

OCEAN GLASS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

REVIEWED REPORT AND INTERIM FINANCIAL STATEMENTS

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2022

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 March 31, 2022, and the related consolidated statement of comprehensive income, changes in shareholders’ equity and cash flows for the three-month period then ended and the condensed notes to the consolidated financial statements and I have also reviewed the statement of financial position of Ocean Glass Public Company Limited as at March 31, 2022, and the statement of comprehensive income, changes in shareholders’ equity and cash flows for the three-month period then ended 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
May 17, 2022

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OCEAN GLASS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT MARCH 31, 2022

(Unit : Thousand Baht)

	Notes	Consolidated		The Company Only	
		As at March	As at December	As at March	As at December
		31, 2022	31, 2021	31, 2022	31, 2021
Assets					
Current assets					
Cash and cash equivalents		55,060	59,759	30,417	39,631
Trade and other current receivables	5, 6	181,490	258,948	182,880	258,795
Short-term loan to subsidiaries	5	-	-	3,200	3,500
Inventories	7	878,091	826,980	877,750	826,918
Value added tax receivables		5,627	11,769	5,627	11,769
Other current assets		5,889	5,108	4,517	3,743
Total current assets		1,126,157	1,162,564	1,104,391	1,144,356
Non-current assets					
Investments in subsidiaries	8	-	-	6,000	6,000
Property, plant and equipment	9	2,134,847	2,165,842	2,134,829	2,165,824
Right-of-use assets	10	16,924	21,511	16,924	21,511
Intangible assets	11	7,340	8,456	11,541	13,002
Other non-current assets		1,969	1,004	918	419
Total non-current assets		2,161,080	2,196,813	2,170,212	2,206,756
Total assets		3,287,237	3,359,377	3,274,603	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 MARCH 31, 2022

(Unit : Thousand Baht)

		Consolidated		The Company Only	
		As at March	As at December	As at March	As at December
	Notes	31, 2022	31, 2021	31, 2022	31, 2021
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	12	620,000	640,000	620,000	640,000
Trade and other current payables	5, 13	252,696	252,042	253,119	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	11,167	14,862	11,167	14,862
Derivative liabilities	20	5,319	16,131	5,319	16,131
Other current liabilities		2,184	3,424	1,982	2,725
Total current liabilities		958,566	993,659	958,787	998,258
Non-current liabilities					
Long-term loans from financial institutions	12	216,000	232,800	216,000	232,800
Lease liabilities	5, 10	2,110	3,179	2,110	3,179
Deferred tax liabilities	14	189,648	192,493	189,648	192,493
Employee benefit obligations	15	100,789	98,301	100,789	98,301
Total non-current liabilities		508,547	526,773	508,547	526,773
Total liabilities		1,467,113	1,520,432	1,467,334	1,525,031

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 MARCH 31, 2022

(Unit : Thousand Baht)

	Consolidated		The Company Only		
	As at March	As at December	As at March	As at December	
	Notes	31, 2022	31, 2021	31, 2022	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					
		521,242	539,890	508,291	527,103
Other components of equity					
		732,768	732,941	732,864	732,864
Total shareholders' equity					
		1,820,124	1,838,945	1,807,269	1,826,081
Total liabilities and shareholders' equity					
		3,287,237	3,359,377	3,274,603	3,351,112

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 COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2022

(Unit : Thousand Baht)

