

OCEAN GLASS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**REVIEWED REPORT AND INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2022**

Draft for your consideration and acceptance
Authorized for issuing by _____
Date: _____

INDEPENDENT AUDITOR’S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To The Shareholders and Board of Directors of
Ocean Glass Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Ocean Glass Public Company Limited and its subsidiaries as at June 30, 2022, and the related consolidated statement of comprehensive income for the three-month and six-month periods ended June 30, 2022, and consolidated statement of changes in shareholders’ equity and consolidated statement of cash flows for the six-month period ended June 30, 2022, and the condensed notes to financial statements and I have also reviewed the statement of financial position of Ocean Glass Public Company Limited. As at June 30, 2022, and the related statement of comprehensive income for the three-month and six-month and periods ended June 30, 2022, and statement of changes in shareholders’ equity and statement of cash flows for the six-month period ended June 30, 2022, and the condensed notes to financial statements. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standards No. 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 information 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 No. 34 “Interim Financial Reporting”.

(Ms. Thanyaphorn Tangthanopajai)

Certified Public Accountant

Registration No. 9169

Dharmniti Auditing Company Limited
Bangkok, Thailand
August 15, 2022

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OCEAN GLASS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT JUNE 30, 2022

(Unit : Thousand Baht)

	Notes	Consolidated		The Company Only	
		As at June	As at December	As at June	As at December
		30, 2022	31, 2021	30, 2022	31, 2021
Assets					
Current assets					
Cash and cash equivalents		56,984	59,759	31,374	39,631
Trade and other current receivables	5, 6	196,144	258,948	198,913	258,795
Short-term loan to subsidiaries	5	-	-	3,100	3,500
Inventories	7	896,412	826,980	895,839	826,918
Value added tax receivables		6,327	11,769	6,327	11,769
Other current assets		7,247	5,108	5,879	3,743
Total current assets		1,163,114	1,162,564	1,141,432	1,144,356
Non-current assets					
Investments in subsidiaries	8	-	-	6,000	6,000
Property, plant and equipment	9	2,112,841	2,165,842	2,112,823	2,165,824
Right-of-use assets	10	25,515	21,511	25,515	21,511
Intangible assets	11	10,716	8,456	14,568	13,002
Other non-current assets		2,015	1,004	853	419
Total non-current assets		2,151,087	2,196,813	2,159,759	2,206,756
Total assets		3,314,201	3,359,377	3,301,191	3,351,112

Director.....

Director.....

Notes to interim financial statements form an integral part of these statements

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OCEAN GLASS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONT.)

AS AT JUNE 30, 2022

(Unit : Thousand Baht)

	Notes	Consolidated		The Company Only	
		As at June	As at December	As at June	As at December
		30, 2022	31, 2021	30, 2022	31, 2021
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	12	650,000	640,000	650,000	640,000
Trade and other current payables	5, 13	289,564	252,042	290,346	257,340
Current portion of long-term loans					
from financial institutions	12	67,200	67,200	67,200	67,200
Current portion of lease liabilities	5, 10	7,120	14,862	7,120	14,862
Derivative liabilities	20	1,782	16,131	1,782	16,131
Other current liabilities		2,581	3,424	2,158	2,725
Total current liabilities		1,018,247	993,659	1,018,606	998,258
Non-current liabilities					
Long-term loans from financial institutions	12	199,200	232,800	199,200	232,800
Lease liabilities	5, 10	14,587	3,179	14,587	3,179
Deferred tax liabilities	14	183,595	192,493	183,595	192,493
Employee benefit obligations	15	103,938	98,301	103,938	98,301
Total non-current liabilities		501,320	526,773	501,320	526,773
Total liabilities		1,519,567	1,520,432	1,519,926	1,525,031

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OCEAN GLASS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONT.)

AS AT JUNE 30, 2022

(Unit : Thousand Baht)

	Consolidated		The Company Only	
	As at June 30, 2022	As at December 31, 2021	As at June 30, 2022	As at December 31, 2021
Liabilities and shareholders' equity (Cont.)				
Shareholders' equity				
Share capital				
Authorised share capital				
Ordinary shares, 50,000,000 shares of par Baht 10 each				
	500,000	500,000	500,000	500,000
Issued and paid-up share capital				
Ordinary shares, 21,330,715 shares of paid-up Baht 10 each				
	213,307	213,307	213,307	213,307
Premium on share capital	302,807	302,807	302,807	302,807
Retained earnings				
Appropriated				
Legal reserve				
	50,000	50,000	50,000	50,000
Unappropriated				
	495,523	539,890	482,287	527,103
Other components of equity	732,997	732,941	732,864	732,864
Total shareholders' equity	1,794,634	1,838,945	1,781,265	1,826,081
Total liabilities and shareholders' equity	3,314,201	3,359,377	3,301,191	3,351,112

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OCEAN GLASS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2022

(Unit : Thousand Baht)

