

**Sappe Public Company Limited
and its Subsidiaries**

Condensed Interim financial statements
for the three-month and six-month periods ended
30 June 2022
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 ภูมิภาคไทย 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 June 2022; the consolidated and separate statements of income and comprehensive income for the three-month and six-month periods ended 30 June 2022 and the consolidated and separate statements of changes in equity and cash flows for the six-month period ended 30 June 2022; 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
10 August 2022

Sappe Public Company Limited and its Subsidiaries

Statement of financial position

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 June 2022 (Unaudited)	31 December 2021	30 June 2022 (Unaudited)	31 December 2021
<i>(in thousand Baht)</i>					
Current assets					
Cash and cash equivalents		349,628	382,610	308,501	324,545
Trade accounts receivable	2, 3	381,480	340,586	342,336	318,780
Other current receivables	2	130,371	89,166	127,262	88,194
Short-term loans to related parties	2	-	-	5,610	5,610
Inventories		326,820	290,718	261,549	247,139
Other current financial assets	11	1,473,286	1,371,106	1,473,286	1,371,106
Other current assets		41,456	49,508	40,745	48,484
Total current assets		2,703,041	2,523,694	2,559,289	2,403,858
Non-current assets					
Other non-current financial assets	11	66,752	66,752	66,752	66,752
Investment in associates	4	90,450	88,955	-	-
Investment in subsidiaries	4	-	-	390,000	390,162
Property, plant and equipment	5	944,583	951,274	816,809	816,631
Right-of-use assets	5	48,004	54,965	42,058	47,225
Goodwill		90,899	90,899	-	-
Intangible assets other than goodwill		39,994	43,346	31,974	34,881
Deferred tax assets		22,262	19,813	21,950	19,677
Other non-current assets	2	9,352	8,703	4,862	4,495
Total non-current assets		1,312,296	1,324,707	1,374,405	1,379,823
Total assets		4,015,337	3,848,401	3,933,694	3,783,681

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 June 2022 (Unaudited)	31 December 2021	30 June 2022 (Unaudited)	31 December 2021
<i>(in thousand Baht)</i>					
Liabilities and equity					
<i>Current liabilities</i>					
Bank overdrafts		1,417	1,888	-	-
Trade accounts payable	2	242,372	180,815	244,694	192,602
Other current payables	2, 6	541,985	495,095	514,471	468,644
Short-term loans from related parties	2	9,349	9,460	-	-
Current portion of lease liabilities	2	6,209	10,071	5,954	8,795
Current income tax payable		79,410	48,140	79,410	48,018
Total current liabilities		880,742	745,469	844,529	718,059
<i>Non-current liabilities</i>					
Lease liabilities	2	48,835	51,877	41,990	44,252
Deferred tax liabilities		2,523	3,000	-	-
Non-current provisions for employee benefits		42,051	36,611	40,806	35,604
Other non-current liability	2	4,861	4,973	-	-
Total non-current liabilities		98,270	96,461	82,796	79,856
Total liabilities		979,012	841,930	927,325	797,915

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 June 2022 (Unaudited)	31 December 2021	30 June 2022 (Unaudited)	31 December 2021
<i>(in thousand Baht)</i>					
Liabilities and equity					
Equity					
Share capital	7,8				
Authorised share capital		308,438	308,438	308,438	308,438
Issued and paid-up share capital		308,289	306,087	308,289	306,087
Share premium on ordinary shares		1,082,230	1,021,354	1,082,230	1,021,354
Warrants	8	-	19,029	-	19,029
Retained earnings					
Legal reserve		30,844	30,844	30,844	30,844
Unappropriated		1,516,258	1,533,645	1,585,006	1,608,452
Difference arising from common control transactions		(4,365)	(4,365)	-	-
Currency translation differences		(730)	(914)	-	-
Equity attributable to owners of the parent		2,932,526	2,905,680	3,006,369	2,985,766
Non-controlling interests		103,799	100,791	-	-
Total equity		3,036,325	3,006,471	3,006,369	2,985,766
Total liabilities and equity		4,015,337	3,848,401	3,933,694	3,783,681

