

**EAST COAST FURNITECH PUBLIC COMPANY LIMITED  
AND ITS SUBSIDIARIES**

**Interim Financial Information**

**For the Period Ended September 30, 2020**

**and Report on Review of Interim Financial Information**

**by the Certified Public Accountant**

***M.R. & ASSOCIATES CO., LTD.***

***Certified Public Accountants***

# M.R. & ASSOCIATES CO., LTD.

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## **REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION PERFORMED BY THE CERTIFIED PUBLIC ACCOUNTANT**

To the Board of Directors of East Coast Furnitech Public Company Limited

I have reviewed the accompanying consolidated financial statements of East Coast Furnitech Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at September 30, 2020, and the related consolidated statements of comprehensive income for the three-month and nine-month periods then ended, the consolidated statement of changes in shareholders' equity and the consolidated statement of cash flows for the nine-month period then ended, and the condensed notes to the consolidated financial statements. I have also reviewed the accompanying separate financial statements of East Coast Furnitech Public Company Limited, which comprise the statement of financial position as at September 30, 2020, and the related statements of comprehensive income for the three-month and nine-month periods then ended, the statement of changes in shareholders' equity and the statement of cash flows for the nine-month period then ended, and the condensed notes to the financial statements. Management is responsible for the preparation and presentation of this interim financial information in accordance with the Thai Accounting Standard 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 the 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 the Thai Accounting Standard No. 34 "Interim Financial Reporting".

**Emphasis of Matter**

I draw attention to Note 2 to the interim financial statements. The Company changed its method of measurement after recognition of land, building and machinery in 2020 whereby retrospective application and restatement is made to the 2019 comparative information. My conclusion is not modified with respect to this matter.



(Mr. Akadet Pliensakul)  
Certified Public Accountant  
Registration No. 5389

M.R. & ASSOCIATES CO., LTD.  
Bangkok  
November 13, 2020

## ASSETS

The accompanying condensed notes are an integral part of these financial statements.

## EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2020 AND DECEMBER 31, 2019

## LIABILITIES AND SHAREHOLDERS' EQUITY

		In Thousand Baht			
		Consolidated		Separate Financial Statements	
		September 30,	December 31,	September 30,	December 31,
		2020	2019	2020	2019
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		(Reviewed)	(Restated)	(Reviewed)	(Restated)
Note					
<b>CURRENT LIABILITIES</b>					
Bank overdrafts and short-term borrowings from financial institutions	17	629,976	522,480	629,976	519,689
Factoring payables	5, 17	105,110	108,199	105,110	108,199
Trade payables					
- Related party	4	-	-	1	-
- Other parties		237,063	153,077	233,167	153,077
Other payables - related party	4	-	-	6,941	-
Short-term loans from other parties	12	174,609	197,995	174,609	177,995
Short-term loans from and interest payable to related parties	4	8,056	-	1,066	49,492
Current portion of long-term borrowings	17	39,889	27,630	39,889	25,115
Current portion of debentures	9	378,070	605,685	378,070	605,685
Current portion of lease liabilities	1	2,457	1,375	2,457	1,375
Income tax payable		1,010	5,848	823	5,603
Accrued expenses and other current liabilities	8	58,114	53,733	55,628	52,717
<b>Total Current Liabilities</b>		<b>1,634,354</b>	<b>1,676,022</b>	<b>1,627,737</b>	<b>1,698,947</b>
<b>NON-CURRENT LIABILITIES</b>					
Long-term borrowings - net	17	35,880	41,826	35,880	41,826
Debentures - net	9	569,462	375,115	569,462	375,115
Lease liabilities - net	1	1,453	1,138	1,453	1,138
Deferred tax liabilities	2, 10	2,754	1,840	2,754	1,840
Liability for post-employment benefits	11	11,383	10,688	11,383	10,688
<b>Total Non-Current Liabilities</b>		<b>620,932</b>	<b>430,607</b>	<b>620,932</b>	<b>430,607</b>
<b>Total Liabilities</b>	2	<b>2,255,286</b>	<b>2,106,629</b>	<b>2,248,669</b>	<b>2,129,554</b>

EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF FINANCIAL POSITION  
AS AT SEPTEMBER 30, 2020 AND DECEMBER 31, 2019

LIABILITIES AND SHAREHOLDERS' EQUITY (Continued)

		In Thousand Baht			
		Consolidated		Separate Financial Statements	
		September 30, 2020 (Unaudited) (Reviewed)	December 31, 2019 (Audited) (Restated)	September 30, 2020 (Unaudited) (Reviewed)	December 31, 2019 (Audited) (Restated)
Note					
<b>SHAREHOLDERS' EQUITY</b>					
Authorized share capital - 1,196,646,188 common shares in 2020 and 1,249,848,363 common shares in 2019, Baht 0.25 par value	13	299,162	312,462	299,162	312,462
Issued and paid-up share capital - 959,487,557 common shares in 2020 and in 2019, Baht 0.25 par value	13, 14	239,872	239,872	239,872	239,872
Premium on shares	13, 14	768,342	768,342	768,342	768,342
Retained earnings					
- Appropriated for legal reserve		27,400	27,400	27,400	27,400
- Unappropriated		428,430	407,253	422,139	416,663
Total		1,464,044	1,442,867	1,457,753	1,452,277
Other components of equity	2	(218,617)	(221,550)	(217,392)	(217,392)
Equity attributable to Owners of the Parent		1,245,427	1,221,317	1,240,361	1,234,885
Non-controlling interests		11,523	20,367	-	-
Total Shareholders' Equity	2	1,256,950	1,241,684	1,240,361	1,234,885
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>3,512,236</b>	<b>3,348,313</b>	<b>3,489,030</b>	<b>3,364,439</b>

The accompanying condensed notes are an integral part of these financial statements.

**EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE THREE-MONTH PERIODS ENDED SEPTEMBER 30, 2020 AND 2019**

(REVIEWED)  
(UNAUDITED)

In Thousand Baht

	Note	Consolidated		Separate Financial Statements	
		2020	2019	2020	2019
			(Restated)		(Restated)
<b>REVENUES</b>					
Net sales	4, 18	399,890	320,115	392,107	319,503
Other income					
- Interest income	4	2,188	2,792	3,648	2,317
- Sales of production scraps and supplies		1,067	2,582	1,067	2,582
- Others	4	1,444	1,500	1,413	1,060
Gain on exchange rate		1,807	655	1,813	656
<b>Total Revenues</b>		<b>406,396</b>	<b>327,644</b>	<b>400,048</b>	<b>326,118</b>
<b>EXPENSES</b>					
Cost of sales	2, 4	312,290	222,510	308,586	222,266
Distribution costs	18	16,291	18,596	12,897	18,492
Administrative expenses	2, 4	33,459	37,688	31,163	37,080
Reversal of other expenses	7	(4,804)	-	-	-
<b>Total Expenses</b>		<b>357,236</b>	<b>278,794</b>	<b>352,646</b>	<b>277,838</b>
<b>Profit from Operating Activities</b>		<b>49,160</b>	<b>48,850</b>	<b>47,402</b>	<b>48,280</b>
<b>Finance Costs</b>	4	<b>(36,910)</b>	<b>(30,932)</b>	<b>(36,856)</b>	<b>(30,083)</b>
<b>Share of Profit from Investment in Associate and Joint Venture</b>	7	<b>11,547</b>	<b>829</b>	<b>-</b>	<b>-</b>
<b>PROFIT BEFORE INCOME TAX EXPENSE</b>	2	<b>23,797</b>	<b>18,747</b>	<b>10,546</b>	<b>18,197</b>
<b>Income Tax Expense</b>	2, 10	<b>(2,331)</b>	<b>(3,708)</b>	<b>(1,060)</b>	<b>(3,517)</b>
<b>PROFIT FOR THE PERIOD</b>	2	<b>21,466</b>	<b>15,039</b>	<b>9,486</b>	<b>14,680</b>

The accompanying condensed notes are an integral part of these financial statements.

EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
 STATEMENTS OF COMPREHENSIVE INCOME (Continued)  
 FOR THE THREE-MONTH PERIODS ENDED SEPTEMBER 30, 2020 AND 2019

(REVIEWED)  
 (UNAUDITED)

		In Thousand Baht			
		Consolidated		Separate Financial Statements	
		2020	2019	2020	2019
			(Restated)		(Restated)
		Note			
<b>Other Comprehensive Income (Loss)</b>					
<i>Item that will be reclassified subsequently to profit or loss</i>					
- Share of other comprehensive income (loss) from associate	7	3,041	(152)	-	-
<b>OTHER COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD</b>		<u>3,041</u>	<u>(152)</u>	<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	2	<u>24,507</u>	<u>14,887</u>	<u>9,486</u>	<u>14,680</u>
<b>Profit (Loss) Attributable to:</b>					
Owners of the parent	2	21,905	14,890	9,486	14,680
Non-controlling interests		(439)	149	-	-
<b>Profit for the Period</b>		<u>21,466</u>	<u>15,039</u>	<u>9,486</u>	<u>14,680</u>
<b>Total Comprehensive Income (Loss) Attributable to:</b>					
Owners of the parent	2	24,946	14,738	9,486	14,680
Non-controlling interests		(439)	149	-	-
<b>Total Comprehensive Income for the Period</b>		<u>24,507</u>	<u>14,887</u>	<u>9,486</u>	<u>14,680</u>
<b>Basic Earnings per Share (In Baht)</b>	2, 14	<u>0.0229</u>	<u>0.0155</u>	<u>0.0099</u>	<u>0.0153</u>
<b>Diluted Earnings per Share (In Baht)</b>	2, 14	<u>0.0229</u>	<u>0.0155</u>	<u>0.0099</u>	<u>0.0153</u>

The accompanying condensed notes are an integral part of these financial statements.



**EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020 AND 2019**

(REVIEWED)  
(UNAUDITED)

		In Thousand Baht			
		Consolidated		Separate Financial Statements	
		2020	2019	2020	2019
			(Restated)		(Restated)
	Note				
<b>REVENUES</b>					
Net sales	4, 18	972,037	958,999	957,511	956,512
Other income					
- Sales of production scraps and supplies		9,890	11,446	9,890	11,446
- Interest income	4	5,562	9,288	7,422	5,743
- Gain on sales of fixed assets		-	7,118	-	7,079
- Others	4	3,330	5,089	3,297	4,391
Gain (loss) on exchange rate		3,262	(1)	3,272	69
<b>Total Revenues</b>		<b>994,081</b>	<b>991,939</b>	<b>981,392</b>	<b>985,240</b>
<b>EXPENSES</b>					
Cost of sales	2, 4, 11	748,670	671,131	744,899	669,409
Distribution costs	18	46,053	60,475	35,788	60,080
Administrative expenses	2, 4, 11	97,985	124,584	91,869	120,850
Other expenses	7, 17	18,128	-	-	-
<b>Total Expenses</b>		<b>910,836</b>	<b>856,190</b>	<b>872,556</b>	<b>850,339</b>
<b>Profit from Operating Activities</b>		<b>83,245</b>	<b>135,749</b>	<b>108,836</b>	<b>134,901</b>
<b>Gain on Sales of Rights in Trade Receivables and Product Brand</b>	5	<b>18,796</b>	<b>-</b>	<b>18,796</b>	<b>-</b>
<b>Finance Costs</b>	4	<b>(98,855)</b>	<b>(84,010)</b>	<b>(100,184)</b>	<b>(80,364)</b>
<b>Share of Profit from Investment in Associate and Joint Venture</b>	7	<b>31,974</b>	<b>1,918</b>	<b>-</b>	<b>-</b>
<b>PROFIT BEFORE INCOME TAX EXPENSE</b>	2	<b>35,160</b>	<b>53,657</b>	<b>27,448</b>	<b>54,537</b>
<b>Income Tax Expense</b>	2, 10	<b>(6,804)</b>	<b>(10,796)</b>	<b>(5,949)</b>	<b>(10,337)</b>
<b>PROFIT FOR THE PERIOD</b>	2	<b>28,356</b>	<b>42,861</b>	<b>21,499</b>	<b>44,200</b>

The accompanying condensed notes are an integral part of these financial statements.

EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
 STATEMENTS OF COMPREHENSIVE INCOME (Continued)  
 FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020 AND 2019

(REVIEWED)  
 (UNAUDITED)

		In Thousand Baht			
		Consolidated		Separate Financial Statements	
		2020	2019	2020	2019
			(Restated)		(Restated)
Note					
<b>Other Comprehensive Income (Loss)</b>					
<i>Item that will not be reclassified subsequently to profit or loss</i>					
- Actuarial loss on remeasurement of liability for post-employment benefits (net of income tax effect by Baht 257 thousand in 2019)	11	-	(1,028)	-	(1,028)
<i>Item that will be reclassified subsequently to profit or loss</i>					
- Share of other comprehensive income (loss) from associate	7	2,933	(1,668)	-	-
<b>OTHER COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD</b>		<u>2,933</u>	<u>(2,696)</u>	<u>-</u>	<u>(1,028)</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	2	<u>31,289</u>	<u>40,165</u>	<u>21,499</u>	<u>43,172</u>
<b>Profit (Loss) Attributable to:</b>					
Owners of the parent	2	37,200	43,257	21,499	44,200
Non-controlling interests		(8,844)	(396)	-	-
<b>Profit for the Period</b>		<u>28,356</u>	<u>42,861</u>	<u>21,499</u>	<u>44,200</u>
<b>Total Comprehensive Income (Loss) Attributable to:</b>					
Owners of the parent	2	40,133	40,561	21,499	43,172
Non-controlling interests		(8,844)	(396)	-	-
<b>Total Comprehensive Income for the Period</b>		<u>31,289</u>	<u>40,165</u>	<u>21,499</u>	<u>43,172</u>
<b>Basic Earnings per Share (In Baht)</b>	2, 14	<u>0.0388</u>	<u>0.0451</u>	<u>0.0224</u>	<u>0.0461</u>
<b>Diluted Earnings per Share (In Baht)</b>	2, 14	<u>0.0388</u>	<u>0.0451</u>	<u>0.0224</u>	<u>0.0461</u>

The accompanying condensed notes are an integral part of these financial statements.

EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020 AND 2019

		In Thousand Baht									
		Consolidated									
		Other Components of Equity									
		Retained Earnings		Surplus on Business		Share of Other Comprehensive Income (Loss) from Associate		Loss on Change in Proportion of Investment in Subsidiary		Equity Attributable to Owners of the Parent	
		Issued and Paid-up Share Capital	Premium on Shares	Appropriated for Legal Reserve	Unappropriated	Revaluation Surplus on Assets - Net	Combination under Common Control	Comprehensive Income (Loss)	Proportion of Investment in Subsidiary	Total Other Components of Equity	Total Shareholders' Equity
Note											
<b>Beginning balance as at January 1, 2020</b>											
	Balance previously reported	239,872	768,342	27,400	407,253	212,724	(217,392)	(2,822)	(1,336)	(8,826)	1,454,408
2	Adjustment pertaining to accounting change	-	-	-	-	(212,724)	-	-	-	(212,724)	(212,724)
	Balance as adjusted	239,872	768,342	27,400	407,253	-	(217,392)	(2,822)	(1,336)	(221,550)	1,241,684
16	Payment of interim dividends	-	-	-	(16,023)	-	-	-	-	-	(16,023)
	Total comprehensive income for the period	-	-	-	37,200	-	-	2,933	-	2,933	31,289
	Ending balance as at September 30, 2020	239,872	768,342	27,400	428,430	-	(217,392)	111	(1,336)	(218,617)	1,256,950
<b>Beginning balance as at January 1, 2019</b>											
	Balance previously reported	239,851	768,115	25,600	369,447	242,325	(217,642)	(424)	(1,336)	22,923	1,447,320
2	Adjustment pertaining to accounting change	-	-	-	-	(242,325)	-	-	-	(242,325)	(242,325)
	Balance as adjusted	239,851	768,115	25,600	369,447	-	(217,642)	(424)	(1,336)	(219,402)	1,204,995
16	Payment of dividends	-	-	-	(29,003)	-	-	-	-	-	(29,003)
13, 14	Proceeds from increase in share capital	21	227	-	-	-	-	-	-	-	248
	Total comprehensive income for the period	-	-	-	42,229	-	-	(1,668)	-	(1,668)	40,165
	Ending balance as at September 30, 2019	239,872	768,342	25,600	382,673	-	(217,642)	(2,092)	(1,336)	(221,070)	1,216,405

The accompanying condensed notes are an integral part of these financial statements.

**EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020 AND 2019**

In Thousand Baht											
Separate Financial Statements											
	Note	Issued and Paid-up Share Capital	Retained Earnings			Other Components of Equity				Total Components of Equity	Shareholders' Equity
			Premium on Shares	Appropriated for Legal Reserve	Unappropriated	Total	Revaluation Surplus on Assets - Net	Surplus on Business Combination under Common Control	Total Other Components of Equity		
<b>Beginning balance as at January 1, 2020</b>											
Balance previously reported		239,872	768,342	27,400	416,663	1,452,277	212,724	(217,392)	(4,668)	1,447,609	
Adjustment pertaining to accounting change	2	-	-	-	-	-	(212,724)	-	(212,724)	(212,724)	
Balance as adjusted		239,872	768,342	27,400	416,663	1,452,277	-	(217,392)	(217,392)	1,234,885	
Payment of interim dividends	16	-	-	-	(16,023)	(16,023)	-	-	-	(16,023)	
Total comprehensive income for the period		-	-	-	21,499	21,499	-	-	-	21,499	
<b>Ending balance as at September 30, 2020</b>		<b>239,872</b>	<b>768,342</b>	<b>27,400</b>	<b>422,139</b>	<b>1,457,753</b>	<b>-</b>	<b>(217,392)</b>	<b>(217,392)</b>	<b>1,240,361</b>	
<b>Beginning balance as at January 1, 2019</b>											
Balance previously reported		239,851	768,115	25,600	384,395	1,417,961	242,325	(217,642)	24,683	1,442,644	
Adjustment pertaining to accounting change	2	-	-	-	-	-	(242,325)	-	(242,325)	(242,325)	
Balance as adjusted		239,851	768,115	25,600	384,395	1,417,961	-	(217,642)	(217,642)	1,200,319	
Payment of dividends	16	-	-	-	(29,003)	(29,003)	-	-	-	(29,003)	
Proceeds from increase in share capital	13, 14	21	227	-	-	248	-	-	-	248	
Total comprehensive income for the period		-	-	-	43,172	43,172	-	-	-	43,172	
<b>Ending balance as at September 30, 2019</b>		<b>239,872</b>	<b>768,342</b>	<b>25,600</b>	<b>398,564</b>	<b>1,432,378</b>	<b>-</b>	<b>(217,642)</b>	<b>(217,642)</b>	<b>1,214,736</b>	

The accompanying condensed notes are an integral part of these financial statements.

**EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020 AND 2019**

(REVIEWED)  
(UNAUDITED)

In Thousand Baht

**CASH FLOWS FROM OPERATING ACTIVITIES**

	Consolidated		Separate Financial Statements	
	2020	2019 (Restated)	2020	2019 (Restated)
Profit for the period	28,356	42,861	21,499	44,200
Adjustments				
Income tax expense	6,804	10,796	5,949	10,337
Depreciation and amortization	33,036	29,554	32,914	29,043
Gain on sales of rights in trade receivables and product brand	(18,796)	-	(18,796)	-
Loss (reversal of loss) on impairment of trade receivables and other receivables	(2,408)	(3)	(3,052)	181
Expenses on post-employment benefits	695	2,313	695	2,313
Loss (reversal of loss) on allowance for diminution in value of obsolete and slow-moving inventories	(200)	239	(200)	239
Share of profit from investment in associate and joint venture	(31,974)	(1,918)	-	-
Loss (gain) on valuation of fair value of derivatives	262	(23)	262	(23)
Unrealized gain on exchange rate	(575)	(61)	(588)	(61)
Gain on sales of fixed assets	-	(7,118)	-	(7,079)
Loss on sales of intangible assets	-	265	-	-
Loss on written-off assets	18,167	3,633	36	2,570
Unrealized gain on valuation of fair value of current investment	-	(157)	-	(157)
Interest income	(5,562)	(9,288)	(7,422)	(5,743)
Interest expense	98,855	84,010	100,184	80,364
Decrease (increase) in operating assets				
Trade receivables	(64,863)	29,261	(80,226)	28,248
Receivable from sales of rights	7,000	-	7,000	-
Inventories	(11,748)	(147,514)	(11,840)	(148,375)
Other current assets	(5,134)	(7,540)	(4,029)	(7,977)
Intangible assets	-	931	-	-
Other non-current assets	(5,526)	(15,529)	(5,545)	1,319
Increase (decrease) in operating liabilities				
Trade payables - related party	-	-	1	-
Trade payables - other parties	83,906	(53,215)	80,010	(53,215)
Other payables - related parties	-	(1,567)	6,941	(775)
Accrued expenses and other current liabilities	(3,279)	(13,884)	(4,736)	(12,838)
Net cash flows provided by (used in) operations	127,016	(53,954)	119,057	(37,429)
Income tax paid	(7,034)	(17,680)	(5,981)	(17,559)
<b>Net Cash Flows Provided by (Used in) Operating Activities</b>	<b>119,982</b>	<b>(71,634)</b>	<b>113,076</b>	<b>(54,988)</b>

**EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS (Continued)**  
**FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020 AND 2019**

(REVIEWED)  
(UNAUDITED)

In Thousand Baht

	Consolidated		Separate Financial Statements	
	2020	2019	2020	2019
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Decrease (increase) in restricted deposits at banks	42,122	(20,647)	42,122	(20,647)
Decrease (increase) in short-term loans to related parties	11,560	(7,600)	(88,000)	(76,000)
Collections on other installment receivables	16,650	7,600	16,650	-
Decrease (increase) in short-term loans to other parties	(39,000)	60,500	(35,000)	-
Decrease (increase) in current investment	9,979	(55,000)	9,979	(55,000)
Increase in investment in associate	-	(14,049)	-	-
Increase in deposit for investment project	-	(25,000)	-	(25,000)
Decrease (increase) in advance for purchase of investment	15,000	(50,000)	15,000	(50,000)
Decrease (increase) in advances for share subscription	(109,531)	(25,000)	78,375	(2,620)
Additions to plant and equipment	(55,164)	(35,787)	(55,164)	(30,650)
Additions to intangible assets	-	(2)	-	(2)
Proceeds from sales of fixed assets	-	8,144	-	7,290
Dividends received	6,911	-	-	-
Interest received	3,945	3,159	4,206	1,542
<b>Net Cash Flows Used in Investing Activities</b>	<b>(97,528)</b>	<b>(153,682)</b>	<b>(11,832)</b>	<b>(251,087)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Increase in bank overdrafts and short-term borrowings from financial institutions	107,471	35,558	110,262	36,887
Decrease in factoring payables	(3,089)	(18,394)	(3,089)	(18,394)
Increase (decrease) in short-term loans from other parties	(21,527)	(90,000)	(1,527)	20,000
Increase (decrease) in short-term loans from related parties	8,000	-	(48,700)	15,500
Repayments to short-term loans from related parties	-	-	-	(43,500)
Decrease in lease liabilities	(2,109)	(2,475)	(2,109)	(2,475)
Increase in long-term borrowings	30,000	39,590	30,000	39,590
Repayments of long-term borrowings	(23,687)	(13,935)	(21,172)	(11,932)
Issuance of debentures	581,100	380,200	581,100	380,200
Redemption of debentures	(609,800)	(64,800)	(609,800)	(64,800)
Debenture issuance costs	(14,375)	(7,802)	(14,375)	(7,802)
Proceeds from increase in share capital	-	248	-	248
Dividends and interim dividends paid	(16,023)	(29,003)	(16,023)	(29,003)
Interest paid	(92,753)	(75,874)	(93,865)	(73,526)
<b>Net Cash Flows Provided by (Used in) Financing Activities</b>	<b>(56,792)</b>	<b>153,313</b>	<b>(89,298)</b>	<b>240,993</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(34,338)</b>	<b>(72,003)</b>	<b>11,946</b>	<b>(65,082)</b>
<b>Cash and Cash Equivalents at Beginning of Period</b>	<b>84,061</b>	<b>132,359</b>	<b>5,524</b>	<b>98,436</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>49,723</b>	<b>60,356</b>	<b>17,470</b>	<b>33,354</b>

## EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

(REVIEWED)

## STATEMENTS OF CASH FLOWS (Continued)

(UNAUDITED)

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020 AND 2019

	In Thousand Baht			
	Consolidated		Separate Financial Statements	
	2020	2019	2020	2019
<b>Supplementary disclosures of cash flow information:</b>				
<b>a. Cash and cash equivalents at end of period</b>				
Cash in hand	430	530	319	313
Current accounts at banks	23,727	14,197	2,386	13,597
Savings deposits at banks	21,022	45,170	10,221	18,985
Short-term fixed deposits at banks	4,544	459	4,544	459
Total	49,723	60,356	17,470	33,354
<b>b. Non-cash transactions</b>				
Purchases of fixed assets by means of payables	9,727	10,850	9,727	11,357
Purchases of intangible assets by means of payables	-	24	-	24
Transfer of other non-current assets to fixed assets	2,310	-	2,310	-
Transfer of fixed assets to right-of-use assets	4,003	-	4,003	-
Transfer of fixed assets to intangible assets	950	-	950	-
Transfer of trade receivables to receivables from sales of rights	55,000	-	55,000	-
Sales of fixed asset by means of receivables	-	19	-	-
Sale of intangible asset by means of receivable	-	187	-	-
Interest on long-term loan capitalized as cost of fixed assets	-	966	-	966
Initial recognition of right-of-use assets and lease liabilities	1,874	-	1,874	-
Increase in right-of-use asset by new hire purchase agreement	1,614	-	1,614	-
Transfer of investment in joint venture to non-current asset held for sale	227,711	-	-	-
Transfer of advances for share subscription to investment in associate	172,097	-	-	-
Dividends receivable from associate	2,050	-	-	-

The accompanying condensed notes are an integral part of these financial statements.

**EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**Condensed Notes to Financial Statements**  
**September 30, 2020 and 2019 (Unaudited) (Reviewed)**  
**and December 31, 2019 (Audited)**

**1. BASIS FOR THE PREPARATION OF INTERIM FINANCIAL INFORMATION**

The accompanying interim financial information is prepared on a condensed basis and in accordance with the Thai Accounting Standard No. 34 (Revised 2019) “Interim Financial Reporting” including interpretations and guidelines promulgated by the Thai Federation of Accounting Professions (“TFAC”), applicable rules and regulations of the Securities and Exchange Commission, and applicable announcements of the Department of Business Development.

