,382	100,000
Total	1,744,146	1,133,382	606,120
Trade and other payables	524,943	-	524,943
Total	524,943	-	524,943

(2) Impairment - Financial assets and contract assets

TFRS 9 introduces forward-looking 'expected credit loss' (ECL) model whereas previously the Group estimates allowance for doubtful account by analysing payment histories and future expectation of customer payment. TFRS 9 requires considerable judgement about how changes in economic factors affect ECLs, which will be determined on a probability-weighted basis. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments measured at FVOCI, lease receivables, except for investments in equity instruments.

The Group has determined that the application of TFRS 9's impairment requirements at 1 January 2020 results in an additional allowance for impairment loss as follows:

	Consolidated financial statements (in thousand Baht)	Separate financial statements
Allowance for impairment losses at 31 December 2019		
Allowance for doubtful debts - trade accounts receivable	1,356	227
Allowance for doubtful debts - other receivables	1,535	13,682
Allowance for doubtful debts - short-term borrowings from related parties	-	7,892
	2,891	21,801
<i>Additional impairment loss recognised at 1 January 2020 on:</i>		
- Trade accounts receivable	204	30
- Other receivables	2,353	3,350
Allowance for impairment losses at 1 January 2020	5,448	25,181

The Group has opted to recognise the increase of impairment loss as an adjustment to retained earnings as at 1 January 2020.

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B. TFRS 16 Leases

From 1 January 2020, the Group has initially adopted TFRS 16 on contracts previously identified as leases according to TAS 17 *Leases* and TFRIC 4 *Determining whether an arrangement contains a lease* using the modified retrospective approach.

Previously, the Group, as a lessee, recognised payments made under operating leases and relevant lease incentives in profit or loss on a straight-line basis over the term of the lease. Under TFRS 16, the Group assesses whether a contract is, or contains, a lease. If a contract contains lease and non-lease components, the Group allocates the consideration in the contract based on stand-alone selling price (transaction price). As at 1 January 2020, the Group and the Company recognised right-of-use assets and lease liabilities, as a result, the nature of expenses related to those leases was changed because the Group recognised depreciation of right-of-use assets and interest expense on lease liabilities.

On transition, the Group also elected to use the following practical expedients:

- do not recognise right-of-use assets and lease liabilities for leases with less than 12 months of lease term;
- use hindsight when determining the lease term;
- apply a single discount rate to a portfolio of leases with similar characteristics;
- rely on previous assessments whether leases are onerous as an alternative to performing an impairment review; and
- exclude initial direct costs from measuring the right-of-use asset.

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
<i>Impact from the adoption of TFRS 16</i>		
<i>At 1 January 2020</i>		
Increase in property, plant and equipment	85,723	75,170
Increase in deferred tax assets	1,082	901
Increase in lease liabilities	(91,131)	(79,674)
Decrease in retained earnings	3,972	3,603
	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
<i>Measurement of lease liability</i>		
Operating lease commitment as disclosed at 31 December 2019	17,798	10,786
Operating lease commitment - related parties at 31 December 2019	61,014	48,352
Recognition exemption for short-term leases	(10,635)	(5,755)
Extension and termination options reasonably certain to be exercised	41,055	38,626
	109,232	92,009
Present value of remaining lease payments, discounted using the incremental borrowing rate at 1 January 2020	91,131	79,674
Finance lease liabilities recognised as at 31 December 2019	18,952	-
Lease liabilities recognised at 1 January 2020	110,083	79,674
Weighted-average incremental borrowing rate (% per annum)	0.14 - 0.37	0.14 - 0.29

Right-of-use assets and lease liabilities shown above were presented as part of health drinking products and coconut products segments, respectively.

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4 Acquisition of subsidiary

In 2016, the Group invested in 40% of the issued and paid-up capital of All Coco Group Co., Ltd. which producing and distributing coconut products. All Coco Group Co., Ltd. thereby became an associate of the Group. Later, on 1 February 2019, the Group had control over All Coco Group Co., Ltd., by acquiring 11% of the shares and voting interest, which the consideration consisted of a cash payment of Baht 42.35 million, affecting to the percentage of holding interest of the Group increased from 40% to 51% and managements of Sappe Public Company Limited had been appointed as All Coco Group's board of directors.

Taking control of All Coco Group Co., Ltd. will enable the Group presence in the coconut drink business since All Coco Group Co., Ltd. has a strong foothold in the aromatic coconut market, especially a strong network of fresh coconut suppliers, which could guarantee a supply of high quality fresh coconuts. The acquisition is expected to provide the Group with an increase in growth opportunities in the soft-drink business in Thailand and worldwide.