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	
	Three-month period ended		Three-month period ended	
	30 June		30 June	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Revenue				
Revenue from sale of goods	1,236,378	891,006	1,169,512	821,149
Other income	98,104	69,489	97,158	68,548
Total revenues	1,334,482	960,495	1,266,670	889,697
Expenses				
Cost of sales of goods	736,410	536,289	686,700	473,956
Distribution costs	292,463	182,427	285,320	177,160
Administrative expenses	87,266	80,002	76,544	73,724
Net foreign exchange loss	7,241	286	8,492	2,671
Total expenses	1,123,380	799,004	1,057,056	727,511
Profit from operating activities	211,102	161,491	209,614	162,186
Finance costs	(577)	(707)	(385)	(442)
Impairment loss determined in accordance with TFRS 9	(4,385)	(168)	(3,782)	(1,472)
Share of profit (loss) of associates accounted for using equity method	680	(3,609)	-	-
Profit before income tax expense	206,820	157,007	205,447	160,272
Tax expense	39,513	31,835	40,253	31,602
Profit for the period	167,307	125,172	165,194	128,670
Profit (loss) attributable to:				
Owners of the parent	167,282	126,866	165,194	128,670
Non-controlling interests	25	(1,694)	-	-
	167,307	125,172	165,194	128,670
Earnings per share (in Baht)				
Basic earnings per share	0.54	0.42	0.54	0.42
Diluted earnings per share	-	0.42	-	0.42

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 June		30 June	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Profit for the period	167,307	125,172	165,194	128,670
Other comprehensive income				
<i>Items that will be reclassified subsequently to profit or loss</i>				
Exchange differences on translating financial statements	43	(1,995)	-	-
Other comprehensive income (expense) for the period, net of tax	43	(1,995)	-	-
Total comprehensive income for the period	167,350	123,177	165,194	128,670
Total comprehensive income (expense) attributable to:				
Owners of the parent	167,275	125,090	165,194	128,670
Non-controlling interests	75	(1,913)	-	-
	167,350	123,177	165,194	128,670

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

Sappe Public Company Limited and its Subsidiaries

Statement of income (Unaudited)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		Six-month period ended 30 June		Six-month period ended 30 June	
		2022	2021	2022	2021
<i>(in thousand Baht)</i>					
Revenue					
Revenue from sale of goods	2, 9	2,255,356	1,625,295	2,120,151	1,494,958
Other income	2	220,367	107,839	218,131	106,406
Total revenues		2,475,723	1,733,134	2,338,282	1,601,364
Expenses					
Cost of sales of goods		1,335,101	995,939	1,234,915	880,443
Distribution costs	2	558,752	300,831	545,472	289,540
Administrative expenses	2	171,685	150,302	153,555	138,962
Net foreign exchange loss		5,742	4,892	7,513	9,727
Total expenses		2,071,280	1,451,964	1,941,455	1,318,672
Profit from operating activities		404,443	281,170	396,827	282,692
Finance costs	2	(1,137)	(1,363)	(784)	(927)
Impairment loss determined in accordance with TFRS 9		(4,251)	(338)	(3,713)	(1,714)
Share of profit (loss) of associates accounted for using equity method	9	1,495	(12,895)	-	-
Profit before income tax expense		400,550	266,574	392,330	280,051
Tax expense		77,036	56,354	77,719	55,386
Profit for the period		323,514	210,220	314,611	224,665
Profit (loss) attributable to:					
Owners of the parent		320,670	213,434	314,611	224,665
Non-controlling interests		2,844	(3,214)	-	-
		323,514	210,220	314,611	224,665
Earnings per share (in Baht)					
Basic earnings per share		1.04	0.70	1.02	0.74
Diluted earnings per share		-	0.70	-	0.74

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	
	Six-month period ended		Six-month period ended	
	30 June		30 June	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Profit for the period	323,514	210,220	314,611	224,665
Other comprehensive income				
<i>Items that will be reclassified subsequently to profit or loss</i>				
Exchange differences on translating financial statements	348	(3,135)	-	-
Other comprehensive income (expense) for the period, net of tax	348	(3,135)	-	-
Total comprehensive income for the period	323,862	207,085	314,611	224,665
Total comprehensive income (expense) attributable to:				
Owners of the parent	320,854	210,495	314,611	224,665
Non-controlling interests	3,008	(3,410)	-	-
	323,862	207,085	314,611	224,665