The accompanying interim financial information has been prepared to provide additional information to the financial statements for the year ended December 31, 2019 by focusing on new activities, events and circumstances which are not repeated information previously reported. Accordingly, the accompanying interim financial information should be read in conjunction with the financial statements for the year ended December 31, 2019.

The consolidated financial statements for the three-month and nine-month periods ended September 30, 2020 and 2019, and the consolidated financial statements for the year ended December 31, 2019, which are a component of this interim financial information, include the accounts of the Company and its subsidiaries which the Company has controlling power or directly and indirectly holdings on those subsidiaries as discussed in Note 7.

Significant intercompany transactions between the Company and its subsidiaries have been eliminated in the preparation of the consolidated financial statements.

Starting from January 1, 2020, the Company and its subsidiaries have adopted Thai Accounting Standards (TAS) and Thai Financial Reporting Standards (TFRS) as well as Thai Accounting Interpretation (TSIC), Thai Financial Reporting Interpretation (TFRIC) and accounting guidance, issued and revised by TFAC, which became effective from the accounting period starting on or after January 1, 2020. The aforesaid adoption of newly issued and revised TAS and TFRS as well as TSIC, TFRIC and accounting guidance did not have any material effect on the Company and its subsidiaries, except:

*TFRS 9 and other related standards*

TFRS 9 specifies the methods that the entity shall classify and measure its financial assets, financial liabilities, and contracts to purchase or sell the non-financial items. TFRS 9 is divided into the following three parts:

1. Classification and measurement
2. Impairment
3. Hedge accounting

Financial assets shall be classified and measured with respect to the business model on asset management and characteristics of the asset’s contractual cash flows which is divided into three categories i.e. amortized cost, fair value through other comprehensive income, and fair value through profit or loss. Upon changes in business model on financial asset management are known, the affected financial assets shall be considered for proper reclassification.

Financial liabilities shall be classified and measured at amortized cost except for financial liabilities measured at fair value through profit or loss (such liabilities include derivative liabilities). Reclassification of financial liabilities is prohibited.



**EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**Condensed Notes to Financial Statements (Continued)**  
**September 30, 2020 and 2019 (Unaudited) (Reviewed)**  
**and December 31, 2019 (Audited)**

Impairment loss (previously referred to as provision for doubtful account for certain items in the financial statements) from the expected credit loss of financial assets shall be recognized under General approach in the following stages:

1. Stage 1 (performing): the 12-month expected credit loss shall be recognized in profit or loss. Interest income (if any) shall be calculated base on gross carrying amount without netting the allowance for expected credit loss.
2. Stage 2 (under-performing): upon significant rise in credit risk and not being at low level, the entity shall recognize the full lifetime expected credit loss in profit or loss. Interest income (if any) shall be calculated based on the same principle to Stage 1.
3. Stage 3 (credit-impaired): upon significant rise in credit risk of financial asset that is considered as credit impaired, the entity shall recognize the full lifetime expected credit loss in profit or loss. Interest income (if any) shall be calculated base on gross carrying amount net of the allowance for impairment.

For trade receivables and contract assets, the entity is able to adopt Simplified approach by recognizing the full lifetime expected credit loss for financial assets considered under the aforesaid stages 1, 2 and 3. In consideration and measurement of expected credit loss for both General approach and Simplified approach, the historical credit loss shall be combined with the forward looking information.

Hedge accounting is purposed for reflecting the impacts in the financial statements that are caused in risk management activities using the financial instruments on management of exposures to the risks and such risks shall affect profit or loss and/or other comprehensive income. TFRS 9 specifies the relationships and related accounting treatment of hedge accounting into three categories i.e. fair value hedge, cash flows hedge, and hedge of net investment in foreign entity. There is no material effect on the Company and its subsidiaries from this part about hedge accounting.

Thus, TFRS 9 affects the Company and its subsidiaries to classify and measure its financial assets and financial liabilities in statement of financial position for each of the periods ended in 2020 as well as recognizing impairment for the expected credit loss of financial assets with respect to the aforesaid principle which is briefly summarized below:

*Classification and measurement*

Assets classified and measured at amortized cost

- Cash and cash equivalents
- Restricted deposits at banks
- Investment in short-term debt securities
- Trade receivables
- Other receivables (including refundable advances and deposits or guarantees)
- Loan receivables

Assets classified and measured at fair value through other comprehensive income - none

Assets classified and measured at fair value through profit or loss

- Derivatives assets (other current assets)

**EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**Condensed Notes to Financial Statements (Continued)**  
**September 30, 2020 and 2019 (Unaudited) (Reviewed)**  
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Liabilities classified and measured at amortized cost

- Bank overdrafts and short-term borrowings
- Trade payables
- Other payables (including accruals and deposits or guarantees with payment condition)
- Long-term borrowings
- Debentures
- Lease liabilities

Liabilities classified and measured at fair value through profit or loss

- Derivatives liabilities (other current liabilities)

As at December 31, 2019, there was no material effect from measurement of financial assets and financial liabilities with respect to the aforesaid principle. In addition, no restatement on the figures of comparative information of previous periods has been made in relation to classification and measurement because the Company and its subsidiaries exercised the option of modified retrospective adjustment by recognizing the cumulative effect from the first-time adoption of TFRS 9 at the date of initial application (January 1, 2020).

*Impairment*

For receivables and loans including investment in short-term debt securities, the Company and its subsidiaries categorized the population by focusing on aging balance information whereby the past records were captured for historical credit loss approximately 1 year. However, the Company and its subsidiaries had exercised certain mitigating measure indicated in the accounting guidance for Temporary Mitigating Policies for Alternative Accounting on the Effects from Pandemic Situation of the Coronavirus 2019 (COVID-19), issued by TFAC in April 2020. Such mitigating measure relates to exception from combining the forward looking information for the assets adopted the Simplified approach on consideration and measurement of the expected credit loss.

As at December 31, 2019, the effect of impairment from expected credit loss of the accounts discussed in the preceding paragraph was immaterial and no restatement on the figures of comparative information of previous periods has been made because the Company and its subsidiaries exercised the option of modified retrospective adjustment by recognizing the cumulative effect from the first-time adoption of TFRS 9 at the date of initial application (January 1, 2020).

TFRS 16

TFRS 16 specifies that lessee shall recognize right-of-use asset and lease liability for all lease agreements with the present value or discounted cash flows of payments throughout the lease term whereby the discount rate shall be considered appropriate in situation and to the entity. However, there is exception for short-term lease agreement (not exceeding 12-month period) or lease agreement for the underlying low-value asset whereby payments under the lease are able to be accounted for as expense. Right-of-use asset shall be depreciated by straight-line method over the lease term. Deferred interest, presented as deduction to lease liability, is amortized as finance cost over the lease term by the effective interest rate method. Each installment payment under the lease liability shall be separated into parts of principal and interest.

For lessor, classification and accounting for operating lease or finance lease is still required as previously applied. Therefore, there is no significant change or effect on the lessor.

**EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**Condensed Notes to Financial Statements (Continued)**  
**September 30, 2020 and 2019 (Unaudited) (Reviewed)**  
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TFRS 16 affects the Company to recognize right-of-use assets (non-current asset) and lease liabilities for the lease of vehicles (non-current liability) whereby the remaining lease term as at December 31, 2019 is 18 months and 29 months. The balances of non-current asset and non-current liability in the consolidated and separate statements of financial position as at December 31, 2019 increased from those previously reported of approximately Baht 1.87 million whereas the effect to the consolidated and separate statements of comprehensive income is immaterial. In addition, the Company transferred its fixed assets (vehicles) of which carrying amount of approximately Baht 4.00 million as at January 1, 2020 to present as part of carrying amount of the right-of-use assets as at that date.

Reconciling information of lease liabilities as at December 31, 2019 (or January 1, 2020)

	In Million Baht	
	Consolidated	Separate Financial Statements
Commitments on long-term leases disclosed as at January 1, 2020	1.97	1.97
Less deferred interest	( 0.10)	( 0.10)
Add liabilities under finance leases as at January 1, 2020	2.51	2.51
Lease liabilities as at January 1, 2020	4.38	4.38

The weighted average incremental borrowing rate that is used in determining the discounted cash flows by the Company is 6.025% p.a. In addition, no restatement on the figures of comparative information of previous periods has been made because the Company exercised the option of modified retrospective adjustment by recognizing the cumulative effect from the first-time adoption of TFRS 16 at the date of initial application (January 1, 2020).

For convenience of the readers, an English translation of the interim financial information has been prepared from the Thai language statutory interim financial information that is issued for domestic financial reporting purposes.