	Notes	Consolidated		The Company Only	
		2022	2021	2022	2021
Revenues					
Sales	5, 19	361,249	270,964	361,275	270,862
Foreign exchange gain		3,519	-	3,738	-
Other income	5	10,120	1,131	10,126	1,151
Total revenues		<u>374,888</u>	<u>272,095</u>	<u>375,139</u>	<u>272,013</u>
Expenses					
Cost of goods sold		254,193	172,002	254,370	171,901
Temporary shutdown expenses		39,409	56,391	39,409	56,391
Loss (reversal) on the decline in value of inventory		3,604	(6,479)	3,604	(6,479)
Selling expenses	5	67,982	49,107	69,466	49,989
Administrative expenses	5	25,599	25,417	24,353	24,435
Foreign exchange loss		-	7,026	-	6,852
Total expenses		<u>390,787</u>	<u>303,464</u>	<u>391,202</u>	<u>303,089</u>
Profit (loss) from operating activities		(15,899)	(31,369)	(16,063)	(31,076)
Finance costs	5	5,594	6,569	5,594	6,569
Profit (loss) before income tax expense		(21,493)	(37,938)	(21,657)	(37,645)
Income tax expense (income)	16	(2,845)	(4,659)	(2,845)	(4,659)
Net profit (loss) for the period		<u>(18,648)</u>	<u>(33,279)</u>	<u>(18,812)</u>	<u>(32,986)</u>
Other comprehensive income :-					
Item that will be reclassified subsequently to profit or loss					
Currency translation differences		(173)	545	-	-
Other comprehensive income (loss) for the period		<u>(173)</u>	<u>545</u>	<u>-</u>	<u>-</u>
Total comprehensive income (loss) for the period		<u>(18,821)</u>	<u>(32,734)</u>	<u>(18,812)</u>	<u>(32,986)</u>
Basic earnings (loss) per share (Baht)	18	<u>(0.87)</u>	<u>(1.56)</u>	<u>(0.88)</u>	<u>(1.55)</u>

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

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OCEAN GLASS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2022

(Unit : Thousand Baht)

		Consolidated							
		Retained earnings			Other components of equity				
		Issued and	Premium	Appropriated		Translation of	Total other	Total	
		paid-up	on share	for legal		financial	components	shareholders'	
Notes		share capital	capital	reserve	Unappropriated	Gains on land	of equity	equity	
						revaluation	statements	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	-	-	-	(18,648)	-	(173)	(173)	(18,821)
	Ending balance as at March 31, 2022	<u>213,307</u>	<u>302,807</u>	<u>50,000</u>	<u>521,242</u>	<u>732,864</u>	<u>(96)</u>	<u>732,768</u>	<u>1,820,124</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	-	-	-	(33,279)	-	545	545	(32,734)
	Ending balance as at March 31, 2021	<u>213,307</u>	<u>302,807</u>	<u>50,000</u>	<u>503,591</u>	<u>732,864</u>	<u>(1,552)</u>	<u>731,312</u>	<u>1,801,017</u>

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

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OCEAN GLASS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 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	-	-	-	(18,812)	-	(18,812)
Ending balance as at March 31, 2022	213,307	302,807	50,000	508,291	732,864	1,807,269
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	-	-	-	(32,986)	-	(32,986)
Ending balance as at March 31, 2021	213,307	302,807	50,000	499,174	732,864	1,798,152

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 CASH FLOWS

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2022

(Unit : Thousand Baht)

Notes	Consolidated		The Company Only	
	2022	2021	2022	2021
<u>Cash flows from operating activities :</u>				
Profit (loss) before income tax expense	(21,493)	(37,938)	(21,657)	(37,645)
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	(2,524)	(16,683)	(2,524)	(16,683)
Depreciation and amortisation	45,871	42,110	46,215	42,450
Allowance for expected credit losses	(12)	-	(12)	-
Loss on disposal and write-off of property, plant and equipment	444	99	444	99
Unrealised (gain) loss on fair value measurement of derivatives	(10,812)	10,034	(10,812)	10,034
Unrealised gain on foreign exchange	(875)	(1,840)	(875)	(1,840)
Employee benefit expenses	3,150	3,301	3,150	3,301
Interest income	(15)	(11)	(22)	(33)
Finance costs	5,594	6,569	5,594	6,569
(Increased) decreased in operating assets				
Trade and other current receivables	78,062	56,246	76,526	56,446
Inventories	(48,587)	29,452	(48,308)	29,454
Value added tax receivables	6,142	(3,598)	6,142	(3,598)
Other current assets	(781)	321	(774)	323
Other non-current assets	(965)	402	(499)	433
Increased (decreased) in operating liabilities				
Trade and other current payables	(6,530)	(14,377)	(11,405)	(15,779)
Other current liabilities	(1,240)	(527)	(743)	(472)
Payments on employee benefit obligations	(662)	-	(662)	-
Net cash generated from operating activities	44,767	73,560	39,778	73,059