	Notes	Consolidated		The Company Only	
		2022	2021	2022	2021
Revenues					
Sales	5, 19	430,452	332,192	430,194	332,225
Other income					
Freight income		4,582	613	4,582	613
Other	5	581	742	583	753
Total revenues		<u>435,615</u>	<u>333,547</u>	<u>435,359</u>	<u>333,591</u>
Expenses					
Cost of goods sold		328,899	223,546	328,359	223,530
Temporary shutdown expenses		26,703	31,404	26,703	31,404
Loss on the decline in value of inventory		5,085	677	5,085	677
Selling expenses	5	69,331	48,826	71,038	52,025
Administrative expenses	5	31,133	25,399	30,151	24,408
Foreign exchange loss		634	6,507	478	6,235
Total expenses		<u>461,785</u>	<u>336,359</u>	<u>461,814</u>	<u>338,279</u>
Profit (loss) from operating activities		(26,170)	(2,812)	(26,455)	(4,688)
Finance costs	5	5,602	3,656	5,602	3,656
Profit (loss) before income tax expense		(31,772)	(6,468)	(32,057)	(8,344)
Income tax expense (income)	16	(6,053)	(564)	(6,053)	(564)
Net profit (loss) for the period		<u>(25,719)</u>	<u>(5,904)</u>	<u>(26,004)</u>	<u>(7,780)</u>
Other comprehensive income :-					
Item that will be reclassified subsequently to profit or loss					
Currency translation differences		229	608	-	-
Other comprehensive income (loss) for the period		<u>229</u>	<u>608</u>	<u>-</u>	<u>-</u>
Total comprehensive income (loss) for the period		<u>(25,490)</u>	<u>(5,296)</u>	<u>(26,004)</u>	<u>(7,780)</u>
Basic earnings (loss) per share (Baht)	18	<u>(1.21)</u>	<u>(0.28)</u>	<u>(1.22)</u>	<u>(0.36)</u>

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OCEAN GLASS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2022

(Unit : Thousand Baht)

	Notes	Consolidated		The Company Only	
		2022	2021	2022	2021
Revenues					
Sales	5, 19	791,701	603,156	791,469	603,087
Foreign exchange gain		2,885	-	3,260	-
Other income					
Freight income		13,869	1,518	13,869	1,518
Other	5	1,414	968	1,422	999
Total revenues		809,869	605,642	810,020	605,604
Expenses					
Cost of goods sold		583,092	395,548	582,729	395,431
Temporary shutdown expenses		66,112	87,795	66,112	87,795
Loss (reversal) on the decline in value of inventory		8,689	(5,802)	8,689	(5,802)
Selling expenses	5	137,313	97,933	140,504	102,014
Administrative expenses	5	56,732	50,816	54,504	48,843
Foreign exchange loss		-	13,533	-	13,087
Total expenses		851,938	639,823	852,538	641,368
Profit (loss) from operating activities		(42,069)	(34,181)	(42,518)	(35,764)
Finance costs	5	11,196	10,225	11,196	10,225
Profit (loss) before income tax expense		(53,265)	(44,406)	(53,714)	(45,989)
Income tax expense (income)	16	(8,898)	(5,223)	(8,898)	(5,223)
Net profit (loss) for the period		(44,367)	(39,183)	(44,816)	(40,766)
Other comprehensive income :-					
Item that will be reclassified subsequently to profit or loss					
Currency translation differences		56	1,153	-	-
Other comprehensive income (loss) for the period		56	1,153	-	-
Total comprehensive income (loss) for the period		(44,311)	(38,030)	(44,816)	(40,766)
Basic earnings (loss) per share (Baht)	18	(2.08)	(1.84)	(2.10)	(1.91)

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OCEAN GLASS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2022

(Unit : Thousand Baht)

Notes	Consolidated							
	Issued and paid-up share capital	Premium on share capital	Retained earnings		Other components of equity		Total shareholders' equity	
			Appropriated for legal reserve	Unappropriated	Gains on land revaluation	Translation of financial statements		Total other components of equity
Beginning balance as at January 1, 2022	213,307	302,807	50,000	539,890	732,864	77	732,941	1,838,945
Total comprehensive income (loss) for the period	-	-	-	(44,367)	-	56	56	(44,311)
Ending balance as at June 30, 2022	<u>213,307</u>	<u>302,807</u>	<u>50,000</u>	<u>495,523</u>	<u>732,864</u>	<u>133</u>	<u>732,997</u>	<u>1,794,634</u>
Beginning balance as at January 1, 2021	213,307	302,807	50,000	536,870	732,864	(2,097)	730,767	1,833,751
Total comprehensive income (loss) for the period	-	-	-	(39,183)	-	1,153	1,153	(38,030)
Ending balance as at June 30, 2021	<u>213,307</u>	<u>302,807</u>	<u>50,000</u>	<u>497,687</u>	<u>732,864</u>	<u>(944)</u>	<u>731,920</u>	<u>1,795,721</u>

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OCEAN GLASS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2022

(Unit : Thousand Baht)