The following summarises the recognised amounts of assets acquired and liabilities assumed at the acquisition date:

<i>Identifiable assets acquired and liabilities assumed</i>	Fair value <i>(in thousand Baht)</i>
Cash and cash equivalents	48,921
Trade accounts receivable	32,746
Other current receivables	6,321
Inventories	15,059
Other current assets	257
Property, plant and equipment	171,659
Intangible assets other than goodwill	5,416
Other non-current assets	15,355
Trade accounts payable	(6,690)
Other current payables	(29,652)
Short-term borrowings	(21,000)
Tax payable	(1,212)
Long-term borrowing from financial institutions	(220)
Lease liabilities	(23,865)
Deferred tax liabilities	(2,140)
Non-current provisions for employee benefit	(188)
Other non-current liabilities	(4,000)
Total identifiable net assets	206,767
<i>Less: Non-controlling interests (49%)</i>	<i>101,316</i>
Total identifiable net assets received	105,451
<i>Less: Fair value of previously-held interests before business combination</i>	<i>154,000</i>
<i>Less: Purchase consideration transferred</i>	<i>42,350</i>
Goodwill arising from the acquisition	90,899
Net cash acquired with the subsidiary	48,921
Cash paid	42,350
Net cash inflows	6,571

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Goodwill

The remeasurement to fair value of the Group's existing 40 percent interest in the acquiree resulted in a gain of Baht 10.08 million (Baht 154.00 million less Baht 143.92 million carrying value of equity-accounted investee at acquisition date), which has been recognised in gain from changes in interest in associate in the statement of comprehensive income.

Goodwill is attributable mainly to the skills and technical talent of All Coco Group Co., Ltd.'s work force and cooperation for business of coconut products, which is health drinks as Group's products. None of the goodwill recognised is expected to be deductible for income tax purposes.

5 Related parties

Relationships with subsidiaries, associates and joint ventures are described in notes 1, 6 and 7. Other Related parties which have material changes in relationships and that the Group had significant transactions during the period with were as follows:

Name of entities	Country of incorporation	Nature of relationships
Hose Center Company Limited	Thailand	Common major shareholder

Significant transactions for the three-month and nine-month periods ended 30 September with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
<i>Three-month period ended 30 September</i>	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Subsidiaries				
Sales of goods	-	-	316	2,069
Purchase of goods	-	-	18,222	6,211
Purchase of machinery and equipment	-	-	-	532
Other income	-	-	-	75
Interest income	-	-	133	142
Distribution costs and administrative expenses	-	-	102	108
Associates				
Sales of goods	12,152	-	12,152	-
Purchase of goods	67,976	70,489	67,976	70,489
Other income	3,151	3,718	3,151	3,718
Other related parties				
Sales of goods	1,310	1,244	-	-
Purchase of machinery and equipment	15	80	15	80
Other income	78	93	78	93
Rental and other expenses	111	1,925	111	1,925
Consultant fee	300	300	300	300
Distribution costs and administrative expenses	8	26	-	19
Interest expense	58	55	-	-
Key management personnel compensation				
Short-term employee benefit and others	14,054	14,034	14,054	14,034
Long-term employee benefits	556	545	556	545
Share-based payments	443	768	443	768

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<i>Nine-month period ended 30 September</i>	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Subsidiaries				
Sales of goods	-	-	316	3,127
Purchase of goods	-	-	37,439	10,144
Purchase of machinery and equipment	-	-	-	532
Other income	-	-	-	105
Interest income	-	-	416	433
Distribution costs and administrative expenses	-	-	249	445
Associates				
Sales of goods	17,773	6,991	17,773	6,991
Purchase of goods	152,436	132,413	152,436	132,413
Other income	8,943	4,265	8,943	4,265
Other related parties				
Sales of goods	3,238	4,314	3	-
Purchase of machinery and equipment	60	500	60	500
Other income	477	270	477	270
Rental and other expense	159	5,745	159	5,745
Consultant fee	900	900	900	900
Distribution costs and administrative expenses	38	90	17	69
Interest expense	200	179	-	-
Key management personnel compensation				
Short-term employee benefit and others	42,379	42,392	42,379	42,392
Long-term employee benefits	1,663	1,635	1,663	1,635
Share-based payments	1,318	2,280	1,318	2,280

Intercompany sales to and purchase from associates described above excluded co-packing and distribution with an indirect associate of Baht 46.90 million and 106.24 million for the three-month and nine-month period ended 30 September 2020, respectively. (2019: Baht 32.28 million and 108.38 million, respectively).

Balances as at 30 September 2020 and 31 December 2019 with related parties were as follows:

<i>Trade accounts receivable</i>	Consolidated financial statements		Separate financial statements	
	30 September 2020	31 December 2019	30 September 2020	31 December 2019
	<i>(in thousand Baht)</i>			
Subsidiary				
Sappe Europe s.r.o.	-	-	270	1,392
All Coco Group Co., Ltd.	-	-	53	-
Associate				
Danone Sappe Beverages Co., Ltd.	11,031	14,385	11,031	14,385
Other related parties				
On Fifth Co., Ltd.	-	1	-	1
Italmarket Slovakia, a.s.	-	499	-	-
	11,031	14,885	11,354	15,778
<i>Less allowance for impairment (2019: allowance for doubtful accounts)</i>	-	-	-	-
Net	11,031	14,885	11,354	15,778