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 CASH FLOWS (CONT.)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2022

		(Unit : Thousand Baht)			
		Consolidated		The Company Only	
	Notes	2022	2021	2022	2021
Cash flows from investing activities :					
Cash received from repayment of loan to a subsidiary	5	-	-	300	-
Proceeds from disposals of property, plant and equipment		-	5	-	5
Purchase of property, plant and equipment		(1,694)	(4,285)	(1,694)	(4,285)
Purchase of intangible assets		-	(116)	-	(116)
Interest received		15	11	15	34
Net cash used in investing activities		(1,679)	(4,385)	(1,379)	(4,362)
Cash flows from financing activities :					
Cash received from short-term borrowings					
from financial institutions		490,000	30,000	490,000	30,000
Repayment of short-term borrowings					
from financial institutions		(510,000)	(95,000)	(510,000)	(95,000)
Repayment of long-term borrowings					
from financial institutions		(16,800)	-	(16,800)	-
Cash paid for lease liabilities		(5,361)	(5,182)	(5,361)	(5,182)
Interest paid		(5,762)	(6,237)	(5,762)	(6,237)
Net cash used in financing activities		(47,923)	(76,419)	(47,923)	(76,419)
Effect from foreign exchange in cash and cash equivalents		310	1,209	310	1,209
Currency translation differences		(174)	545	-	-
Net increase (decrease) in cash and cash equivalents		(4,699)	(5,490)	(9,214)	(6,513)
Cash and cash equivalents, opening balance		59,759	102,676	39,631	88,469
Cash and cash equivalents, closing balance		55,060	97,186	30,417	81,956
Supplementary information for cash flows					
Non-cash transactions					
Investing activities:					
Accounts payable from purchase of property, plant and equipment					
and intangible assets		7,470	13,957	7,470	13,957
Financing activities:					
Acquisition of right-of-use assets under lease contracts		452	453	452	453

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

OCEAN GLASS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

MARCH 31, 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.

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.

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 March 31, 2022 and December 31, 2021, holding 32.82%. The remaining 67.18% is held by individual.

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

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 March, 31			
		Consolidated		The Company Only	
		2022	2021	2022	2021
<u>Sales of goods:</u>					
Subsidiaries		-	-	1,474	-
Related companies		-	52	-	52
		-	52	1,474	52

5.2 Other income

		(Unit : Thousand Baht)			
		For the three-month periods ended March 31,			
		Consolidated		The Company Only	
		2022	2021	2022	2021
<u>Interest income:</u>					
Subsidiaries		-	-	19	33

5.3 Purchase of goods and service expenses

		(Unit : Thousand Baht)			
		For the three-month periods ended March 31,			
		Consolidated		The Company Only	
		2022	2021	2022	2021
<u>Website maintenance fee:</u>					
Subsidiaries		-	-	-	250
<u>Commission:</u>					
Subsidiaries		-	-	4,431	3,070
<u>Rental expenses and service fee:</u>					
Related companies					
- Depreciation and interest expense of right-of-use assets					
		3,673	3,673	3,673	3,673
- Rental expenses and service fee of short-term lease					
		163	185	163	185
		3,836	3,858	3,836	3,858
<u>Interest expense:</u>					
Related companies		71	189	71	189

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.