Notes	The Company Only					
	Issued and paid-up share capital	Premium on share capital	Retained earnings		Other components of equity	
			Appropriated for legal reserve	Unappropriated	Gains on land revaluation	Total shareholders' equity
Beginning balance as at January 1, 2022	213,307	302,807	50,000	527,103	732,864	1,826,081
Total comprehensive income (loss) for the period	-	-	-	(44,816)	-	(44,816)
Ending balance as at June 30, 2022	213,307	302,807	50,000	482,287	732,864	1,781,265
Beginning balance as at January 1, 2021	213,307	302,807	50,000	532,160	732,864	1,831,138
Total comprehensive income (loss) for the period	-	-	-	(40,766)	-	(40,766)
Ending balance as at June 30, 2021	213,307	302,807	50,000	491,394	732,864	1,790,372

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OCEAN GLASS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2022

	(Unit : Thousand Baht)			
	Consolidated		The Company Only	
Notes	2022	2021	2022	2021
<u>Cash flows from operating activities :</u>				
Profit (loss) before income tax expense	(53,265)	(44,406)	(53,714)	(45,989)
Adjustments to reconcile income (loss) for the period to net cash provided by (used in) operating activities :				
Allowance (reversal) for the decline in value of inventory, slow-moving and obsolete inventories	2,556	(19,857)	2,556	(19,857)
Depreciation and amortisation	93,172	84,706	93,866	85,394
Allowance for expected credit losses	178	-	178	-
Loss on disposal and write-off of property, plant and equipment	653	193	653	193
Unrealised (gain) loss on fair value measurement of derivatives	(14,349)	14,713	(14,349)	14,713
Unrealised gain on foreign exchange	(2,039)	(2,716)	(2,039)	(2,716)
Employee benefit expenses	6,299	6,602	6,299	6,602
Interest income	(38)	(85)	(49)	(118)
Finance costs	11,196	10,225	11,196	10,225
(Increased) decreased in operating assets				
Trade and other current receivables	63,562	46,096	60,642	46,327
Inventories	(71,988)	18,466	(71,477)	18,470
Value added tax receivables	5,442	(1,470)	5,442	(1,470)
Other current assets	(2,139)	(752)	(2,136)	(902)
Other non-current assets	(1,011)	383	(434)	432
Increased (decreased) in operating liabilities				
Trade and other current payables	24,779	23,489	20,263	24,058
Other current liabilities	(843)	37	(567)	(51)
Payments on employee benefit obligations	(662)	-	(662)	-
Net cash generated from operating activities	61,503	135,624	55,668	135,311

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OCEAN GLASS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONT.)

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2022

		(Unit : Thousand Baht)				
		Consolidated		The Company Only		
Notes		2022	2021	2022	2021	
<u>Cash flows from investing activities :</u>						
	Cash received from repayment of loan to a subsidiary	5	-	-	400	-
	Proceeds from disposals of property, plant and equipment	1	18	1	18	
	Purchase of property, plant and equipment	(15,250)	(39,213)	(15,250)	(39,213)	
	Purchase of intangible assets	(4,517)	(1,417)	(4,517)	(1,417)	
	Interest received	38	85	47	120	
	Net cash used in investing activities	(19,728)	(40,527)	(19,319)	(40,492)	
<u>Cash flows from financing activities :</u>						
	Cash received from short-term borrowings					
	from financial institutions	900,000	220,000	900,000	220,000	
	Repayment of short-term borrowings					
	from financial institutions	(890,000)	(325,000)	(890,000)	(325,000)	
	Repayment of long-term borrowings					
	from financial institutions	(33,600)	-	(33,600)	-	
	Cash paid for lease liabilities	(10,815)	(10,593)	(10,815)	(10,593)	
	Interest paid	(11,103)	(10,394)	(11,103)	(10,394)	
	Net cash used in financing activities	(45,518)	(125,987)	(45,518)	(125,987)	
	Effect from foreign exchange in cash and cash equivalents	912	2,140	912	2,140	
	Currency translation differences	56	1,152	-	-	
	Net increase (decrease) in cash and cash equivalents	(2,775)	(27,598)	(8,257)	(29,028)	
	Cash and cash equivalents, opening balance	59,759	102,676	39,631	88,469	
	Cash and cash equivalents, closing balance	56,984	75,078	31,374	59,441	
Supplementary information for cash flows						
Non-cash transactions						
Investing activities:						
	Accounts payable from purchase of property, plant and equipment					
	and intangible assets	13,098	14,019	13,098	14,019	
Financing activities:						
	Acquisition of right-of-use assets under lease contracts	14,224	3,064	14,224	3,064	

Notes to interim financial statements form an integral part of these statements

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OCEAN GLASS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

JUNE 30, 2022

1. GENERAL INFORMATION

Ocean Glass Public Company Limited (the “Company”) is a public limited company which is listed on the Stock Exchange of Thailand in 1993 and incorporated and domiciled in Thailand. The principal activities of the Company are manufacturing and selling table glassware. The addresses of the Company’s selling and administrative office and factory are as follows:

Office : 75/3 and 75/88-91 Ocean Tower II, 12th and 34th floor, Sukhumvit 19 Road
(Soi Wattana), North Klongtoey, Wattana, Bangkok 10110