For the three-month and nine-month periods ended 30 September 2020 (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	September	December	September	December
<i>Other receivables</i>	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Subsidiaries				
Sappe Europe s.r.o.	-	-	2,767	2,274
Sappe Trading (Shanghai) Co., Ltd.	-	-	10,005	9,874
Sappe Holding (Thailand) Co., Ltd.	-	-	833	833
Sappe Trading (Hong Kong) Company Limited	-	-	259	204
All Coco Group Co., Ltd.	-	-	1,076	1,938
All Coco Co., Ltd.	-	-	25	290
Associate				
Danone Sappe Beverages Co., Ltd.	2,275	10,323	2,275	10,323
Other related party				
Hayashi Products Co., Ltd.	24	34	24	34
	2,299	10,357	17,264	25,770
<i>Less allowance for impairment (2019: allowance for doubtful accounts)</i>	-	-	(13,136)	(12,148)
Net	2,299	10,357	4,128	13,622

	2020	2019	2020	2019
		(in thousand Baht)		
(Reversal of) impairment losses (2019:				
Bad and doubtful debts) for the:				
- Three-month period ended				
30 September	-	-	578	65
- Nine-month period ended				
30 September	(1,303)	-	(1,312)	176

Sappe Public Company Limited and its Subsidiaries

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	Interest rate		Separate financial statements			
	At 31 December 2019 (% per annum)	At 30 September 2020	At 31 December 2019	Increase	Decrease	Foreign currency difference
Loans to						At 30 September 2020
Subsidiaries						
Sappe Europe s.r.o.	4	4	7,892	-	-	804
All Coco Group Co., Ltd.	3.2	3.2	4,590	-	(1,530)	-
All Coco Co., Ltd.	3.2	3.2	3,060	-	(510)	-
Total			15,542			14,306
Less allowance for impairment (2019: allowance for doubtful accounts)			(7,892)			(8,696)
Net			7,650			5,610

	2020 (in thousand Baht)	2019 (in thousand Baht)
(Reversal of) impairment losses (2019: Bad and doubtful debts) of loans to for the:		
- Three-month period ended 30 September	579	(362)
- Nine-month period ended 30 September	804	(875)

	Consolidated financial statements		Separate financial statements	
	30 September 2020	31 December 2019	30 September 2020	31 December 2019
Other non-current assets				
Other related parties				
Directors	1,167	1,167	1,167	1,167
Group of Persons Ruckariyapong	1,063	1,063	1,063	1,063
Total	2,230	2,230	2,230	2,230

	Consolidated financial statements		Separate financial statements	
	30 September 2020	31 December 2019	30 September 2020	31 December 2019
Trade accounts payable				
Subsidiary				
All Coco Group Co., Ltd.	-	-	6,430	2,509
Associate				
Danone Sappe Beverages Co., Ltd.	46,868	42,806	46,868	42,806
Total	46,868	42,806	53,298	45,315

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	Consolidated financial statements		Separate financial statements	
	30 September 2020	31 December 2019	30 September 2020	31 December 2019
Other payables				
	<i>(in thousand Baht)</i>			
Subsidiary				
All Coco Group Co., Ltd.	-	-	32	314
Other related parties				
Italmarket Slovakia, a.s.	617	520	-	-
Toyox Trading (Thailand) Co., Ltd.	16	3	16	3
3T Engineering Co., Ltd	-	281	-	281
Director	26	349	-	-
Key management personnel	26	349	-	-
Total	685	1,502	48	598

	Interest rate			Consolidated financial statements			
	31 December 2019	30 September 2020	31 December 2019	Increase	Decrease	Foreign currency differences	30 September 2020
Loans from	<i>(% per annum)</i>			<i>(in thousand Baht)</i>			
Other related parties							
Italmarket							
Slovakia, a.s.	2	2	2,699	-	-	273	2,972
Director	0 - 3.2	0 - 3.2	4,518	-	(980)	86	3,624
Key management personnel	3.2	3.2	3,675	-	(980)	-	2,695
Other related parties	-	-	83	-	-	6	89
Total			10,975				9,380

	Consolidated financial statements		Separate financial statements	
	30 September 2020	31 December 2019	30 September 2020	31 December 2019
Other non-current liability				
	<i>(in thousand Baht)</i>			
Other related party				
Director	4,053	3,679	-	-

The memorandum of association of a subsidiary states that the subsidiary has to pay dividends from net profit of Euro 109,076.03 to a shareholder. The first gainer is a shareholder and then the rest of the profit will be allocated according to the proportion of the investment held. As of 30 September 2020, the management considered to recognise a provision following the regulations of the subsidiary of Baht 4.05 million (31 December 2019: Baht 3.68 million) under "Other non-current liabilities" in the consolidated financial statements.