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												
(in thousand Baht)												
	Note	Retained earnings			Other components of equity				Equity attributable to owners of the parent	Non-controlling interests	Total equity	
		Issued and paid-up share capital	Share premium on ordinary shares	Warrants	Legal reserve	Unappropriated	Difference arising from common control transactions	Translation reserve				Total other components of equity
Six-month period ended 30 June 2021												
Balance at 1 January 2021		304,378	975,608	27,802	30,844	1,433,294	(4,365)	4,028	(337)	2,771,589	101,519	2,873,108
Transactions with owners, recorded directly in equity												
<i>Contributions by and distributions to owners of the parent</i>												
Share-based payment transactions	8	-	-	1,762	-	-	-	-	-	1,762	-	1,762
Dividends	10	-	-	-	-	(310,463)	-	-	-	(310,463)	-	(310,463)
Total contributions by and distributions to owners of the parent		-	-	1,762	-	(310,463)	-	-	-	(308,701)	-	(308,701)
Total transactions with owners, recorded directly in equity		-	-	1,762	-	(310,463)	-	-	-	(308,701)	-	(308,701)
Comprehensive income for the period												
Profit or loss		-	-	-	-	213,434	-	-	-	213,434	(3,214)	210,220
Other comprehensive income		-	-	-	-	-	-	(2,939)	(2,939)	(2,939)	(196)	(3,135)
Total comprehensive income (expense) for the period		-	-	-	-	213,434	-	(2,939)	(2,939)	210,495	(3,410)	207,085
Balance at 30 June 2021		304,378	975,608	29,564	30,844	1,336,265	(4,365)	1,089	(3,276)	2,673,383	98,109	2,771,492

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											
	Note	Issued and paid-up share capital	Share premium on ordinary shares	Warrants	Retained earnings		Other components of equity			Equity attributable to owners of the parent	Non-controlling interests	Total equity
					Legal reserve	Unappropriated	Difference arising from common control transactions	Translation reserve	Total other components of equity			
<i>(in thousand Baht)</i>												
Six-month period ended 30 June 2022												
Balance at 1 January 2022		306,087	1,021,354	19,029	30,844	1,533,645	(4,365)	(914)	(5,279)	2,905,680	100,791	3,006,471
Transactions with owners, recorded directly in equity												
<i>Contributions by and distributions to owners of the parent</i>												
Shares options exercised	7	2,202	60,876	(17,797)	-	-	-	-	-	45,281	-	45,281
Share-based payment transactions	8	-	-	(1,232)	-	-	-	-	-	(1,232)	-	(1,232)
Dividends	10	-	-	-	-	(338,057)	-	-	-	(338,057)	-	(338,057)
Total contributions by and distributions to owners of the parent		2,202	60,876	(19,029)	-	(338,057)	-	-	-	(294,008)	-	(294,008)
Total transactions with owners, recorded directly in equity		2,202	60,876	(19,029)	-	(338,057)	-	-	-	(294,008)	-	(294,008)
Comprehensive income for the period												
Profit		-	-	-	-	320,670	-	-	-	320,670	2,844	323,514
Other comprehensive income		-	-	-	-	-	-	184	184	184	164	348
Total comprehensive income for the period		-	-	-	-	320,670	-	184	184	320,854	3,008	323,862
Balance at 30 June 2022		308,289	1,082,230	-	30,844	1,516,258	(4,365)	(730)	(5,095)	2,932,526	103,799	3,036,325

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)

	<i>Note</i>	Issued and paid-up share capital	Share premium on ordinary shares	Separate financial statements		Total equity	
				Warrants	Retained earnings		Unappropriated
				Legal reserve			
<i>(in thousand Baht)</i>							
Six-month period ended 30 June 2021							
Balance at 1 January 2021		304,378	975,608	27,802	30,844	1,492,745	2,831,377
Transactions with owners, recorded directly in equity							
<i>Contributions by and distributions to owners</i>							
Share-based payment transactions	8	-	-	1,762	-	-	1,762
Dividends	10	-	-	-	-	(310,463)	(310,463)
Total contributions by and distributions to owners		-	-	1,762	-	(310,463)	(308,701)
Comprehensive income for the period							
Profit		-	-	-	-	224,665	224,665
Total comprehensive income for the period		-	-	-	-	224,665	224,665
Balance at 30 June 2021		304,378	975,608	29,564	30,844	1,406,947	2,747,341

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)

	Note	Separate financial statements				Total equity	
		Issued and paid-up share capital	Share premium on ordinary shares	Warrants	Retained earnings Legal reserve Unappropriated		
Six-month period ended 30 June 2022							
Balance at 1 January 2022		306,087	1,021,354	19,029	30,844	1,608,452	2,985,766
Transactions with owners, recorded directly in equity							
<i>Contributions by and distributions to owners</i>							
Shares options exercised	7	2,202	60,876	(17,797)	-	-	45,281
Share-based payment transactions	8	-	-	(1,232)	-	-	(1,232)
Dividends	10	-	-	-	-	(338,057)	(338,057)
Total contributions by and distributions to owners		2,202	60,876	(19,029)	-	(338,057)	(294,008)
Comprehensive income for the period							
Profit		-	-	-	-	314,611	314,611
Total comprehensive income for the period		-	-	-	-	314,611	314,611
Balance at 30 June 2022		308,289	1,082,230	-	30,844	1,585,006	3,006,369