Factory : 365-365/1, Moo 4, Bangpoo Industrial Estate, Soi 8, Sukhumvit Road, Praksa,
Muangsamutprakarn, Samutprakarn 10280

Showroom : 175 Ocean Insurance Building, Sukhumvit 21 Road, North Klongtoey, Wattana,
Bangkok 10110

For reporting purpose, the Company and its subsidiaries are referred to as “the Group”. The Company has 3 subsidiaries as follows:

Ocean Glass Trading (Shanghai) Co., Ltd., the Company’s wholly owned subsidiary, was registered and incorporated in China on September 10, 2006. The term of the subsidiary is 20 years, expiring on September 10, 2026. The subsidiary’s main objective is import and merchandising household glassware in China.

Ocean Glass Trading India Private Limited, 99.99% owned by the Company, was incorporated in India on November 20, 2013. The subsidiary’s main objective is to perform marketing activities in India.

Crystal Clear Innovation Co., Ltd., 99.99% owned by the Company, was incorporated in Thailand on August 31, 2016. The subsidiary’s main objective is for providing research, development, and merchandising tableware products.

2. PANDEMIC OF CORONAVIRUS DISEASE 2019 SITUATION (COVID-19)

The Coronavirus disease 2019 pandemic has slowed down the economic recovery, adversely impacting most businesses and industries. This situation may affect the results of operations of business. Nevertheless, the management of the Group have continuously monitored ongoing developments and regularly assess the financial impact in respect of the valuation of assets, provisions and contingent liabilities.

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3. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

3.1 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2018) Interim Financial Reporting, and the requirements of the Securities and Exchange Commission (SEC). The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events, and situations and not intended to re-emphasis on the information previously reported. The interim financial statements should therefore, be read in conjunction with the financial statements for the year ended December 31, 2021.

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

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

3.2 Basis for consolidation

3.2.1 The interim consolidated financial statements are prepared by using uniform accounting policies. So that the transaction and the others event which are the same or the similar circumstances have been used the identical policies to record those transaction.

3.2.2 Significant inter-company transactions between the Company and its subsidiaries have been eliminated.

3.2.3 The interim financial statements of an overseas subsidiary is translated into Thai Baht at the closing exchange rate as to assets and liabilities, and at monthly average exchange rates as to revenues and expenses. The resultant differences have been shown under the caption of “Translation of financial statements” in shareholders’ equity.

3.2.4 Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

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3.3 Thai Financial Reporting Standards that become effective in the current year

During the period, the Group have adopted the revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting practices, accounting guidance and disclosures in the notes to the financial statements and, for some standards, providing temporary reliefs or temporary exemptions to users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the financial statements in the current period.

4. ACCOUNTING POLICIES AND ESTIMATES

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended December 31, 2021.

5. RELATED PARTY TRANSACTIONS

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Ocean Holding Co., Ltd. is the major shareholder of the Company as at June 30, 2022 and December 31, 2021, holding 32.82%. The remaining 67.18% is held by individual.

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Related parties are as follows:

Party	Business	Relationship
Ocean Glass Trading (Shanghai) Co., Ltd.	Import and merchandising household glassware in China	Subsidiary
Ocean Glass Trading India Private Limited	Marketing activities in India	Subsidiary
Crystal Clear Innovation Co., Ltd.	Research, development, and merchandising tableware products	Subsidiary
Ocean Life Insurance Co., Ltd.	Life insurance	The Company’s shareholder and co-shareholders and co-director
Ocean Property Co., Ltd.	Real estate	Co-shareholders
Siam Mail Order House Co., Ltd.	Sales of office equipment and supplies	Co-shareholders
Ocean Group (Thailand) Co., Ltd.	Legal services	Co-shareholders and co-director
Key management personnel		Persons with the authority and of directly or indirectly Responsibility for planning, directing and controlling the activities of the entity, including, any Group director (executive or otherwise)

Transactions with related parties are conducted at market prices or, where no market price exists, at contractually agreed prices.

Pricing policies by transactions:

Transaction	Pricing policy
Sales	Mutually agreed price
Website maintenance fee	Negotiated agreement
Commissions	Negotiated agreement
Rental expenses and service fees	Negotiated agreement
Loans	Negotiated agreement
Interest income	Negotiated agreement
Interest expense	As the MLR rate minus a fixed percentage per annum

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The following material transactions were carried out with related parties during the period:

5.1 Sales of goods

	(Unit : Thousand Baht)							
	For the three-month periods ended June 30,				For the six-month periods ended June 30,			
	Consolidated		The Company Only		Consolidated		The Company Only	
	2022	2021	2022	2021	2022	2021	2022	2021
<u>Sales of goods:</u>								
Subsidiaries	-	-	1,441	-	-	-	2,915	-
Related companies	-	36	-	36	-	88	-	88
	-	36	1,441	36	-	88	2,915	88