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

(Unit : Thousand Baht)

	Consolidated		The Company Only	
	As at March 31, 2022	As at December 31, 2021	As at March 31, 2022	As at December 31, 2021
<u>Trade receivables</u>				
Subsidiaries	-	-	1,474	-
	-	-	1,474	-
<u>Other current receivables</u>				
Subsidiaries	-	-	8	1
	-	-	8	1
<u>Other current payables</u>				
Subsidiaries	-	-	2,836	8,283
Related companies	499	512	499	512
	499	512	3,335	8,795
<u>Lease liabilities</u>				
Related companies	5,742	8,892	5,742	8,892
	5,742	8,892	5,742	8,892

5.5 Key management compensation

(Unit : Thousand Baht)

	Consolidated / The Company Only	
	For the three-month periods ended March 31,	
	2022	2021
Short-term benefits	7,488	7,717
Post-employment benefits	251	502
Other long-term benefits	-	-
Total	7,739	8,219

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5.6 Loan to subsidiaries

The movement of loan to subsidiaries for the three-month periods ended March 31, 2022 and for the year ended December 31, 2021 are presented below.

(Unit : Thousand Baht)

	Consolidated		The Company Only	
	As at March	As at December	As at March	As at December
	31, 2022	31, 2021	31, 2022	31, 2021
Loan to subsidiaries, at the beginning of the period	-	-	3,500	3,500
Increase loans during the period	-	-	-	-
Repayments during the period	-	-	(300)	-
Loan to subsidiaries, at the end of the period	-	-	3,200	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 March	As at December	As at March	As at December
	31, 2022	31, 2021	31, 2022	31, 2021
Trade receivables:				
- other parties	150,795	233,624	150,814	233,624
- related parties (Note 5.4)	-	-	1,474	-
<u>Less</u> Allowance for expected credit losses	(763)	(775)	(763)	(775)
	150,032	232,849	151,525	232,849
Advance payment	23,074	15,012	23,026	14,963
Prepayment	7,508	10,314	7,445	10,209
Other receivables :				
- other parties	983	880	983	880
- related parties (Note 5.4)	-	-	8	1
<u>Less</u> Allowance for expected credit losses	(107)	(107)	(107)	(107)
	31,458	26,099	31,355	25,946
Total	181,490	258,948	182,880	258,795

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

(Unit : Thousand Baht)

	Consolidated		The Company Only	
	As at March 31, 2022	As at December 31, 2021	As at March 31, 2022	As at December 31, 2021
Not yet due	101,048	179,616	102,541	179,616
Overdue:				
Up to 3 months	45,561	49,110	45,561	49,110
Over 3 - 6 months	2,441	1,544	2,441	1,544
Over 6 - 12 months	891	2,588	891	2,588
Over 12 months	854	766	854	766
Total	150,795	233,624	152,288	233,624
<u>Less Allowance for expected credit losses</u>	<u>(763)</u>	<u>(775)</u>	<u>(763)</u>	<u>(775)</u>
Trade receivables - net	150,032	232,849	151,525	232,849

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

(Unit : Thousand Baht)

	Consolidated		The Company Only	
	As at March 31, 2022	As at December 31, 2021	As at March 31, 2022	As at December 31, 2021
Not yet due	-	-	1,474	-
Overdue:				
Up to 3 months	-	-	-	-
Over 3 - 6 months	-	-	-	-
Over 6 - 12 months	-	-	-	-
Over 12 months	-	-	-	-
Total	-	-	1,474	-

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7. INVENTORIES

(Unit : Thousand Baht)

	Consolidated		The Company Only	
	As at March	As at December	As at March	As at December
	31, 2022	31, 2021	31, 2022	31, 2021
Finished goods	432,841	393,447	432,500	393,385
Merchandise	46,508	48,172	46,508	48,172
Work in progress	17,607	8,493	17,607	8,493
Raw materials	82,856	86,137	82,856	86,137
Spare parts	140,932	142,707	140,932	142,707
Supplies and packing materials	196,210	194,953	196,210	194,953
Goods in transit	6,672	-	6,672	-
Goods expected to be returned by customers	-	1,130	-	1,130
	923,626	875,039	923,285	874,977
<u>Less</u> Allowance for the decline in value of inventory, slow - moving and obsolete inventories	(45,535)	(48,059)	(45,535)	(48,059)
Inventories - net	878,091	826,980	877,750	826,918