Sappe Public Company Limited and its Subsidiaries

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Significant agreements with related parties

The Group has land and building lease agreements with related parties, and from 1 January 2020, the Group has initially applied TFRS 16 that affect the related parties transaction balance as at 30 September 2020 and for the three-month and nine-month periods ended 30 September 2020 as follows:

<i>At 30 September 2020</i>	Consolidated financial statements (in thousand Baht)	Separate financial statements
Other related parties		
Right-of-use assets	38,421	32,183
Lease liabilities	(43,759)	(36,695)

<i>Three-month period ended 30 September 2020</i>	Consolidated financial statements (in thousand Baht)	Separate financial statements
Other related parties		
Depreciation	1,864	1,803
Finance costs	344	266

<i>Nine-month period ended 30 September 2020</i>	Consolidated financial statements (in thousand Baht)	Separate financial statements
Other related parties		
Depreciation	5,591	5,409
Finance costs	1,056	822

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6 Investment in associate

Consolidated financial statements

Type of business	Ownership interest		Paid-up capital		Cost		Equity		Dividend Income for the nine-month periods ended		
	30	31	30	31	30	31	30	31	30	30	
	September	December	September	December	September	December	September	December	September	September	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	
	(%)		(in thousand Baht)								
<i>Indirect associate</i>											
Danone Sappe Beverages Co., Ltd.	Distributing health drinking product	25	25	200,000	200,000	50,000	50,000	14,286	29,744	-	-
Total					50,000	50,000	14,286	29,744	-	-	

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

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Acquisitions

In July 2019, Danone Sappe Beverages Co., Ltd. registered its share capital from Baht 100 million to Baht 200 million by issuing share capital to Baht 100 million (1,000,000 shares at Baht 100 per share). Sappe Holding (Thailand) Co., Ltd., a subsidiary has paid-up share capital amounting to Baht 25 million. The percentage of holding interest of the Group remains unchanged. Danone Sappe Beverages Co., Ltd. registered the increase of share capital with the Ministry of Commerce on 31 July 2019.

The Group has an option to purchase additional shares in the maximum portion of 24 percent of Danone Sappe Beverages Co., Ltd.'s registered shares within three years after the payment date of the first tranche shares in 2019.

Reclassification to subsidiary

In February 2019, the Company made an additional investment in 11 percent of the issued and paid up capital of All Coco Group Co., Ltd., increasing the Group's interest to 51 percent. All Coco Group Co., Ltd. thereby ceased to be an associated company and became a subsidiary. Details of the acquisition are given in note 4.

The Group has an option to purchase additional shares in the maximum portion of 9% of All Coco Group Co., Ltd.'s registered shares within four years after the effective date of the first sales and purchase of shares agreement, at the fair value

In this connection, the Company recognised gain on remeasurement of previously held-equity investment in All Coco Group Co., Ltd. of Baht 10.08 million in the statement of comprehensive income for the period ended 30 September 2019.

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7 Investments in subsidiaries

	Separate financial statements										Dividend income for the nine-month periods ended	
	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net			
	30	31	30	31	30	31	30	31	30	31	30	30
	September	December	September	December	September	December	September	December	September	December	September	September
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	(%)						(in thousand Baht)					
Direct subsidiaries												
Sappe Europe s.r.o.	60	60	EUR 6,639		162	162	-	-	162	162	-	-
Sappe Holding (Thailand) Co., Ltd.	100	100	Baht 290 million		290,000	290,000	-	-	290,000	290,000	-	-
Total					290,162	290,162	-	-	290,162	290,162	-	-
Indirect subsidiaries												
Sappe Trading (Hong Kong) Company Limited	100	100	HKD 100,000		454	454	(454)	(454)	-	-	-	-
Sappe Hong Kong Company Limited	100	100	HKD 3,000,000		13,980	13,980	(13,980)	(13,980)	-	-	-	-
Sappe Trading (Shanghai) Co., Ltd.	100	100	CNY 2,000,000		10,173	10,173	(10,173)	(10,173)	-	-	-	-
All Coco Group Co., Ltd.	51	51	Baht 168 million		196,350	196,350	-	-	196,350	196,350	-	-
Total					220,957	220,957	(24,607)	(24,607)	196,350	196,350	-	-

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Details of the increase of investment in subsidiaries from business acquisition during the year ended 31 December 2019 are disclosed in note 4.

In 2016, the Group sold its entire interest in PT. Sappe Indonesia, a subsidiary, of 2,550 shares or 51 percent equity ownership in PT. Sappe Indonesia. The Group has an option to repurchase 51 percent of PT. Sappe Indonesia issued and paid-up share capital. The option can be exercised within three years but no later than five years after the disposal date. The repurchase price will be Baht 82.03 million. In the case that PT. Sappe Indonesia increase its share capital, the repurchase price will be determined by financial due diligence performed by an independence financial advisor. However, the management does not plan to exercise this option at 30 September 2020.