5.2 Other income

	(Unit : Thousand Baht)							
	For the three-month periods ended June 30,				For the six-month periods ended June 30,			
	Consolidated		The Company Only		Consolidated		The Company Only	
	2022	2021	2022	2021	2022	2021	2022	2021
<u>Interest income:</u>								
Subsidiaries	-	-	17	22	-	-	36	55

5.3 Purchase of goods and service expenses

	(Unit : Thousand Baht)							
	For the three-month periods ended June 30,				For the six-month periods ended June 30,			
	Consolidated		The Company Only		Consolidated		The Company Only	
	2022	2021	2022	2021	2022	2021	2022	2021
<u>Purchase of office equipment and supplies:</u>								
Related companies	-	11	-	11	-	11	-	11
<u>Website maintenance fee :</u>								
Subsidiaries	-	-	-	-	-	-	-	250
<u>Legal service fee:</u>								
Related companies	36	-	36	-	36	-	36	-
<u>Commission:</u>								
Subsidiaries	-	-	4,473	5,306	-	-	8,904	8,526
<u>Rental expenses and service fee:</u>								
Related companies								
- Depreciation and interest expense of right-of-use assets	3,520	3,672	3,520	3,672	7,193	7,345	7,193	7,345
- Rental expenses and service fee of short-term lease	126	150	126	150	289	335	289	335
	3,646	3,822	3,646	3,822	7,482	7,680	7,482	7,680
<u>Interest expense :</u>								
Related companies	39	159	39	159	110	348	110	348

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Trading transactions with related parties are carried out under commercial terms and conditions. They are treated in the same manner as unrelated parties and are presented at mutually agreed price. Services pricing among related parties is based on contracts.

5.4 Outstanding balances with related parties as at June 30, 2022 and December 31, 2021

(Unit : Thousand Baht)

	Consolidated		The Company Only	
	As at June	As at December	As at June	As at December
	30, 2022	31, 2021	30, 2022	31, 2021
<u>Trade receivables</u>				
Subsidiaries	-	-	2,915	-
	-	-	2,915	-
<u>Other receivables</u>				
Subsidiaries	-	-	3	1
	-	-	3	1
<u>Other payables</u>				
Subsidiaries	-	-	3,054	8,283
Related companies	266	512	266	512
	266	512	3,320	8,795
<u>Lease liabilities</u>				
Related companies	14,592	8,892	14,592	8,892
	14,592	8,892	14,592	8,892

5.5 Key management compensation

(Unit : Thousand Baht)

	Consolidated / The Company Only			
	For the three-month periods ended		For the six-month periods ended	
	June 30,		June 30,	
	2022	2021	2022	2021
Short-term benefits	8,166	8,357	15,654	15,950
Post-employment benefits	251	501	502	1,003
Other long-term benefits	1	1	1	1
Total	8,418	8,859	16,157	16,954

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5.6 Loan to subsidiaries

The movement of loan to subsidiaries for the six-month period ended June 30, 2022 and for the year ended December 31, 2021 are presented below.

(Unit : Thousand Baht)

	Consolidated		The Company Only	
	As at June 30, 2022	As at December 31, 2021	As at June 30, 2022	As at December 31, 2021
Loan to subsidiaries, at the beginning of the period	-	-	3,500	3,500
Increase loans during the period	-	-	-	-
Repayments during the period	-	-	(400)	-
Loan to subsidiaries, at the end of the period	-	-	3,100	3,500

Crystal Clear Innovation Co., Ltd. entered into an agreement with the Company for short-term borrowing facility dominated in Baht of 10 million, interest rate is at market rate plus 0.10% per annum. The repayment is as stated in each promissory note.

6. TRADE AND OTHER CURRENT RECEIVABLES

(Unit : Thousand Baht)

	Consolidated		The Company Only	
	As at June 30, 2022	As at December 31, 2021	As at June 30, 2022	As at December 31, 2021
Trade receivables:				
- other parties	141,649	233,624	141,702	233,624
- related parties (Note 5.4)	-	-	2,915	-
<u>Less</u> Allowance for expected credit losses	(953)	(775)	(953)	(775)
	140,696	232,849	143,664	232,849
Advance payment	46,860	15,012	46,810	14,963
Prepayment	7,745	10,314	7,593	10,209
Other receivables :				
- other parties	950	880	950	880
- related parties (Note 5.4)	-	-	3	1
<u>Less</u> Allowance for expected credit losses	(107)	(107)	(107)	(107)
	55,448	26,099	55,249	25,946
Total	196,144	258,948	198,913	258,795

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Trade receivables as at June 30, 2022 and December 31, 2021 were analysed as follows:

(Unit : Thousand Baht)

	Consolidated		The Company Only	
	As at June 30, 2022	As at December 31, 2021	As at June 30, 2022	As at December 31, 2021
Not yet due	95,410	179,616	95,973	179,616
Overdue:				
Up to 3 months	37,516	49,110	39,921	49,110
Over 3 - 6 months	6,307	1,544	6,307	1,544
Over 6 - 12 months	1,132	2,588	1,132	2,588
Over 12 months	1,284	766	1,284	766
Total	141,649	233,624	144,617	233,624
<u>Less</u> Allowance for expected credit losses	(953)	(775)	(953)	(775)
Trade receivables - net	140,696	232,849	143,664	232,849