## **2. CHANGE IN ACCOUNTING POLICY**

Starting from January 1 2020, the Company has changed its accounting policy with respect of the valuation of its land, buildings and machinery from revaluation model to cost model (approved by the Company's Board of Directors on March 30, 2020) which is allowed under TFAC's Announcement No. 18/2554 dated April 12, 2011, "Accounting Guidance on Revaluation of Assets". Key rationales of such change in the accounting policy related to (1) possible practice and elimination of difficulties as well as significant undue costs in book closure under uniformity of the accounting policy of entities in the Group and (2) the Company's management considered that adoption of cost model shall be in line with the similar industry practice and give more clarity and appropriateness in reflection of management ability and financial performance of the Company as compared to revaluation model. Accordingly, the Company retrospectively adjusted the prior period financial statements, presented herein for comparative purpose, presuming as to the Company had previously accounted for and valued its land, buildings and machinery by the cost model. Such retrospectively adjustments have effects to certain significant items in the prior period financial statements, presented herein for comparative purpose, as follows:

**EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**Condensed Notes to Financial Statements (Continued)**  
**September 30, 2020 and 2019 (Unaudited) (Reviewed)**  
**and December 31, 2019 (Audited)**

	Consolidated and Separate Financial Statements Increase (Decrease) - In Thousand Baht
<u>Statement of Financial Position as at December 31, 2019</u>	
Asset revaluation surplus - net / Total assets	(242,661)
Deferred tax liabilities / Total liabilities	( 29,937)
Other components of equity / Total shareholders' equity	(212,724)
<u>Statement of Comprehensive Income for the Three-Month Period ended September 30, 2019</u>	
Cost of sales	( 8,363)
Administrative expenses	( 334)
Profit before income tax expense	8,697
Income tax expense	1,285
Profit and Total comprehensive income for the period	7,412
Profit and Total comprehensive income attributable to owners of the parent	7,412
Basic earnings per share and Diluted earnings per share (Baht)	0.0077
<u>Statement of Comprehensive Income for the Nine-Month Period ended September 30, 2019</u>	
Cost of sales	( 24,819)
Administrative expenses	( 991)
Profit before income tax expense	25,810
Income tax expense	3,813
Profit and Total comprehensive income for the period	21,997
Profit and Total comprehensive income attributable to owners of the parent	21,997
Basic earnings per share and Diluted earnings per share (Baht)	0.0229
<u>Statements of Changes in Shareholders' Equity for the Nine-Month Period ended September 30, 2020 and 2019</u>	
Asset revaluation surplus - net as at January 1, 2020	(212,724)
Asset revaluation surplus - net as at January 1, 2019	(242,325)
Transfer to retained earnings (2019)	( 21,997)
Total comprehensive income for the period to retained earnings (2019)	21,997
<u>Statement of Cash Flows for the Nine-Month Period ended September 30, 2019</u>	
Profit for the period	21,997
Income tax expense	3,813
Depreciation and amortization	( 25,810)

**EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**Condensed Notes to Financial Statements (Continued)**  
**September 30, 2020 and 2019 (Unaudited) (Reviewed)**  
**and December 31, 2019 (Audited)**

**3. SIGNIFICANT ACCOUNTING POLICIES**

The Company and its subsidiaries applied significant accounting policies and methods of computation to the preparation of interim financial information for the three-month and nine-month periods ended September 30, 2020 and 2019 which are similar to those applied to the preparation of financial statements for the year ended December 31, 2019 except (1) the matter relating to adoption of newly issued and revised TAS and TFRS as well as TIC, TFRIC and accounting guidance as discussed in Note 1 whereby the effects were already discussed in Note 1 and (2) additional accounting policy relating to non-current asset held for sale of which the carrying amount is recovered principally through a sale transaction and a sale is considered highly probable. The non-current asset held for sale is measured at the lower of carrying amount and fair value less cost to sell (see Note 7).

**4. TRANSACTIONS WITH RELATED PARTIES**

Transactions with related parties for the three-month and nine-month periods ended September 30, 2020 and 2019 are as follows:

	Consolidated (In Thousand Baht)			
	Three-Month Periods		Nine-Month Periods	
	2020	2019	2020	2019
<b>Sales of products</b>				
Related companies	7,467	6,425	16,043	20,231
<b>Interest income</b>				
Associate	-	14	16	43
Joint venture	181	228	613	704
Related person	210	945	692	2,805
Total	391	1,187	1,321	3,552
<b>Other income</b>				
Related companies	144	129	429	1,163
<b>Dividend income</b> <b>(presented as a deduction to</b> <b>investment value)</b>				
Associate	6,486	-	8,961	-
<b>Showroom rental and service</b> <b>charges</b>				
Related company	-	1,894	-	8,964
<b>Interest expense</b>				
Related persons	57	-	71	-
<b>Key management's</b> <b>remunerations</b>				
Short-term benefits	5,166	4,855	14,398	14,869
Post-employment benefits	52	201	219	1,223
Total	5,218	5,056	14,617	16,092

**EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**Condensed Notes to Financial Statements (Continued)**  
**September 30, 2020 and 2019 (Unaudited) (Reviewed)**  
**and December 31, 2019 (Audited)**

	Separate Financial Statements (In Thousand Baht)			
	Three-Month Periods		Nine-Month Periods	
	2020	2019	2020	2019
<b>Sales of products</b>				
Subsidiaries	20,228	2,336	58,218	6,899
Related companies	4,936	6,425	13,512	20,231
Total	25,164	8,761	71,730	27,130
<b>Interest income</b>				
Subsidiaries	1,712	1,021	2,680	2,037
Related person	210	-	692	-
Total	1,922	1,021	3,372	2,037
<b>Space rental income</b>				
Subsidiary	-	-	-	3
<b>Other income</b>				
Related companies	144	-	429	944
<b>Purchases of inventories</b>				
Subsidiary	1	-	1	-
<b>Purchase of equipment</b>				
Subsidiary	-	-	-	542
<b>Showroom rental and service charges</b>				
Related company	-	1,894	-	8,964
<b>Interest expense</b>				
Subsidiaries	4	20	1,852	631
Related person	-	-	14	-
Total	4	20	1,866	631
<b>Key management's remunerations</b>				
Short-term benefits	4,326	4,855	13,558	14,869
Post-employment benefits	52	201	219	1,223
Total	4,378	5,056	13,777	16,092

Outstanding balances with related parties as at September 30, 2020 and December 31, 2019 are as follows:

	In Thousand Baht			
	Consolidated		Separate Financial Statements	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
<b>Trade receivables</b>				
Subsidiaries	-	-	37,329	4,029
Related companies	7,995	6,517	5,288	6,517
Total	7,995	6,517	42,617	10,546

**EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**Condensed Notes to Financial Statements (Continued)**  
**September 30, 2020 and 2019 (Unaudited) (Reviewed)**  
**and December 31, 2019 (Audited)**

	In Thousand Baht			
	Consolidated		Separate Financial Statements	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
<b>Other installment receivables</b> <b>(see Note 6)</b>				
Related person				
- Due for payments within one year	5,550	8,325	5,550	8,325
- Due for payments after one year but not exceeding three years	8,335	11,110	8,335	11,110
Total	13,885	19,435	13,885	19,435
Interest receivable (other current assets)	711	19	711	19
Total	14,596	19,454	14,596	19,454
<b>Other receivables</b> <b>(other current assets)</b>				
Subsidiary	-	-	-	2,720
Related company	191	114	191	114
Total	191	114	191	2,834
<b>Short-term loans and interest receivable</b>				
<b>Interest receivable</b>				
Subsidiaries	-	-	2,680	1,826
Associate	-	141	-	-
Joint venture	322	1,132	-	-
<b>Short-term loans</b>				
Subsidiaries (interest rate at 5.5% - 7.0% p.a. and due at call)	-	-	123,000	35,000
Associate (interest rate at 5% p.a. and due at call)	-	1,161	-	-
Joint venture (interest rate at 7.0% - 7.5% p.a. and due at call)	2,200	12,600	-	-
Total	2,522	15,034	125,680	36,826
<b>Dividends receivable</b> <b>(Other current assets)</b>				
Associate	2,050	-	-	-
<b>Advances for share subscription</b>				
Subsidiary	-	-	-	78,375
Associate	16,084	78,750	-	-
Total	16,084	78,750	-	78,375
<b>Guarantees on construction of power plant project</b>				
Associate	20,000	20,000	-	-
<b>Trade payables</b>				
Subsidiary	-	-	1	-
<b>Other payables</b>				
Subsidiary	-	-	6,941	-

**EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**Condensed Notes to Financial Statements (Continued)**  
**September 30, 2020 and 2019 (Unaudited) (Reviewed)**  
**and December 31, 2019 (Audited)**

	In Thousand Baht			
	Consolidated		Separate Financial Statements	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
<b>Short-term loans and interest payable</b>				
<b>Interest payable</b>				
Subsidiaries	-	-	1,066	792
Related person	56	-	-	-
<b>Short-term loans</b>				
Subsidiary (interest rate at 7.0% - 7.5% p.a. and due at call)	-	-	-	48,700
Related person (interest rate at 5.25% p.a. and due at call)	8,000	-	-	-
<b>Total</b>	<b>8,056</b>	<b>-</b>	<b>1,066</b>	<b>49,492</b>