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

Sappe Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		Six-month period ended		Six-month period ended	
		30 June		30 June	
		2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>					
Profit for the period		323,514	210,220	314,611	224,665
<i>Adjustments to reconcile profit to cash receipts (payments)</i>					
Tax expense		77,036	56,354	77,720	55,386
Finance costs		1,137	1,363	784	927
Depreciation		92,419	93,644	82,376	83,546
Amortisation		3,866	4,336	3,421	3,768
Impairment loss recognised in profit or loss	3	4,251	196	3,712	1,714
Losses on inventories devaluation		5,279	2,117	2,734	2,306
Unrealised loss on foreign exchange		5,270	16,583	5,598	16,183
Unrealised gain from other current financial assets revaluation		(1,663)	(2,228)	(1,663)	(2,228)
Gain on sale of other current financial assets		(417)	(688)	(417)	(688)
Gain on sale of plant and equipment		(750)	(52)	(1,308)	(349)
Loss on write off of other intangible assets		-	168	-	-
Share of (profit) loss of investments in associates accounted for using equity method, net of tax		(1,495)	12,895	-	-
Non-current provisions for employee benefits		5,955	4,820	5,717	4,589
Share-based payment	8	(1,232)	1,762	(1,232)	1,762
Interest income		(1,243)	(252)	(1,507)	(430)
		<u>511,927</u>	<u>401,238</u>	<u>490,546</u>	<u>391,151</u>
<i>Changes in operating assets and liabilities</i>					
Trade accounts receivable		(43,409)	2,500	(25,233)	13,360
Other current receivables		(41,209)	(76,172)	(39,276)	(74,228)
Inventories		(41,381)	(41,708)	(17,144)	(63,724)
Other current assets		8,052	(4,693)	7,739	(16,314)
Other non-current assets		(649)	418	(367)	120
Trade accounts payable		61,496	3,277	52,033	7,893
Other current payables		39,314	42,207	38,647	42,626
Other non-current liabilities		(223)	(2,380)	-	-
Foreign currency translation differences of subsidiaries		374	(3,027)	-	-
Net cash generated from operating activities		<u>494,292</u>	<u>321,660</u>	<u>506,945</u>	<u>300,884</u>
Provisions for employee benefits paid		(515)	(595)	(515)	(595)
Tax paid		(48,692)	(56,602)	(48,601)	(56,036)
Net cash from operating activities		<u>445,085</u>	<u>264,463</u>	<u>457,829</u>	<u>244,253</u>

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

Sappe Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		Six-month period ended		Six-month period ended	
		30 June		30 June	
		2022	2021	2022	2021
<i>(in thousand Baht)</i>					
<i>Cash flows from investing activities</i>					
Payment on investments in subsidiaries	4	-	-	-	(30,000)
Acquisition of associate	4	-	(25,000)	-	-
Acquisition of other debts securities		-	(37,000)	-	(37,000)
Acquisition of other current financial assets		(2,153,506)	(550,000)	(2,153,506)	(550,000)
Proceeds from sale of other current financial assets		2,053,406	800,000	2,053,406	800,000
Acquisition of other long-term investments		-	1	-	1
Acquisition of plant and equipment		(80,249)	(56,165)	(77,262)	(54,570)
Proceeds from sale of plant and equipment		1,312	269	1,308	269
Acquisition of other intangible assets		(410)	(1,096)	(410)	(1,096)
Interest received		1,246	201	1,250	117
Net cash from (used in) investing activities		(178,201)	131,210	(175,214)	127,721
<i>Cash flows from financing activities</i>					
Repayment of bank overdrafts		(470)	(1,462)	-	-
Proceeds from issue of ordinary shares		45,281	-	45,281	-
Repayment of long-term borrowings		-	(31)	-	-
Payment of lease liabilities		(5,583)	(18,326)	(5,103)	(5,304)
Dividends paid to owners of the Company	10	(338,057)	(310,463)	(338,057)	(310,463)
Interest paid		(1,041)	(1,224)	(784)	(927)
Net cash used in financing activities		(299,870)	(331,506)	(298,663)	(316,694)
Net increase (decrease) in cash and cash equivalents, before effect of exchange rate changes		(32,986)	64,167	(16,048)	55,280
Effect of exchange rate changes on cash and cash equivalents		4	4	4	4
Net increase (decrease) in cash and cash equivalents		(32,982)	64,171	(16,044)	55,284
Cash and cash equivalents at 1 January		382,610	194,389	324,545	151,917
Cash and cash equivalents at 30 June		349,628	258,560	308,501	207,201
<i>Non-cash transactions</i>					
Outstanding payables for purchases of plant and equipment		3,323	14,663	2,398	11,951
Outstanding payables for purchases of intangible assets		104	168	104	168

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 six-month periods ended 30 June 2022 (Unaudited)

Note Contents

1	Basis of preparation of the interim financial statements
2	Related parties
3	Trade accounts receivable
4	Investment in subsidiaries and associates
5	Property, plant and equipment and right-of-use assets
6	Other current payables
7	Share capital
8	Warrants
9	Segment information and disaggregation of revenue
10	Dividends
11	Financial instruments
12	Commitments with non-related parties
13	Events after the reporting period

Sappe Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2022 (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 10 August 2022.