8 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment exclude right-of-use assets during the nine-month period ended 30 September 2020 were as follows:

	Consolidated financial statements		Separate financial statements	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
	<i>(in thousand Baht)</i>			
Land and land improvement	7,097	-	7,097	-
Buildings and building improvement	8,024	-	7,764	-
Machinery and equipment	22,160	(48)	20,296	-
Furniture, fixtures and office equipment	2,272	(1,363)	1,641	(9)
Vehicles	3,593	(2)	3,593	-
Assets under construction and installation	29,576	(24,666)	24,578	(24,046)
Total	72,722	(26,079)	64,969	(24,055)

Movement of right-of-use assets recognised as property, plant and equipment is as follows:

		Consolidated financial statements	Separate financial statements
<i>Right-of-use assets</i>		Land and buildings <i>(in thousand Baht)</i>	Land and buildings
At 1 January 2020	<i>Note 3</i>	85,723	75,170
Less depreciation		10,089	9,034
At 30 September 2020		75,634	66,136

Sappe Public Company Limited and its Subsidiaries

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9 Other current payables

		Consolidated		Separate	
		financial statements		financial statements	
		30	31	30	31
		September	December	September	December
	Note	2020	2019	2020	2019
		(in thousand Baht)			
Accrued interest expense - related parties	5	669	698	-	-
Other payables - related parties	5	16	804	48	598
Accrued promotional expense		136,862	144,738	128,207	144,738
Accrued expenses		90,654	111,732	90,076	102,301
Other payables - other parties		97,617	79,781	88,006	73,950
Advance received		19,778	17,802	18,150	15,150
Others		5,750	10,793	1,789	8,422
Total		351,346	366,348	326,276	345,159

10 Warrants

Expenses for share-based payment transactions in the consolidated and separate financial statements for the nine-month period ended 30 September 2020 were Baht 5.14 million (2019: Baht 8.92 million) and the three-month period ended 30 September 2020 were Baht 1.72 million (2019: Baht 3.00 million).

Movements during the nine-month periods ended 30 September 2020 and 2019 of warrants were as follows:

<i>Nine-month period ended 30 September</i>	Consolidated / Separate financial statements			
	2020		2019	
	Average exercise price per share (Baht)	Option shares (in thousand shares)	Average exercise price per share (Baht)	Option shares (in thousand shares)
At 1 January	7.72	4,060	7.72	4,070
Exercise	-	-	6.90	(10)
At 30 September	7.72	4,060	7.72	4,060

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11 Segment information and disaggregation of revenue

<i>Three-month period ended 30 September</i>	Consolidated financial statements											
	Health drinking products		Coconut products		Other segments		Total		Eliminate		Net	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	<i>(in thousand Baht)</i>											
Information about reportable segments												
External revenues	850,140	750,125	82,782	59,039	7,444	5,549	940,366	814,713	-	-	940,366	814,713
Inter-segment revenue	316	2,069	18,325	6,320	-	-	18,641	8,389	(18,641)	(8,389)	-	-
Total revenue	850,456	752,194	101,107	65,359	7,444	5,549	959,007	823,102	(18,641)	(8,389)	940,366	814,713
Disaggregation of revenue												
Primary geographical markets												
Thailand	392,615	252,556	84,478	60,745	-	-	477,093	313,301	(18,372)	(6,320)	458,721	306,981
Indonesia and Philippines	149,349	202,968	-	-	-	-	149,349	202,968	-	-	149,349	202,968
Korea	76,055	97,984	-	1,075	-	-	76,055	99,059	-	-	76,055	99,059
Others	232,437	198,686	16,629	3,539	7,444	5,549	256,510	207,774	(269)	(2,069)	256,241	205,705
Total revenue	850,456	752,194	101,107	65,359	7,444	5,549	959,007	823,102	(18,641)	(8,389)	940,366	814,713
Major products												
Drinks	711,375	636,769	77,849	54,970	7,444	5,549	796,668	697,288	(6,347)	(8,389)	790,321	688,899
Others	139,081	115,425	23,258	10,389	-	-	162,339	125,814	(12,294)	-	150,045	125,814
Total revenue	850,456	752,194	101,107	65,359	7,444	5,549	959,007	823,102	(18,641)	(8,389)	940,366	814,713
Timing of revenue recognition												
At a point in time	850,456	752,194	101,107	65,359	7,444	5,549	959,007	823,102	(18,641)	(8,389)	940,366	814,713
Share of loss of investments in associates	(9,956)	(3,664)	-	-	-	-	(9,956)	(3,664)	-	-	(9,956)	(3,664)
Segment profit (loss) before income tax	160,734	133,198	4,634	(2,220)	3,167	(2,770)	168,535	128,208	1,133	(192)	169,668	128,016