Outstanding receivables from related parties as at June 30, 2022 and December 31, 2021 were analysed as follows:

(Unit : Thousand Baht)

	Consolidated		The Company Only	
	As at June 30, 2022	As at December 31, 2021	As at June 30, 2022	As at December 31, 2021
Not yet due	-	-	511	-
Overdue:				
Up to 3 months	-	-	2,404	-
Over 3 - 6 months	-	-	-	-
Over 6 - 12 months	-	-	-	-
Over 12 months	-	-	-	-
Total	-	-	2,915	-

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7. INVENTORIES

(Unit : Thousand Baht)

	Consolidated		The Company Only	
	As at June	As at December	As at June	As at December
	30, 2022	31, 2021	30, 2022	31, 2021
Finished goods	458,878	393,447	458,305	393,385
Merchandise	50,348	48,172	50,348	48,172
Work in progress	11,374	8,493	11,374	8,493
Raw materials	87,348	86,137	87,348	86,137
Spare parts	141,002	142,707	141,002	142,707
Supplies and packing materials	198,041	194,953	198,041	194,953
Goods in transit	36	-	36	-
Goods expected to be returned by customers	-	1,130	-	1,130
	947,027	875,039	946,454	874,977
<u>Less</u> Allowance for the decline in value of inventory, slow - moving and obsolete inventories	(50,615)	(48,059)	(50,615)	(48,059)
Inventories - net	896,412	826,980	895,839	826,918

8. INVESTMENTS IN SUBSIDIARIES

The subsidiaries are:

Company's name	Country of incorporation	Ownership		Cost	
		(%)		(Thousand Baht)	
		As at June 30, 2022	As at December 31, 2021	As at June 30, 2022	As at December 31, 2021
Ocean Glass Trading (Shanghai) Co., Ltd.	China	100.00	100.00	5,636	5,636
Ocean Glass Trading India Private Limited	India	99.99	99.99	264	264
Crystal Clear Innovation Co., Ltd.	Thailand	99.99	99.99	100	100
			Total	6,000	6,000

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9. PROPERTY, PLANT AND EQUIPMENT

The movement of property, plant and equipment for the six-month period ended June 30, 2022 is presented below.

	(Unit : Thousand Baht)	
	Consolidated	The Company Only
Net book value, as at January 1, 2022	2,165,842	2,165,824
Additions	28,348	28,348
Disposals and write-offs	(654)	(654)
Depreciation	(80,695)	(80,695)
Net book value, as at June 30, 2022	2,112,841	2,112,823

The gross carrying amount of fully depreciated plant and equipment that were still in use as at June 30, 2022 amounted to Baht 1,953.85 million (December 31, 2021: Baht 1,889.31 million)

For the six-month period ended June 30, 2021 the Company recorded interest as part of the cost assets of Baht 2.72 million. Borrowing costs are the amount of the loan for general purposes by calculating from the capitalization rate which is the weighted average of the total loans that were borrowed for general purposes at the rate of 2.89% per annum.

10. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Right-of-use assets

The movement of right-of-use assets for the six-month period ended June 30, 2022 is presented below.

	(Unit : Thousand Baht)	
	Consolidated /	
	The Company Only	
Net book value, as at January 1, 2022	21,511	
Additions	14,224	
Depreciation	(10,220)	
Net book value, as at June 30, 2022	25,515	

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Lease liabilities

The carrying amounts of lease liabilities and the movement for the six-month period ended June 30, 2022 are presented below.

	(Unit : Thousand Baht)
	Consolidated / The Company Only
As at January 1, 2022	18,041
Additions	14,224
Accretion of interest	257
Payments	(10,815)
As at June 30, 2022	21,707
<u>Less: Current portion</u>	<u>(7,120)</u>
Lease liabilities - net of current portion	<u>14,587</u>

The following are the amounts recognised in the statement of comprehensive income for the three-month and six-month periods ended June 30, 2022 and 2021 are presented below.

	(Unit : Thousand Baht)							
	For the three-month periods ended June 30				For the six-month periods ended June 30			
	Consolidated		The Company Only		Consolidated		The Company Only	
	2022	2021	2022	2021	2022	2021	2022	2021
Depreciation of right-of-use assets	5,181	5,149	5,181	5,149	10,220	10,026	10,220	10,026
Interest expense on lease liabilities	112	277	112	277	257	573	257	573
Expense relating to short-term lease	834	474	834	107	2,077	1,026	1,686	309
Expense relating to leases of low - value assets	640	694	640	694	1,522	1,770	1,522	1,770
Total	<u>6,767</u>	<u>6,594</u>	<u>6,767</u>	<u>6,227</u>	<u>14,076</u>	<u>13,395</u>	<u>13,685</u>	<u>12,678</u>

11. INTANGIBLE ASSETS

The movement of intangible assets for the six-month period ended June 30, 2022 is presented below.