1 Basis of preparation of the interim financial statements

The condensed interim financial statements are presented in the same format as the annual financial statements together with 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 focus on new activities, events and circumstances to avoid repetition of information previously reported in annual financial statements. 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 2021.

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 2021.

2 Related parties

Relationships with subsidiaries and associates that have material changes are described in notes 4.

<i>Significant transactions with related parties</i> <i>Six-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Subsidiaries				
Sales of goods	-	-	36	38
Purchase of goods	-	-	47,489	40,280
Other income	-	-	-	3
Interest income	-	-	264	263
Distribution costs and administrative expenses	-	-	575	209
Associate				
Purchase of goods	53,151	96,539	53,151	96,539
Other income	1,912	6,902	1,912	6,902
Other related parties				
Sales of goods	2,246	2,577	-	169
Purchases of machinery and equipment	1,737	1,631	1,737	1,631
Other income	66	297	66	297
Other expenses	509	253	509	253
Consultant fee	600	600	600	600
Distribution costs and administrative expenses	15	18	-	-
Interest expense	115	115	-	-

Sappe Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2022 (Unaudited)

<i>Significant transactions with related parties</i> <i>Six-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Key management personnel compensation				
Short-term employee benefit and others	37,260	35,370	37,260	35,370
Long-term employee benefits	1,211	1,127	1,211	1,127
Share-based payments	-	451	-	451

Intercompany sales to and purchase from associates described above excluded co-packing and distribution with an indirect associate of Baht 43.15 million for the six-month period ended 30 June 2022 (2021: Baht 65.80 million).

Balances as at 30 June 2022 and 31 December 2021 with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
<i>Trade accounts receivable</i>	<i>(in thousand Baht)</i>			
Subsidiary				
All Coco Group Co., Ltd.	-	-	25	28
Associate				
Danone Sappe Beverages Co., Ltd.	11,351	16,515	11,351	16,515
Other related party				
Italmarket Slovakia, a.s.	550	158	-	-
Total	11,901	16,673	11,376	16,543

	Consolidated financial statements		Separate financial statements	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
<i>Other current receivables</i>	<i>(in thousand Baht)</i>			
Subsidiaries				
Sappe Europe s.r.o.	-	-	3,349	3,266
Sappe Trading (Shanghai) Co., Ltd.	-	-	10,657	10,006
Sappe Trading (Hong kong) Company Limited	-	-	376	376
All Coco Group Co., Ltd.	-	-	1,002	1,785
All Coco Co., Ltd.	-	-	168	127
Associates				
Danone Sappe Beverages Co., Ltd.	94	646	94	646
Other related parties				
Hayashi Products Co., Ltd.	20	11	20	11
	114	657	15,666	16,217
<i>Less allowance for expected credit loss</i>	-	-	(14,325)	(13,948)
Net	114	657	1,341	2,269

Sappe Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2022 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Expected credit losses for the six-month period ended 30 June	-	-	377	1,271

	Consolidated financial statements		Separate financial statements	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
	<i>(in thousand Baht)</i>			
Loans to				
Subsidiaries				
Sappe Europe s.r.o.	-	-	8,629	8,869
All Coco Group Co., Ltd.	-	-	3,060	3,060
All Coco Co., Ltd.	-	-	2,550	2,550
	-	-	14,239	14,479
Less allowance for expected credit loss	-	-	(8,629)	(8,869)
Net	-	-	5,610	5,610

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
(Reversal of) expected credit losses for the six-month period ended 30 June	-	-	(240)	299

	Consolidated financial statements		Separate financial statements	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
	<i>(in thousand Baht)</i>			
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 June 2022	31 December 2021	30 June 2022	31 December 2021
	<i>(in thousand Baht)</i>			
Trade accounts payable				
Subsidiary				
All Coco Group Co., Ltd.	-	-	8,499	18,580
Associate				
Danone Sappe Beverages Co., Ltd.	12,800	29,119	12,800	29,119
Total	12,800	29,119	21,299	47,699