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Nine-month period ended 30 September	Consolidated financial statements											
	Health drinking products		Coconut products		Other segments		Total		Eliminate		Net	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	(in thousand Baht)											
Information about reportable segments												
External revenues	2,238,269	2,321,238	220,158	171,921	16,398	17,912	2,474,825	2,511,071	-	-	2,474,825	2,511,071
Inter-segment revenue	316	3,127	37,688	10,590	-	-	38,004	13,717	(38,004)	(13,717)	-	-
Total revenue	<u>2,238,585</u>	<u>2,324,365</u>	<u>257,846</u>	<u>182,511</u>	<u>16,398</u>	<u>17,912</u>	<u>2,512,829</u>	<u>2,524,788</u>	<u>(38,004)</u>	<u>(13,717)</u>	<u>2,474,825</u>	<u>2,511,071</u>
Disaggregation of revenue												
Primary geographical markets												
Thailand	949,118	887,378	241,217	174,673	-	-	1,190,335	1,062,051	(37,735)	(10,590)	1,152,600	1,051,461
Indonesia and Philippines	506,260	595,858	-	-	-	-	506,260	595,858	-	-	506,260	595,858
Korea	182,550	238,087	-	2,109	-	-	182,550	240,196	-	-	182,550	240,196
Others	600,657	603,042	16,629	5,729	16,398	17,912	633,684	626,683	(269)	(3,127)	633,415	623,556
Total revenue	<u>2,238,585</u>	<u>2,324,365</u>	<u>257,846</u>	<u>182,511</u>	<u>16,398</u>	<u>17,912</u>	<u>2,512,829</u>	<u>2,524,788</u>	<u>(38,004)</u>	<u>(13,717)</u>	<u>2,474,825</u>	<u>2,511,071</u>
Major products												
Drinks	1,878,439	2,005,505	210,480	154,744	16,398	17,912	2,105,317	2,178,161	(10,781)	(13,717)	2,094,536	2,164,444
Others	360,146	318,860	47,366	27,767	-	-	407,512	346,627	(27,223)	-	380,289	346,627
Total revenue	<u>2,238,585</u>	<u>2,324,365</u>	<u>257,846</u>	<u>182,511</u>	<u>16,398</u>	<u>17,912</u>	<u>2,512,829</u>	<u>2,524,788</u>	<u>(38,004)</u>	<u>(13,717)</u>	<u>2,474,825</u>	<u>2,511,071</u>
Timing of revenue recognition												
At a point in time	<u>2,238,585</u>	<u>2,324,365</u>	<u>257,846</u>	<u>182,511</u>	<u>16,398</u>	<u>17,912</u>	<u>2,512,829</u>	<u>2,524,788</u>	<u>(38,004)</u>	<u>(13,717)</u>	<u>2,474,825</u>	<u>2,511,071</u>
Share of loss of investments in associates	(15,458)	(13,698)	-	-	-	-	(15,458)	(13,698)	-	-	(15,458)	(13,698)
Segment profit (loss) before income tax	367,062	441,707	5,133	440	2,745	2,691	374,940	444,838	564	(583)	375,504	444,255
Segment assets as at 30 September/ 31 December	3,398,308	3,279,251	268,889	272,823	144,459	146,718	3,811,656	3,698,792	(308,095)	(308,825)	3,503,561	3,389,967
Segment liabilities as at 30 September/ 31 December	647,998	581,494	68,280	66,860	42,403	36,565	758,681	684,919	(39,553)	(38,722)	719,128	646,197

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	Separate financial statements	
	Reportable segments	
	2020	2019
<i>Three-month period ended 30 September</i>	<i>(in thousand Baht)</i>	
Disaggregation of revenue		
Primary geographical markets		
Thailand	392,615	252,556
Indonesia and Philippines	149,349	202,968
Korea	76,055	97,984
Others	232,437	198,686
Total revenue	850,456	752,194
Major products		
Drinks	711,375	636,769
Others	139,081	115,425
Total revenue	850,456	752,194
Timing of revenue recognition		
At a point in time	850,456	752,194
	Separate financial statements	
	Reportable segments	
	2020	2019
<i>Nine-month period ended 30 September</i>	<i>(in thousand Baht)</i>	
Disaggregation of revenue		
Primary geographical markets		
Thailand	949,118	887,378
Indonesia and Philippines	506,260	595,858
Korea	182,550	238,087
Others	600,657	603,042
Total revenue	2,238,585	2,324,365
Major products		
Drinks	1,878,439	2,005,505
Others	360,146	318,860
Total revenue	2,238,585	2,324,365
Timing of revenue recognition		
At a point in time	2,238,585	2,324,365

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12 Leases

<i>For the period ended 30 September 2020</i>	Consolidated financial statements		Separate financial statements	
	Three-month period	Nine-month period <i>(in thousand Baht)</i>	Three-month period	Nine-month period
<i>Recognised in profit or loss</i>				
Interest on lease liabilities	680	2,182	517	1,597
Expenses relating to short-term leases	5,357	16,935	4,638	13,914

Total cash outflow for leases presented in the consolidated and separate statement of cash flows for the nine-month period ended 30 September 2020 were Baht 16.01 million and Baht 9.86 million, respectively.

13 Dividends

The dividends paid by the Group to the shareholders are as follows:

	Approval date	Payment schedule	Dividend rate per share <i>(Baht)</i>	Amount <i>(in thousand Baht)</i>
<i>2020</i>				
Interim dividend	26 March 2020	April 2020	<u>0.83</u>	<u>252,567</u>
<i>2019</i>				
Annual dividend	18 April 2019	May 2019	<u>0.66</u>	<u>200,830</u>

14 Financial instruments

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 for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