Movements of short-term loans to and from related parties during the period are as follows:

	Consolidated (In Thousand Baht)			
	December 31, 2019	Movements during the period		September 30, 2020
		Increase	Decrease	
<b>Short-term loans to</b>				
Green Earth Power (Thailand)				
Co., Ltd.	1,161	-	1,161	-
Safe Energy Holdings Co., Ltd.	12,600	-	10,400	2,200

	Separate Financial Statements (In Thousand Baht)			
	December 31,	Movements during the period		September 30,
	2019	Increase	Decrease	2020
ECF Holdings Co., Ltd.	35,000	-	-	35,000
ECF Power Co., Ltd.	-	88,000	-	88,000

	Consolidated (In Thousand Baht)			
	December 31,	Movements during the period		September 30,
	2019	Increase	Decrease	2020
<b>Short-term loans from</b>				
Director	-	25,000	25,000	-
Relative of director	-	8,000	-	8,000

	Separate Financial Statements (In Thousand Baht)			
	December 31,	Movements during the period		September 30,
	2019	Increase	Decrease	2020
ECF Power Co., Ltd.	26,000	-	26,000	-
Planet Board Co., Ltd.	22,700	100,800	123,500	-
Director	-	25,000	25,000	-



**EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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**5. TRADE RECEIVABLES**

As at September 30, 2020 and December 31, 2019, trade receivables classified by outstanding period are as follows:

	In Thousand Baht			
	Consolidated		Separate Financial Statements	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
<i>Related companies</i>				
Current	5,506	4,945	24,160	6,589
Overdue :				
Not exceeding 3 months	2,480	1,559	17,231	3,763
Between 3 months - 6 months	-	-	1,217	181
Over 12 months	9	13	9	13
Total	<u>7,995</u>	<u>6,517</u>	<u>42,617</u>	<u>10,546</u>
<i>Other companies - net</i>				
Current	194,231	173,475	178,809	172,544
Overdue :				
Not exceeding 3 months	61,322	56,940	59,215	55,663
Between 3 months - 6 months	1,932	8,720	1,873	8,696
Between 6 months - 12 months	42,488	11,704	42,485	11,704
Over 12 months	8,950	49,419	6,085	46,426
Total	<u>308,923</u>	<u>300,258</u>	<u>288,467</u>	<u>295,033</u>
Less Allowance for impairment for expected credit loss	<u>( 4,860)</u>	<u>( 23,458)</u>	<u>( 1,994)</u>	<u>( 21,237)</u>
Net	<u>304,063</u>	<u>276,800</u>	<u>286,473</u>	<u>273,796</u>

As at September 30, 2020 and December 31, 2019, the Company discounted, under factoring, its trade receivables amounting to approximately Baht 110.5 million and Baht 130.0 million, respectively, with four local financial institutions (under credit facilities totalling Baht 215 million), whereby such financial institutions can take recourse action on the Company amounting to approximately Baht 105.1 million and Baht 108.2 million, respectively. The Company presented such amounts of obligation under the recourse action as "Factoring payables" in the statements of financial position.

At the Board of Directors' meeting in March 2020, the Board of Directors passed the resolution to approve the Company to sell a portion of trade receivables, incurred from sales through agents, together with the related rights in product brand to a non-related company, whose business is engaged in trading of construction and household decoration materials, at carrying amount of Baht 55 million whereby such trade receivables had carrying amount of approximately Baht 36.2 million and incurred gain on sales of approximately Baht 18.8 million of which mainly is attributable to payment for the related rights in product brand whereby the Company has transferred control in the rights for cash collection on trade receivables and rights in product brand to buyer. Such gain was separately presented in the consolidated and separate statements of comprehensive income for the nine-month period ended September 30, 2020. In addition, under the related sale-purchase agreement together with relevant letter compromising the debt, the Company has agreed with buyer to settle the aforesaid price in monthly installments starting from April 2020 to March 2022 with interest charge at the rate 6% p.a. until settlement is completed. As at September 30, 2020, balance of such receivable from sales of rights carrying for collection within one year and exceeding one year amounted to Baht 27 million and Baht 21 million, respectively.

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**6. LOAN TO OTHER PARTIES OF WHICH RIGHTS DISPOSED TO BE OTHER  
INSTALLMENT RECEIVABLES**

Previously, this account represented loan to Inter Far East Energy Corporation Public Company Limited (“IFEC”) amounting to Baht 50 million with interest charge at the rate of 6.25% per annum that is secured by common shares of a subsidiary of IFEC and is in the form of deposit for feasibility study of investment in the 1-Megawatt solar power plant project of CR Solar Co., Ltd. (“CRS”), located at Amphur Thern in Lampang province, whereby CRS is other subsidiary of IFEC. On December 22, 2017, the Company, IFEC, and CRS entered into the Memorandum of Understanding (“MOU”) for determining the condition that such loan and related interest receivable will be able to use as deposit on future settlement of the price on purchase-sale of the business if the Company is satisfied by outcome of the feasibility study and decides to invest. Such loan had been charged for interest until all conditions under such MOU are fulfilled. The Company and IFEC had negotiated and mutually agreed to extend duration for due diligence process to be within November 30, 2019 as well as duration for entering into purchase-sale agreement of the business to be within December 31, 2019.

However, the due diligence process has been in progress and cannot be assessed for its completion, the Board of Directors’ meeting on December 24, 2019, therefore, passed the resolution to approve the Company to dispose the rights under aforesaid loan agreement as well as related pledge agreement and MOU to (1) a non-related person who is shareholder of the venturer and director of the Company’s joint venture and (2) a major shareholder and director of the Company at the portion of two-third and one-third, respectively, of the balance of loan principal including interest as at December 24, 2019 (totalling approximately Baht 58.30 million). Such amount is attributable to (1) totalling approximately Baht 38.87 million and (2) totalling approximately Baht 19.43 million. The disposal to (1) and (2) shall be collected in 7 installments, six-month period per installment, starting from December 2019. Installment for (1) and (2) amounted to approximately Baht 5.55 million and Baht 2.78 million, respectively. The Company also charges interest on installments from (1) and (2) at the rate of 6% per annum. Since December 24, 2019, the Company has not had any rights or agreements in connection with IFEC and the Company is no longer have intention to continue the due diligence and purchase-sale of the business with CRS. As at September 30, 2020 and December 31, 2019, current portion of “Other installment receivables” to be collected from (1) and (2) amounted to approximately Baht 11.10 million and Baht 5.55 million, respectively, while non-current portion amounted to approximately Baht 16.67 million and Baht 8.34 million, respectively.

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**7. INVESTMENT IN SUBSIDIARIES ACCOUNTED FOR USING THE COST METHOD  
AND INVESTMENT IN ASSOCIATE AND JOINT VENTURE ACCOUNTED FOR  
USING THE EQUITY METHOD**

*Investment in subsidiaries accounted for using the cost method*

	Separate Financial Statements					
	Authorized Share Capital (In Thousand Baht)		Percentage of Shareholding		Cost of Investment (In Thousand Baht)	
	2020	2019	2020	2019	2020	2019
VV-Decor Co., Ltd.	1,000	1,000	99.95	99.95	1,000	1,000
ECF Holdings Co., Ltd.	10,000	10,000	75.00	75.00	7,500	7,500
ECF Power Co., Ltd.	687,652	687,652	99.99	99.99	687,652	687,652
Planet Board Co., Ltd.	50,000	50,000	57.00	57.00	7,125	7,125
Total					<u>703,277</u>	<u>703,277</u>

At the Board of Directors' meeting on February 27, 2018, the Board of Directors passed the resolution to approve the investment budget for the increase in PNB's authorized share capital amounting to Baht 400 million (from Baht 50 million to Baht 450 million) to support the MDF board and particle board manufacturing project whereby such increase in share capital shall be done with respect to the existing proportion of the shareholders that pertained to the Company's portion of 57% amounting to Baht 228 million. Near the end of 2018, the Company paid advance payment for the incremental shares to PNB amounting to approximately Baht 78.4 million. PNB repaid such amount pertaining to the incremental shares to the Company in March 2020 because PNB has a plan to delay its increase in share capital and investment project.