Sappe Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2022 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
<i>Other current payables</i>				
	<i>(in thousand Baht)</i>			
Subsidiary				
All Coco Group Co., Ltd.	-	-	100	287
Other related parties				
Italmarket Slovakia, a.s.	715	705	-	-
TTT Corporation Co., Ltd. (Formerly Toyox Trading (Thailand) Co., Ltd.)	73	2	73	2
Hose Center Company Limited	63	88	63	88
Director	177	134	-	-
Key management personnel	177	134	-	-
Total	<u>1,205</u>	<u>1,063</u>	<u>236</u>	<u>377</u>

	Consolidated financial statements		Separate financial statements	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
<i>Lease liabilities</i>				
	<i>(in thousand Baht)</i>			
Other related parties	30,803	34,461	23,866	27,480
Total	<u>30,803</u>	<u>34,461</u>	<u>23,866</u>	<u>27,480</u>

	Consolidated financial statements		Separate financial statements	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
<i>Loans from</i>				
	<i>(in thousand Baht)</i>			
Other related parties				
Italmarket Slovakia, a.s.	2,949	3,032	-	-
Director	3,617	3,642	-	-
Key management personnel	2,695	2,695	-	-
Other related parties	88	91	-	-
Total	<u>9,349</u>	<u>9,460</u>	<u>-</u>	<u>-</u>

	Consolidated financial statements		Separate financial statements	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
<i>Other non-current liability</i>				
	<i>(in thousand Baht)</i>			
Other related party				
Director	<u>4,022</u>	<u>4,133</u>	<u>-</u>	<u>-</u>

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 June 2022, the management considered to recognise a provision following the regulations of the subsidiary of Baht 4.02 million (31 December 2021: Baht 4.13 million) under "Other non-current liabilities" in the consolidated financial statements.

Sappe Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2022 (Unaudited)

3 Trade accounts receivable

	Consolidated financial statements		Separate financial statements	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
	<i>(in thousand Baht)</i>			
Within credit terms	171,831	181,058	156,441	173,761
Overdue:				
Less than 3 months	205,973	147,612	181,700	137,616
3 - 6 months	7,698	10,191	7,016	5,906
6 - 12 months	482	2,121	239	1,220
More than 12 months	1,597	1,454	377	301
Total	387,581	342,436	345,773	318,804
Less allowance for expected credit loss	(6,101)	(1,850)	(3,437)	(24)
Net	381,480	340,586	342,336	318,780

4 Investment in subsidiaries and associates

<i>Material movements for the six-month period ended 30 June 2022</i>	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
<i>Subsidiaries</i>		
Impairment loss on investments in Sappe Europe s.r.o	-	(162)

5 Property, plant and equipment and right-of-use assets

	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>			
<i>For the six-month period ended 30 June 2022</i>				
Buildings and building improvement	739	(1,284)	-	-
Machinery and equipment	6,189	-	3,874	-
Furniture, fixtures and office equipment	2,463	(598)	2,027	-
Assets under construction and installation	75,323	(4,040)	75,167	(3,681)
Total	84,714	(5,922)	81,068	(3,681)

Sappe Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2022 (Unaudited)

6 Other current payables

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2022	31 December 2021	30 June 2022	31 December 2021
<i>(in thousand Baht)</i>					
Other current payables - related parties	2	851	795	236	377
Accrued interest expense - related parties	2	354	268	-	-
Accrued promotional expense		185,128	126,003	184,894	125,675
Accrued expenses		140,181	139,280	131,309	130,484
Advance received for goods		108,610	111,818	107,998	110,810
Other current payables - other parties		79,276	97,205	70,088	87,874
Other advance received		10,980	10,673	10,980	10,673
Others		16,605	9,053	8,966	2,751
Total		541,985	495,095	514,471	468,644

7 Share capital

<i>For the six-month period ended 30 June</i>	Par value per share (in Baht)	2022		2021	
		Number	Baht	Number	Baht
Authorised shares at 30 June		<u>308,438</u>	<u>308,438</u>	<u>308,438</u>	<u>308,438</u>
<i>Issued and paid-up shares</i>					
At 1 January					
- ordinary shares	1	306,087	306,087	304,378	304,378
Shares options exercised (Note 8)	1	<u>2,202</u>	<u>2,202</u>	<u>-</u>	<u>-</u>
At 30 June					
- ordinary shares	1	<u>308,289</u>	<u>308,289</u>	<u>304,378</u>	<u>304,378</u>

8 Warrants

On 30 December 2021, warrants were exercised by the Company's management and employees. The Company received in cash of Baht 25.48 million. On 4 January 2022, increase in the paid-up capital from Baht 306,086,680 to Baht 307,325,780 (comprising 1,239,100 shares at par value Baht 1 per share) have been registered with the Ministry of Commerce.