	(Unit : Thousand Baht)	
	Consolidated	The Company Only
Net book value, as at January 1, 2022	8,456	13,002
Additions	4,517	4,517
Amortisation	(2,257)	(2,951)
Net book value, as at June 30, 2022	<u>10,716</u>	<u>14,568</u>

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12. BORROWINGS

	(Unit : Thousand Baht)	
	Consolidated / The Company Only	
	As at June 30, 2022	As at December 31, 2021
Current		
Short-term borrowings from financial institutions	650,000	640,000
Current portion of long-term borrowings from financial Institutions	67,200	67,200
Total current borrowings	717,200	707,200
Non-current		
Long-term borrowings from financial institutions	199,200	232,800
Total non-current borrowings	199,200	232,800
Total borrowings	916,400	940,000

The movements in long-term borrowings for the six-month period ended June 30, 2022 and for the year ended December 31, 2021 are presented below.

	(Unit : Thousand Baht)	
	Consolidated / The Company Only	
	As at June 30, 2022	As at December 31, 2021
Loan from financial institutions, at the beginning of the period	300,000	300,000
Increase loans during the period	-	-
Repayments during the period	(33,600)	-
Loan from financial institutions, at the end of the period	266,400	300,000

13. TRADE AND OTHER CURRENT PAYABLES

	(Unit : Thousand Baht)			
	Consolidated		The Company Only	
	As at June 30, 2022	As at December 31, 2021	As at June 30, 2022	As at December 31, 2021
Trade payables - other parties	160,443	136,741	160,443	136,741
Other payables - other parties - related parties (Note 5.4)	49,470 266	36,620 512	49,252 3,320	36,299 8,795
Advances from customers	31,568	18,376	30,398	16,667
Accrued energy expenses	15,897	12,516	15,897	12,516
Accrued commission and rebate	4,096	17,159	4,235	17,366
Accrued salary and bonus expenses	7,300	8,972	7,300	8,972
Other accrued expenses	20,524	21,146	19,501	19,984
Total	289,564	252,042	290,346	257,340

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14. DEFERRED INCOME TAXES

Deferred tax assets and liabilities are offset when income taxes are related to the same fiscal authority. Deferred income taxes are calculated on all temporary differences under the liability method using principal tax 20% for the Company and 20 - 25.17 for the subsidiary.

Deferred tax assets (liabilities) in the statement of comprehensive income for the six-month period ended June 30, 2022 are attributed to the following items:

	(Unit : Thousand Baht)			
	Consolidated/ The Company Only			
	Balance per book	Revenue (expenses) during the year		Balance per book
	as at January 1, 2022	In profit or loss	In other comprehensive income	as at June 30, 2022
Deferred tax assets:				
Allowance for expected credit losses	612	36	-	648
Allowance for the decline in value of inventory, slow-moving and obsolete inventories	9,612	511	-	10,123
Net refundable liabilities in goods expected to be returned by customers	257	(257)	-	-
Employee benefit obligations	19,660	1,128	-	20,788
Loss on fair value measurement of derivatives	3,226	(2,870)	-	356
Tax losses	37,606	6,003	-	43,609
Lease liabilities	119	(68)	-	51
Total	<u>71,092</u>	<u>4,483</u>	<u>-</u>	<u>75,575</u>
Deferred tax liabilities:				
Book depreciation under taxable depreciation	(80,369)	4,415	-	(75,954)
Gains on land revaluation	(183,216)	-	-	(183,216)
Total	<u>(263,585)</u>	<u>4,415</u>	<u>-</u>	<u>(259,170)</u>
Net	<u>(192,493)</u>	<u>8,898</u>	<u>-</u>	<u>(183,595)</u>

Deferred tax assets and temporary differences are recognised if the realisation of the tax benefit is probable.

15. EMPLOYEE BENEFIT OBLIGATIONS

The Group and its subsidiaries obligations for employee benefits are as follows:

	(Unit : Thousand Baht)	
	Consolidated/The Company Only	
	As at June 30, 2022	As at December 31, 2021
Defined benefit obligations, at the beginning of the period	98,301	96,059
Current service cost	5,728	12,049
Interest on obligation	571	1,150
Benefit paid	(662)	(10,957)
Defined benefit obligations, at the end of the period	<u>103,938</u>	<u>98,301</u>

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16. INCOME TAX EXPENSE (INCOME)

For the three-month and six-month periods ended June 30, 2022 and 2021 consisted of:

	(Unit : Thousand Baht)							
	For the three-month periods ended June 30,				For the six-month periods ended June 30,			
	Consolidated		The Company Only		Consolidated		The Company Only	
	2022	2021	2022	2021	2022	2021	2022	2021
Income tax expense shown in profit or loss :								
Current tax expense:								
Income tax expense for the period	-	-	-	-	-	-	-	-
Deferred tax expense (income) :								
Changes in temporary differences relating								
to the original recognition and reversal	(6,053)	(564)	(6,053)	(564)	(8,898)	(5,223)	(8,898)	(5,223)
Total	(6,053)	(564)	(6,053)	(564)	(8,898)	(5,223)	(8,898)	(5,223)