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*Investment in associate and joint venture accounted for using the equity method*

	Percentage of Shareholding by Subsidiary		Consolidated (In Thousand Baht)			
			Authorized Share Capital		Investment Value	
	2020	2019	2020	2019	2020	2019
<i>Investment in associate</i>						
Green Earth Power (Thailand) Co., Ltd. ("GEP")	20.00	20.00	1,080,648	215,756	554,532	356,389
						8,961
<i>Investment in joint venture</i>						
Safe Energy Holding Co., Ltd. ("SAFE")	33.37	33.37	581,000	581,000	227,711	227,711
					782,243	584,100
Less portion transferred to non-current asset held for sale					(227,711)	-
Total					554,532	584,100

Share of profit from GEP for the nine-month period ended September 30, 2020 amounted to approximately Baht 32.0 million whereas share of other comprehensive income for the same period amounted to approximately Baht 2.9 million. In addition, as at September 30, 2020 and December 31, 2019, the Company's subsidiary (ECF-P) has paid advances for share subscription with respect to GEP's plan for increase in share capital amounting to approximately Baht 16.1 million and Baht 78.8 million, respectively. During the nine-month period ended September 30, 2020, ECF-P additionally invested in GEP amounting to approximately Baht 172.2 million by means of transfers from advances for share subscription.

In the future, GEP will increase its share capital to support the investment in construction of power plant and production of the electric power for sales of its subsidiary (100% held by GEP), i.e. GEP (Myanmar) Company Limited ("GEPM"), whereby the project will be separated into 4 phases until reaching full capacity of 220 megawatts. According to such increase in share capital, ECF-P shall additionally invest in the future for its portion amounting to approximately Baht 199.38 million during 2020 to 2021. GEP is engaged as a holding and management company in the 220 megawatt solar power plant project of GEPM which is located in Minbu province, Myanmar.

In 2019, ECF-P has placed guarantee for construction of the solar power plant of its associate amounting to Baht 20.0 million which is refundable upon completion of construction of the solar power plant (all four phases). Such guarantee was presented as part of "Deposits and guarantees" in the consolidated statements of financial position as at September 30, 2020 and December 31, 2019.

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ECF-P has used its 1,363,636 share certificates (63% of the entire shares invested) of investment in GEP as guarantee for payments of construction costs of the solar power plant project in Myanmar of GEPM to two subsidiaries of Meta Corporation Public Company Limited who are the construction contractors. This matter was made with respect to the payment condition of such project that payments shall be made after the completion of construction works.

In order to maximize benefits to the Group, in the first quarter of 2020, ECF-P entered into a plan for sales of the entire investment in SAFE to a venturer of SAFE under the sale-purchase agreement (including revised version in the third quarter of 2020), jointly arranged with another venturer, with total price of approximately Baht 233.9 million (formerly, the price was amounted to approximately Baht 222.9 million that triggered loss on valuation to ECF-P amounting to approximately Baht 4.8 million in the first quarter of 2020). The investment value under equity method of SAFE in that period amounted to approximately Baht 227.7 million. The Group has ceased using the equity method of accounting on valuation of such investment and used such value as a deemed cost of the investment which is less than its fair value less cost to sell of approximately Baht 6.2 million. The aforesaid plan for sales is expected to complete within 2020. The Group classified and presented the aforesaid investment as “Non-current asset held for sale” in the consolidated statement of financial position as at September 30, 2020 and valued such item at the aforesaid new carrying amount. In addition, for reporting of significant financial information disaggregated by operating segment, such investment is categorized under segment “Other products”.

**8. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES**

	In Thousand Baht			
	Consolidated		Separate Financial Statements	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
Other payables	24,426	15,324	22,483	14,704
Accrued advertising and sales promotion expenses	7,478	12,309	7,478	12,309
Accrued salary, wage, and welfares	6,631	6,373	6,629	6,370
Accrued interest	5,129	7,694	5,129	7,694
Accrued electricity	3,641	2,901	3,641	2,901
Advances from customers	3,304	4,040	3,304	4,040
Accrued commission	2,569	1,897	2,341	1,897
Others	4,936	3,195	4,623	2,802
<b>Total</b>	<b>58,114</b>	<b>53,733</b>	<b>55,628</b>	<b>52,717</b>

**9. DEBENTURES**

	Consolidated and Separate Financial Statements (In Thousand Baht)	
	September 30, 2020	December 31, 2019
Debentures	961,300	990,000
Less Deferred direct transaction costs on debenture issuance	( 13,768)	( 9,200)
<b>Net</b>	<b>947,532</b>	<b>980,800</b>
Less Due for payments within one year	( 378,070)	( 605,685)
<b>Net</b>	<b>569,462</b>	<b>375,115</b>

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On February 16, 2018, the Company limitedly issued and offered the registered, unsubordinated, and secured debentures to the institutional investors of 699,900 units of which face value per unit is Baht 1,000. Such debentures bear interest rate at 6.5% p.a. whereby interest was payable on a quarterly basis and the debentures were redeemed on August 9, 2020. The abovementioned debentures had significant conditions which include maintaining Debt-to-Equity ratio at the rate not exceeding 4:1.

On March 22, 2019, the Company limitedly issued and offered the registered, unsubordinated, and partially secured debentures to the institutional investors of 200,000 units of which face value per unit is Baht 1,000. Such debentures bear interest rate at 6.75% p.a. whereby interest is payable on a quarterly basis and matured for redemption on March 22, 2021. The abovementioned debentures have significant conditions which include maintaining Debt-to-Equity ratio at the rate not exceeding 4:1.

On July 31, 2019, the Company limitedly issued and offered the registered, unsubordinated, and unsecured debentures to the institutional investors of 180,200 units of which face value per unit is Baht 1,000. Such debentures bear interest rate at 6.50% p.a. whereby interest is payable on a quarterly basis and will mature for redemption on July 31, 2021. The abovementioned debentures have significant conditions which include maintaining Debt-to-Equity ratio at the rate not exceeding 4:1.

On June 12, 2020, the Company limitedly issued and offered the registered, unsubordinated, and partially secured debentures to the institutional investors of 581,100 units of which face value per unit is Baht 1,000. Such debentures bear interest rate at 7.25% p.a. whereby interest is payable on a quarterly basis and will mature for redemption on June 12, 2022. The abovementioned debentures have significant conditions which include maintaining Debt-to-Equity ratio at the rate not exceeding 4:1. These debentures are guaranteed by ECF-P's common share of 38,947,722 held by the Company.

Direct transaction costs on debenture issuance were debenture issuance costs, which were recorded as deferred item and systematically amortized on a straight-line method as part of finance costs over the term of related debentures.

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**10. INCOME TAX**

Income tax recorded as expense (income) for the three-month and nine-month periods ended September 30, 2020 and 2019 consists of:

	Three-Month Periods (In Thousand Baht)			
	Consolidated		Separate Financial Statements	
	2020	2019	2020	2019
Income tax computed from accounting profit	4,721	3,746	2,110	3,640
Effects from non-deductible expenses	2,282	967	1,605	588
Effects from additional deductible expenses or items not yet recognized as taxable income	( 4,422)	( 724)	( 1,444)	( 430)
Effects from reduction in income tax rate under investment promotion	( 1,448)	-	( 1,448)	-
Current tax on taxable profit	1,133	3,989	823	3,798
Decrease (increase) in deferred tax assets	1,114	( 145)	153	( 145)
Increase (decrease) in deferred tax liabilities	84	( 136)	84	( 136)
Income tax presented as profit or loss in statements of comprehensive income	<u>2,331</u>	<u>3,708</u>	<u>1,060</u>	<u>3,517</u>
	Nine-Month Periods (In Thousand Baht)			
	Consolidated		Separate Financial Statements	
	2020	2019	2020	2019
Income tax computed from accounting profit	7,025	10,719	5,490	10,908
Effects from non-deductible expenses	9,730	2,648	3,074	1,515
Effects from additional deductible expenses or items not yet recognized as taxable income	( 11,545)	( 2,102)	( 4,209)	( 1,679)
Effect from utilization of tax loss carryforward	-	( 62)	-	-
Effects from reduction in income tax rate under investment promotion	( 3,201)	-	( 3,201)	-
Current tax on taxable profit	2,009	11,203	1,154	10,744
Decrease (increase) in deferred tax assets	3,881	( 547)	3,881	( 547)
Increase in deferred tax liabilities	914	140	914	140
Income tax presented as profit or loss in statements of comprehensive income	<u>6,804</u>	<u>10,796</u>	<u>5,949</u>	<u>10,337</u>
Increase in deferred tax assets pertaining to other comprehensive loss	<u>-</u>	<u>257</u>	<u>-</u>	<u>257</u>

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Deferred tax assets and liabilities presented in statements of financial positions as at September 30, 2020 and December 31, 2019 consist of:

	In Thousand Baht			
	Consolidated		Separate Financial Statements	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
<i>Deferred tax assets</i>				
Effects from temporary non-deductible items				
- Allowance for diminution in value of obsolete and slow moving inventories	1,091	1,131	1,091	1,131
- Allowance for impairment of trade receivables and other receivables	1,198	5,178	1,198	5,178
- Allowance for impairment of building and equipment	1,092	1,092	1,092	1,092
- Liability for post-employment benefits	2,277	2,138	2,277	2,138
Total deferred tax assets	<u>5,658</u>	<u>9,539</u>	<u>5,658</u>	<u>9,539</u>
<i>Deferred tax liabilities</i>				
Effects from temporary non-recognized items as expense in accounting :				
- Unamortized debenture issuance costs	2,754	1,840	2,754	1,840
Total deferred tax liabilities	<u>2,754</u>	<u>1,840</u>	<u>2,754</u>	<u>1,840</u>

As at September 30, 2020, a subsidiary had tax loss carryforward of approximately Baht 83.7 million whereby such loss is able to be used as tax credit during 2020 until 2025.