8. INVESTMENTS IN SUBSIDIARIES

The subsidiaries are:

	Country of incorporation	% Ownership	
		As at March	As at December
		31, 2022	31, 2021
Ocean Glass Trading (Shanghai) Company Limited	China	100.00%	100.00%
Ocean Glass Trading India Private Limited	India	99.99%	99.99%
Crystal Clear Innovation Co., Ltd.	Thailand	99.99%	99.99%

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9. PROPERTY, PLANT AND EQUIPMENT

The movement of property, plant and equipment for the three-month period ended March 31, 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	9,164	9,164
Disposals and write-offs	(444)	(444)
Depreciation	(39,716)	(39,715)
Translation difference	1	-
Net book value, as at March 31, 2022	2,134,847	2,134,829

The gross carrying amount of fully depreciated plant and equipment that were still in use as at March 31, 2022 amounted to Baht 1,880.37 million (December 31, 2021: Baht 1,889.31 million)

10. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Right-of-use assets

The movement of right-of-use assets for the three-month period ended March 31, 2022 is presented below.

	(Unit : Thousand Baht)
	Consolidated / The Company Only
Net book value, as at January 1, 2022	21,511
Additions	452
Depreciation	(5,039)
Net book value, as at March 31, 2022	16,924

Lease liabilities

The carrying amounts of lease liabilities and the movement for the three-month period ended March 31, 2022 are presented below.

	(Unit : Thousand Baht)
	Consolidated / The Company Only
As at January 1, 2022	18,041
Additions	452
Accretion of interest	145
Payments	(5,361)
As at March 31, 2022	13,277
<u>Less: Current portion</u>	<u>(11,167)</u>
Lease liabilities - net of current portion	<u>2,110</u>

The following are the amounts recognised in the statement of comprehensive income for the three-month periods ended March 31, 2022 and 2021 are presented below.

	(Unit : Thousand Baht)			
	Consolidated		The Company Only	
	2022	2021	2022	2021
Depreciation of right-of-use assets	5,039	4,877	5,039	4,877
Interest expense on lease liabilities	145	296	145	296
Expense relating to short-term lease	1,243	276	852	169
Expense relating to leases of low - value assets	882	267	882	267
Total	<u>7,309</u>	<u>5,716</u>	<u>6,918</u>	<u>5,609</u>

11. INTANGIBLE ASSETS

The movement of intangible assets for the three-month period ended March 31, 2022 is presented below.

	(Unit : Thousand Baht)	
	Consolidated	The Company Only
Net book value, as at January 1, 2022	8,456	13,002
Additions	-	-
Amortisation	(1,116)	(1,461)
Net book value, as at March 31, 2022	<u>7,340</u>	<u>11,541</u>

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12. BORROWINGS

	(Unit : Thousand Baht)	
	Consolidated / The Company Only	
	As at March 31, 2022	As at December 31, 2021
Current		
Short-term borrowings from financial institutions	620,000	640,000
Current portion of long-term borrowings from financial institutions	67,200	67,200
Total current borrowings	687,200	707,200
Non-current		
Long-term borrowings from financial institutions	216,000	232,800
Total non-current borrowings	216,000	232,800
Total borrowings	903,200	940,000

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

	(Unit : Thousand Baht)	
	Consolidated / The Company Only	
	As at March 31, 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	(16,800)	-
Loan from financial institutions, at the end of the period	283,200	300,000