17. PRIVILEGES AND BENEFITS UNDER INVESTMENT PROMOTION

The Company has been granted of promotional privileges by the Board of Investment under Investment Promotion Act B.E. 2520 for the business of manufacture of glass products, as following :-

Promotion Certificate No.	63-0275-1-07-1-0
Dated	March 5, 2020
Category of promoted operation	Category 2.4.2 : Manufacture of glass products
Key Privileges and benefits under the promotion certificate	
1. Exemption from import duty for machineries	Must imported by March 5, 2023
2. Exempt corporate income tax for net profit from business promotion	
not over 50% of investment, not over Baht 72 million, 3-year period	
from the income date after receiving promotion certificate	

As a promoted company, the Company must comply with certain conditions and restrictions provided under the promotion certificate.

18. BASIC EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share is calculated by dividing the net profit (loss) attributed to shareholder by the weighted average number of ordinary shares in issue, which is 21,330,715 shares during the three-month and six-month periods ended June 30, 2022 and 2021. The Group has no dilutive instruments in issue.

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19. SEGMENT INFORMATION

The principal activities of the Group are manufacturing and selling table glassware. Accordingly, the management considers that the Group operations in a single line of business. The Group has manufacturing facilities in Thailand and reports its segment information as distribution market in domestic and overseas markets. The chief operating decision-maker reviews operating results in the same dimension as presented on the financial information.

Sales by geographic for the three-month and six-month periods ended June 30, 2022 and 2021 are as follows:

	(Unit : Thousand Baht)							
	For the three-month periods ended June 30,				For the six-month periods ended June 30,			
	Consolidated		The Company Only		Consolidated		The Company Only	
	2022	2021	2022	2021	2022	2021	2022	2021
Domestic sales	91,641	52,289	91,641	52,289	176,102	114,926	176,102	114,926
Export sales	338,811	279,903	338,553	279,936	615,599	488,230	615,367	488,161
Total	430,452	332,192	430,194	332,225	791,701	603,156	791,469	603,087

20. FINANCIAL INSTRUMENTS

20.1 Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

Entities in the Group use forward contracts, transacted with the Group’s treasury, to hedge their exposure to foreign currency risk in connection with measurement currency. The Group’s treasury is responsible for hedging the net position in each currency by using currency borrowings and external forward currency contracts.

Forward foreign exchange contracts

The Group entered into forward foreign exchange contracts to manage exposure to fluctuations in foreign currencies of trade receivables, other receivables, trade payables and other payables denominated in foreign currencies.

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As at June 30, 2022, the Company had forward foreign exchange contracts with maturities of less than 1 year as follows:

	(Unit : Million Baht)
	Fair value
	Consolidated / The Company Only
	As at June 30, 2022
Forward foreign exchange contracts	
USD 3.82 million (Baht 33.78 - 35.13 per USD 1)	133.41

20.2 Fair value

Analyses of financial instruments are carried at fair value by the valuation method. The different levels have been defined as follows:

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 : Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 : Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

As at June 30, 2022, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

	(Unit : Thousand Baht)			
	Consolidated/The Company Only			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Land	-	938,000	-	938,000
Liabilities measured at fair value				
Forward foreign exchange contracts	-	1,782	-	1,782

During the current period, there were no transfers within the fair value hierarchy.

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21. COMMITMENTS AND CONTINGENT LIABILITIES

21.1 Operating lease commitments - where a Group company is the lessee

21.1.1 The Group has entered into a lease agreement for space, office equipment and vehicles, which is a short-term lease and lease of low-value assets. The future aggregate minimum lease payments under the lease are as follows:

	(Unit : Thousand Baht)			
	Consolidated		The Company Only	
	As at June 30, 2022	As at December 31, 2021	As at June 30, 2022	As at December 31, 2021
Not later than 1 year	5,725	3,368	4,206	2,671
Later than 1 year and not later than 5 years	7,452	3,315	7,452	3,315
Total	<u>13,177</u>	<u>6,683</u>	<u>11,658</u>	<u>5,986</u>

21.1.2 The Company entered into an agreement of buy/sell natural gas with 2 years period. The Company is required to pay for natural gas usage and pipe rental by month at a negotiated price as specified in the agreement.

21.1.3 The Company entered into an agreement of buy/sell with 8 year period. The Company is required to pay for liquid oxygen usage and wastewater treatment fee by month at a negotiated price as specified in the agreement.

21.2 Bank guarantees

As at June 30, 2022, the Group had outstanding letters of guarantee of Baht 14.29 million issued by local financial institutions as collaterals for electrical usage (December 31, 2021: Baht 14.29 million).

21.3 Capital commitments

As at June 30, 2022, the Group had capital commitments from the installation of solar energy system, purchase of machineries and equipment amounting to Baht 37.28 million (December 31, 2021: Baht 18.04 million).

22. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial statements were authorized for issue by the Company’s Board of Directors on August 15, 2022.

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