On 13 May 2022, warrants were exercised by the Company's management and employees. The Company received in cash of Baht 19.81 million. On 17 May 2022, increase in the paid-up capital from Baht 307,325,780 to Baht 308,289,080 (comprising 963,300 shares at par value Baht 1 per share) have been registered with the Ministry of Commerce. In order that, the warrants to purchase the Company's ordinary shares No.2 (SAPPE-WA2) which were issued and offered to management and employees of the Company expired in May 2022.

Reverse the expense for the share-based payment transactions for the expired option in the consolidated and separate financial statements for the six-month period ended 30 June 2022 were Baht 1.23 million (2021: Expenses Baht 1.76 million).

Sappe Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2022 (Unaudited)

Movements during the six-month periods ended 30 June 2022 and 2021 of warrants were as follows:

<i>Six-month period ended</i> <i>30 June</i>	Consolidated / Separate financial statements			
	2022		2021	
	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	8.09	2,351	7.72	4,060
Exercise	8.08	(2,202)	-	-
Expired	8.27	(149)	-	-
At 30 June	-	-	7.72	4,060

Sappe Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2022 (Unaudited)

9 Segment information and disaggregation of revenue

<i>Six-month period ended 30 June</i>	Consolidated financial statements											
	Health drinking products		Coconut products		Other segments		Total		Eliminate		Net	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	<i>(in thousand Baht)</i>											
Information about reportable segments												
External revenues	2,120,115	1,494,920	116,725	116,950	18,516	13,425	2,255,356	1,625,295	-	-	2,255,356	1,625,295
Inter-segment revenue	36	38	48,064	40,489	-	-	48,100	40,527	(48,100)	(40,527)	-	-
Total revenue	<u>2,120,151</u>	<u>1,494,958</u>	<u>164,789</u>	<u>157,439</u>	<u>18,516</u>	<u>13,425</u>	<u>2,303,456</u>	<u>1,665,822</u>	<u>(48,100)</u>	<u>(40,527)</u>	<u>2,255,356</u>	<u>1,625,295</u>
Disaggregation of revenue												
Primary geographical markets												
Indonesia and Philippines	563,244	297,123	-	-	-	-	563,244	297,123	-	-	563,244	297,123
Thailand	434,779	499,506	119,436	132,813	-	-	554,215	632,319	(48,100)	(40,527)	506,115	591,792
Korea	241,146	160,162	-	-	-	-	241,146	160,162	-	-	241,146	160,162
Others	880,982	538,167	45,353	24,626	18,516	13,425	944,851	576,218	-	-	944,851	576,218
Total revenue	<u>2,120,151</u>	<u>1,494,958</u>	<u>164,789</u>	<u>157,439</u>	<u>18,516</u>	<u>13,425</u>	<u>2,303,456</u>	<u>1,665,822</u>	<u>(48,100)</u>	<u>(40,527)</u>	<u>2,255,356</u>	<u>1,625,295</u>
Major products												
Drinks	1,921,748	1,296,376	129,250	126,780	18,516	13,425	2,069,514	1,436,581	(29,031)	(17,851)	2,040,483	1,418,730
Healthy food	72,855	69,024	-	-	-	-	72,855	69,024	-	-	72,855	69,024
Others	125,548	129,558	35,539	30,659	-	-	161,087	160,217	(19,069)	(22,676)	142,018	137,541
Total revenue	<u>2,120,151</u>	<u>1,494,958</u>	<u>164,789</u>	<u>157,439</u>	<u>18,516</u>	<u>13,425</u>	<u>2,303,456</u>	<u>1,665,822</u>	<u>(48,100)</u>	<u>(40,527)</u>	<u>2,255,356</u>	<u>1,625,295</u>
Share of profit (loss) of investments in associates	171	(12,895)	-	-	1,324	-	1,495	(12,895)	-	-	1,495	(12,895)
Segment profit (loss) before income tax	392,501	267,156	5,636	(4,555)	1,069	2,262	399,206	264,863	1,344	1,711	400,550	266,574
Segment assets as at 30 June / 31 December	3,933,694	3,783,682	261,587	259,678	229,280	226,126	4,424,561	4,269,486	(409,224)	(421,085)	4,015,337	3,848,401
Segment liabilities as at 30 June / 31 December	927,325	797,915	45,783	50,194	47,873	46,307	1,020,981	894,416	(41,969)	(52,486)	979,012	841,930

Sappe Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2022 (Unaudited)