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<i>At 30 September 2020</i>	Consolidated financial statements						
	Carrying amount		Fair value				Total
	Fair value through profit or loss	Amortised cost - net	Total	Level 1	Level 2	Level 3	
			<i>(in thousand Baht)</i>				
Financial assets							
Other financial assets							
Debt instruments held for trading	1,213,338	-	1,213,338	-	1,213,338	-	1,213,338
Derivatives assets	596	-	596	-	596	-	596
Total other financial assets	1,213,934	-	1,213,934				
Financial liabilities							
Borrowings from financial institutions	-	(57)	(57)	-	(57)	-	(57)
Loans from related parties	-	(9,380)	(9,380)	-	(9,380)	-	(9,380)
<i>At 30 September 2020</i>	Separate financial statements						
	Carrying amount		Fair value				Total
	Fair value through profit or loss	Amortised cost - net	Total	Level 1	Level 2	Level 3	
			<i>(in thousand Baht)</i>				
Financial assets							
Loans to related parties	-	5,610	5,610	-	5,610	-	5,610
Other financial assets							
Debt instruments held for trading	1,213,338	-	1,213,338	-	1,213,338	-	1,213,338
Derivatives assets	596	-	596	-	596	-	596
Total other financial assets	1,213,934	-	1,213,934				

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For the three-month and nine-month periods ended 30 September 2020 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	Carrying amount	Fair Value Level 2 (in thousand Baht)	Carrying amount	Fair Value Level 2
31 December 2019				
<i>Financial assets measured at fair value</i>				
Debt securities held for trading	1,132,132	1,132,132	1,132,132	1,132,132
<i>Financial assets not measured at fair value</i>				
Foreign currency forward contract	2,514	1,250	2,514	1,250

Financial instruments measured at fair value

Type	Valuation technique
Forward exchange contracts	<i>Forward pricing:</i> The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.
Derivatives	<i>In cases where there is an active market,</i> the Group uses the market value as the fair value of derivatives.
	<i>In cases where there is no active market,</i> simple over-the-counter derivative are derived by using a valuation technique incorporating observable market data which is adjusted with counterparty credit risk (excluding own credit risk) and other risks to reflect true economic value.
Debt securities held for trading	The net asset value as of the reporting date.

Impairment loss

Impairment on cash and cash equivalents was measured on a 12-month ECLs. The Group considers that cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Allowance for impairment loss for trade receivables and contract assets are measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the historical credit loss experience, adjusted for factors that are specific to the debtors and assessment of both the current and forecast general economic conditions.

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For the three-month and nine-month periods ended 30 September 2020 (Unaudited)

	Consolidated financial statements			Separate financial statements		
	Trade accounts receivables (carrying amounts) (in thousand Baht)	Weighted average loss rate (%)	Allowance for impairment losses (in thousand Baht)	Trade accounts receivables (carrying amounts) (in thousand Baht)	Weighted average loss rate (%)	Allowance for impairment losses (in thousand Baht)
At 30 September 2020						
Within credit terms	265,613	0 - 0.03	2	259,484	-	-
Overdue:						
Less than 3 months	128,445	0 - 0.38	37	113,492	-	-
3 - 6 months	1,660	0 - 48.51	33	1,020	-	-
6 - 12 months	371	0 - 100	-	303	-	-
Over than 12 months	1,440	0 - 100	1,142	211	-	-
Total	397,529		1,214	374,510		-
Less allowance for impairment	(1,214)			-		
Net	396,315			374,510		

	Consolidated financial statements (in thousand Baht)	Separate financial statements
Trade accounts receivables		
At 31 December 2019		
Within credit terms	204,705	194,295
Overdue:		
Less than 3 months	138,823	131,225
3 - 6 months	9,341	9,075
6 - 12 months	233	227
Over than 12 months	1,123	-
	354,225	334,822
Less allowance for doubtful accounts	(1,356)	(227)
Net	352,869	334,595

The normal credit term granted by the Group ranges from 30 days to 60 days.

		Consolidated financial statements (in thousand Baht)	Separate financial statements
Allowance for impairment - simplified approach			
At 1 January 2020 - restated	Note 3	5,448	25,181
Additions		-	804
Reversals		(4,118)	(4,039)
At 30 September 2020		1,330	21,946

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Notes to the condensed interim financial statements

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<i>Impairment loss of financial assets for the periods ended 30 September 2020</i>	Consolidated financial statements		Separate financial statements	
	Three-month period	Nine-month period	Three-month period	Nine-month period
	<i>(in thousand Baht)</i>			
<i>Recognised in profit or loss</i>				
Reversal of impairment loss of trade accounts receivables	(426)	(346)	-	(258)
(Reversal of) impairment loss of other receivables	-	(3,772)	578	(3,781)
Impairment loss of loans to related parties	-	-	578	804
Total	(426)	(4,118)	1,156	(3,235)

Exposure to liquidity risk

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.