13. TRADE AND OTHER CURRENT PAYABLES

	(Unit : Thousand Baht)			
	Consolidated		The Company Only	
	As at March 31, 2022	As at December 31, 2021	As at March 31, 2022	As at December 31, 2021
Trade payables - other parties	145,038	136,741	145,038	136,741
Other payables - other parties	35,927	36,620	35,716	36,299
- related parties (Note 5.4)	499	512	3,355	8,795
Advances from customers	22,595	18,376	21,056	16,667
Accrued energy expenses	16,520	12,516	16,520	12,516
Accrued commission and rebate	13,385	17,159	13,538	17,366
Accrued salary and bonus expenses	4,821	8,972	4,821	8,972
Other accrued expenses	13,911	21,146	13,075	19,984
Total	252,696	252,042	253,119	257,340

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 three-month period ended March 31, 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 March 31, 2022
Deferred tax assets:				
Allowance for expected credit losses	612	(2)	-	610
Allowance for the decline in value of inventory, slow-moving and obsolete inventories	9,612	(505)	-	9,107
Net refundable liabilities in goods expected to be returned by customers	257	(257)	-	-
Employee benefit obligations	19,660	498	-	20,158
Loss on fair value measurement of derivatives	3,226	(2,162)	-	1,064
Tax losses	37,606	3,071	-	40,677
Lease liabilities	119	(36)	-	83
Total	<u>71,092</u>	<u>607</u>	<u>-</u>	<u>71,699</u>
Deferred tax liabilities:				
Book depreciation under taxable depreciation	(80,369)	2,238	-	(78,131)
Gains on land revaluation	(183,216)	-	-	(183,216)
Total	<u>(263,555)</u>	<u>2,238</u>	<u>-</u>	<u>(261,347)</u>
Net	<u>(192,493)</u>	<u>2,845</u>	<u>-</u>	<u>(189,648)</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 March 31, 2022	As at December 31, 2021
Defined benefit obligations, at the beginning of the period	98,301	96,059
Current service cost	2,864	12,049
Interest on obligation	286	1,150
Benefit paid	(662)	(10,957)
Defined benefit obligations, at the end of the period	<u>100,789</u>	<u>98,301</u>

16. INCOME TAX EXPENSE (INCOME)

For the three-month periods ended March 31, 2022 and 2021 consisted of:

	(Unit : Thousand Baht)			
	Consolidated		The Company Only	
	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	(2,845)	(4,659)	(2,845)	(4,659)
Total	<u>(2,845)</u>	<u>(4,659)</u>	<u>(2,845)</u>	<u>(4,659)</u>

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.	<u>63-0275-1-07-1-0</u>
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 periods ended March 31, 2022 and 2021. The Group has no dilutive instruments in issue.

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.

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Sales by geographic for the three-month periods ended March 31, 2022 and 2021 are as follows:

(Unit : Thousand Baht)

	Consolidated		The Company Only	
	2022	2021	2022	2021
Domestic sales	84,461	62,637	84,461	62,637
Export sales	276,788	208,327	276,814	208,225
Total	361,249	270,964	361,275	270,862

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.

As at March 31, 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 March 31, 2022
Forward foreign exchange contracts	
USD 2.94 million (Baht 31.27 – 31.91 per USD 1)	98.16

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).

Net fair values

As at March 31, 2022, the fair values of open forward foreign exchange contracts were stated as net liabilities of Baht 5.32 million.

The fair value of forward foreign exchange contracts is determined by the market rate of each contract, which is calculated by financial institutions dealing with the Group at the date of the statement of financial position.

The fair values of derivative financial instruments, which are cross currency swap contracts, are the market prices adjusted by credit risk of the Group which is calculated by the financial institution of the Group as at the statement of financial position date. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. The instrument is included in level 2.

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 March 31, 2022	As at December 31, 2021	As at March 31, 2022	As at December 31, 2021
Not later than 1 year	3,495	3,368	3,220	2,671
Later than 1 year and not later than 5 years	2,741	3,315	2,741	3,315
Total	<u>6,236</u>	<u>6,683</u>	<u>5,961</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 March 31, 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 March 31, 2022, the Group had capital commitments from the building construction, the purchase of machineries and equipment amounting to Baht 22.21 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 May 17, 2022.