<i>Six-month period ended 30 June</i>	Separate financial statements	
	Reportable segments	
	2022	2021
	<i>(in thousand Baht)</i>	
Disaggregation of revenue		
Primary geographical markets		
Indonesia and Philippines	563,244	297,123
Thailand	434,779	499,506
Korea	241,146	160,162
Others	880,982	538,167
Total revenue	2,120,151	1,494,958
Major products		
Drinks	1,921,748	1,296,376
Healthy food	72,855	69,024
Others	125,548	129,558
Total revenue	2,120,151	1,494,958

10 Dividends

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in thousand Baht)
2022				
2021 Annual dividend	27 April 2022	26 May 2022	1.10	338,057
2021				
2020 Annual dividend	29 April 2021	27 May 2021	1.02	310,463

11 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. 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.

Sappe Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2022 (Unaudited)

	Note	Carrying amount		Consolidated financial statements				Total
		Financial instruments measured at FVTPL	Financial instruments measured at amortised cost	Total	Level 1 <i>(in thousand Baht)</i>	Level 2	Level 3	
At 30 June 2022								
Financial assets								
Other financial assets								
Debt instruments		1,473,286	66,752	1,540,038	66,729	1,473,286	-	1,540,015
Total other financial assets		1,473,286	66,752	1,540,038				
Financial liabilities								
Bank overdrafts		-	(1,417)	(1,417)	-	(1,417)	-	(1,417)
Loans from related parties	2	-	(9,349)	(9,349)	-	(9,349)	-	(9,349)
Derivatives liabilities		(5,019)	-	(5,019)	-	(5,019)	-	(5,019)
At 31 December 2021								
Financial assets								
Other financial assets								
Debt instruments		1,371,106	66,752	1,437,858	66,995	1,371,106	-	1,438,101
Total other financial assets		1,371,106	66,752	1,437,858				
Financial liabilities								
Loans from related parties	2	-	(9,460)	(9,460)	-	(9,460)	-	(9,460)
Derivatives liabilities		(436)	-	(436)	-	(436)	-	(436)

Sappe Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2022 (Unaudited)

	Note	Financial instruments measured at FVTPL	Carrying amount Financial instruments measured at amortised cost	Separate financial statements			Level 3	Total
				Total (in thousand Baht)	Level 1	Level 2		
At 30 June 2022								
Financial assets								
Loans to related parties	2	-	5,610	5,610	-	5,610	-	5,610
Other financial assets								
Debt instruments		1,473,286	66,752	1,540,038	66,729	1,473,286	-	1,540,015
Total other financial assets		1,473,286	66,752	1,540,038				
Financial liabilities								
Derivative liabilities		(5,019)	-	(5,019)	-	(5,019)	-	(5,019)
At 31 December 2021								
Financial assets								
Loans to related parties	2	-	5,610	5,610	-	5,610	-	5,610
Other financial assets								
Debt instruments		1,371,106	66,752	1,437,858	66,995	1,371,106	-	1,438,101
Total other financial assets		1,371,106	66,752	1,437,858				
Financial liabilities								
Derivatives liabilities		(436)	-	(436)	-	(436)	-	(436)

Sappe Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2022 (Unaudited)

The following table presents valuation technique of financial instruments measured at fair value in statement of financial position.

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	Market value / Derived by using a valuation technique incorporating observable market data which is adjusted with counterparty credit risk (excluding the Group's credit risk) and other risks to reflect true economic value.
Debt securities	The net asset value as of the reporting date.

12 Commitments with non-related parties

	Consolidated financial statements	Separate financial statements
<i>At 30 June 2022</i>		
	<i>(in thousand Baht)</i>	
Capital commitments		
Machinery, equipment and other constructions	128,532	128,152
Total	128,532	128,152
Other commitments		
Short-term lease commitments	13,051	9,555
Bank guarantees	10,616	10,616
Total	23,667	20,171

13 Events after the reporting period

At the Board of Directors Meeting held on 10 August 2022, the Board has approved the followings;

- 1) Sappe Holding (Thailand) Co., Ltd. to increase the registered capital of the company from Baht 390 million to Baht 420 million (42,000,000 shares, par value of Baht 10 each) by issuing new ordinary shares in the amount of Baht 30 million (3,000,000 shares, par value of Baht 10 each). Sappe Holding (Thailand) Co., Ltd. is in the process of registration of the capital increase.
- 2) Sappe Holding (Thailand) Co., Ltd., a subsidiary of the Company to enter into a partnership with Thai Broadcasting Company Limited, total investment value of Baht 50 million which operates in production, plan and prepare for marketing plan and distribute products. The subsidiary will hold 60 percent of total share capital in the investee company.