<i>At 30 September 2020</i>	Carrying amount	At Call	Consolidated financial statements Contractual cash flows			Total
			Within 1 year	1 – 5 years	More than 5 years	
			<i>(in thousand Baht)</i>			
<i>Non-derivative financial liabilities</i>						
Trade payables	190,193	(190,193)	-	-	-	(190,193)
Loans from financial institutions	57	-	(57)	-	-	(57)
Lease liabilities	96,065	-	(26,875)	(31,337)	(37,853)	(96,065)
	286,315	(190,193)	(26,932)	(31,337)	(37,853)	(286,315)
<i>Derivative financial liabilities</i>						
Forward exchange contracts						
- Cash outflow	-	-	(94,990)	-	-	(94,990)
- Cash inflow	596	-	95,586	-	-	95,586
	596	-	596	-	-	596

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Separate financial statements						
	Carrying		Contractual cash flows			
<i>At 30 September 2020</i>	amount	At Call	Within 1 year <i>(in thousand Baht)</i>	1 – 5 years	More than 5 years	Total
<i>Non-derivative financial liabilities</i>						
Trade payables	190,571	(190,571)	-	-	-	(190,571)
Lease liabilities	71,408	-	(11,453)	(28,725)	(31,230)	(71,408)
	<u>261,979</u>	<u>(190,571)</u>	<u>(11,453)</u>	<u>(28,725)</u>	<u>(31,230)</u>	<u>(261,979)</u>
<i>Derivative financial liabilities</i>						
Forward exchange contracts						
- Cash outflow	-	-	(94,990)	-	-	(94,990)
- Cash inflow	596	-	95,586	-	-	95,586
	<u>596</u>	<u>-</u>	<u>596</u>	<u>-</u>	<u>-</u>	<u>596</u>

Exposure to foreign currency risk

At 30 September 2020	Consolidated financial statements				Total
	USD	EUR	HKD	CNY	
	(in thousand Baht)				
Cash and Cash equivalents	85	851	11,586	618	13,140
Trade accounts receivables	18,396	13,876	-	-	32,272
Other receivables	537	407	-	2,188	3,132
Interest-bearing liabilities	-	4,178	-	-	4,178
Trade payables	-	769	-	-	769
Other payables	27,006	7,997	79	229	35,311
Net forecast transaction exposure	46,024	28,078	11,665	3,035	88,802
Forward exchange selling contracts	(596)	-	-	-	(596)
Net exposure	45,428	28,078	11,665	3,035	88,206

<i>At 30 September 2020</i>	Separate financial statements		
	USD	EUR	Total
<i>(in thousand Baht)</i>			
Cash and Cash equivalents	65	1	66
Trade accounts receivables	18,396	8,140	26,536
Other receivables	537	-	537
Other payables	26,669	2,787	29,456
Net forecast transaction exposure	45,667	10,928	56,595
Forward exchange selling contracts	(596)	-	(596)
Net exposure	45,071	10,928	55,999

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15 Commitments with non-related parties

<i>At 30 September 2020</i>	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
Capital commitments		
Machinery, equipment and other constructions	15,224	12,884
Total	15,224	12,884
Other commitments		
Bank guarantees	10,616	10,616
Total	10,616	10,616

16 Contingent liabilities

As at 30 September 2020, the Company has been sued by a former oversea distributor in the amount of CNY 3.15 million (Baht 14.68 million). The Company have won in the federal court. Presently, the case is under the appeal of the distributor. However, the Company has set aside provision of Baht 0.91 million (31 December 2019: Baht 0.86 million) for liability that may arise as a result of this case, based on the opinion of their management and legal department.

17 Treasury shares

At the Board of Directors' meeting of the Company held on 16 June 2020, the Board of directors of the Company approved the share repurchase program for financial management purpose in accordance with the Section 66/1(2) of the Public Company Limited Act in the amount not exceeding Baht 150.0 million. The number of ordinary shares to be repurchased is not exceeding 7.5 million shares (par value of Baht 1 per share); equal to 2.46% of the total number of paid-up share capital of the Company. In this regard, the Company shall repurchase its ordinary shares through the main board of the Stock Exchange of Thailand during the period from 1 July 2020 to 30 December 2020. The Board of Directors shall determine the share resale procedures after 6 months from the completion date of share repurchase. However, the last date to resale such repurchase shares shall not be later than 30 December 2023.

18 Impact of COVID-19 Outbreak

Due to the COVID-19 outbreak at the beginning of 2020, Thailand and many other countries have enacted several protective measures against the outbreak, e.g. the order to temporarily shut down operating facilities or reduce operating hours, social distancing, etc. This has significantly affected world economy, production, supply chain of goods and business operation of many entities in wide areas. The management is closely monitoring the situation to ensure the safety of the Group's staff and to manage the negative impact on the business as much as possible.

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19 Event after the reporting period

At the Board of Directors Meeting held on 11 November 2020, the Board has approved the followings;

- 1) Approved to increase share capital of Sappe Holding (Thailand) Co., Ltd., the subsidiary, amounting to Baht 30 million (3,000,000 shares at Baht 10 per share). Sappe Holding (Thailand) Co., Ltd will register its share capital from Baht 290 million to Baht 320 million by issue share capital to Baht 30 million (3,000,000 shares at Baht 10 per share).
- 2) Approved Sappe Holding (Thailand) Co., Ltd., to purchase issued ordinary shares of Danone Sappe Beverages Co., Ltd. regarding an option granted in the Shareholders' Agreement to maintain the investment proportion of the Group which is 25 percent of total share capital amounting to Baht 25 million.