# 11. LIABILITY FOR POST-EMPLOYMENT BENEFITS

Movements of liability for post-employment benefits for nine-month periods ended September 30, 2020 and 2019 are as follows:

	Consolidated and Separate Financial Statements (In Thousand Baht)	
	2020	2019
Liability for post-employment benefits as at January 1	<u>10,688</u>	<u>6,793</u>
Current service cost	548	683
Interest cost	147	208
Past service cost	-	1,422
Expense recognized as profit or loss in statements of comprehensive income	<u>695</u>	<u>2,313</u>
Actuarial loss on remeasurement	-	1,285
Liability for post-employment benefits as at September 30	<u>11,383</u>	<u>10,391</u>



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The abovementioned actuarial loss on remeasurement comprised of (1) loss from experience adjustment amounting to approximately Baht 3,723 thousand, (2) gain from changes in financial assumptions amounting to approximately Baht 1,741 thousand, and (3) gain from changes in demographic assumptions amounting to approximately Baht 697 thousand.

Significant assumptions used in the calculation of liability for post-employment are as follows:

- Discount rate	2.66% p.a.
- Salary escalation rate	3.00% p.a.
- Employee turnover rate	8% - 35% p.a.

The abovementioned changes in significant assumptions may affect the sensitivity of the balance of provision for post-employment benefits in respect of the information as per the calculation report of the qualified actuary as follows:

Significant Assumptions	Liability may increase (decrease) from changes in significant assumptions (In Thousand Baht)	
	If assumption increased	If assumption decreased
Discount rate (increase/decrease by 0.5%)	(337)	358
Salary escalation rate (increase/decrease by 0.5%)	427	(403)
Employee turnover rate (increase/decrease by 1%)	(895)	1,023

During 2018, the National Legislative Assembly agreed and approved to edit some provisions of the Labour Protection Act 1998 (B.E. 2541) which include the increase in compensations to be paid to the employees whose working period have reached 20 years or above from previously equivalent to basic wage of 300 days to 400 days. Such matter was later legally announced in the early of April 2019 in order to become effective in the early of May 2019. The Company's management considered, based on their judgement, that amendment of such employee benefit plan (amendment of the applicable laws) occurred and became effective in the second quarter of 2019. Accordingly, the Company accounted for the past service cost amounting to approximately Baht 1.4 million, resulted from the plan amendment, in the second quarter of 2019 which was presented as part of cost of sales and administrative expenses amounting to approximately Baht 0.2 million and Baht 1.2 million, respectively, in the statements of comprehensive income for nine-month period ended September 30, 2019.

## **12. SHORT-TERM LOANS FROM OTHER PARTIES**

As at September 30, 2020, this account represented short-term loans under bill of exchange, unsecured and partially secured by the Company's common shares of totalling 108.11 million held by two directors and a relative of such two directors, issued by the Company to several non-related persons between January and September 2020. These loans bear interest ranging between 6.50% p.a. and 7.25% p.a. and have maturities not exceeding nine months from the particular issuance dates.

As at December 31, 2019, this account represented short-term loans under bill of exchange, unsecured and partially secured by the Company's common shares of approximately 59.7 million held by certain directors, issued by the Company and a subsidiary to several non-related persons between June and November 2019. These loans bear interest ranging between 5.5% p.a. and 6.5% p.a. and have maturities not exceeding seven months from the particular issuance dates.

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**13. SHARE CAPITAL AND PREMIUM ON SHARES**

	Par Value (In Baht)	In Thousand Shares / In Thousand Baht			
		September 30, 2020		December 31, 2019	
		No. of Share	At Par Value	No. of Share	At Par Value
Authorized share capital					
As at September 30, 2020 and December 31, 2019					
- Common shares	0.25	<u>1,196,646</u>	<u>299,162</u>	<u>1,249,848</u>	<u>312,462</u>
Issued and paid-up shares					
As at January 1, 2020 and 2019					
- Common shares	0.25	<u>959,488</u>	<u>239,872</u>	<u>959,405</u>	<u>239,851</u>
Exercise of warrants	0.25	<u>-</u>	<u>-</u>	<u>83</u>	<u>21</u>
As at September 30, 2020 and December 31, 2019					
- Common shares	0.25	<u>959,488</u>	<u>239,872</u>	<u>959,488</u>	<u>239,872</u>

At the general shareholders' meeting on July 8, 2020, the shareholders passed the resolutions to approve and acknowledged the following significant matters:

- a. Decrease in the Company's authorized share capital of Baht 40,100,543.75 (from previously Baht 312,462,090.75 to Baht 272,361,547.00) by eliminating the unissued 160,402,175 common shares, Baht 0.25 par value. Such common shares comprised of (1) 53,402,175 common shares that were previously appropriated for the exercise of ECF-W2 warrants whereby the exercise period has ended, (2) 95,000,000 common shares that were previously appropriated for offering under the Private Placement with General Mandate method and (3) 12,000,000 common shares that were previously appropriated to shareholders for adjustment of rights of ECF-W3 warrants. Such decrease in share capital was registered with the Ministry of Commerce on July 21, 2020.
- b. Increase in the Company's authorized share capital of Baht 26,800,000 (from previously Baht 272,361,547 to Baht 299,161,547) which is divided into 107,200,000 common shares, Baht 0.25 par value. Such incremental common shares shall be appropriated by (1) 95,000,000 shares for offering under the Private Placement with General Mandate method and (2) 12,200,000 shares to the existing shareholders for adjustment of rights of ECF-W3 warrants whereby this portion of common shares is included 200,000 shares that must be appropriated with respect to the condition that the Company paid dividends at the portion exceeding 80% of profit for the year 2018. Such increase in share capital was registered with the Ministry of Commerce on July 23, 2020.

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**14. WARRANTS AND EARNINGS PER SHARE**

**Warrants**

The Company issued and offered 194,929,773 units of free warrants ("ECF-W2") to existing shareholders on October 20, 2017 for the purchase of incremental shares on the basis of 4 common shares for 1 unit of warrant. Terms of the warrants are as follows:

Exercise ratio	1 unit of warrant to purchase 1 incremental common share
Exercise price	Baht 3 per share
Exercise period	The warrants shall be exercisable with the first exercise date on November 25, 2017 and other 5 times, i.e. the 25th of February, May, August, November 2018 and the last exercise date is February 20, 2019.
Term of warrants	1 year and 4 months from the date on which the warrants are issued to the shareholders

On the same day, the Company issued and offered 129,951,632 units of free warrants ("ECF-W3") for the purchase of incremental shares on the basis of 6 common shares for 1 unit of warrant. Terms of the warrants are as follows:

Exercise ratio	1 unit of warrant to purchase 1 incremental common share (Adjusted right in April 2019 to 1 unit to purchase 1.0008 common shares)
Exercise price	Baht 5 per share (Adjusted right in April 2019 to Baht 4.9958 per share)
Exercise period	The warrants shall be exercisable with the first exercise date on May 25, 2019 and other 7 times, i.e. the 25th of August and November 2019, February, May, August, November 2020 and the last exercise date is February 20, 2021.
Term of warrants	3 years and 4 months from the date on which the warrants are issued to the shareholders

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Later on November 6, 2017, the Stock Exchange of Thailand has granted the Company's 194,929,773 (ECF-W2) and 129,951,632 (ECF-W3) units of warrants as listed securities and has permitted such warrants to be traded on the Market for Alternative Investment since November 7, 2017. Details of the exercised ECF-W2 warrants are as follows:

Exercise Date	Number of warrants exercised for purchases of common shares (Unit)	Proceeds from the exercise of warrants (Baht)	Paid-up share capital (Baht)	Premium on shares (Baht)	Number of unexercised warrants	Date of the registered increase in issued and paid-up share capital with the Ministry of Commerce
November 25, 2017	20,255,666	60,766,998	5,063,917	55,703,081	174,674,107	November 30, 2017
February 25, 2018	31,348,046	94,044,138	7,837,012	86,207,126	143,326,061	February 27, 2018
May 25, 2018	37,787,808	113,363,424	9,446,952	103,916,472	105,538,253	June 1, 2018
August 25, 2018	46,436,851	139,310,553	11,609,213	127,701,340	59,101,402	August 29, 2018
November 25, 2018	5,624,925	16,874,775	1,406,231	15,468,544	53,476,477	December 12, 2018
February 20, 2019	82,475	247,425	20,618	226,807	53,394,002	February 27, 2019

As at September 30, 2020 and December 31, 2019, the unexercised units of ECF-W3 warrants were 129,951,632.

**Basic earnings per share**

Basic earnings per share for the three-month and nine-month periods ended September 30, 2020 and 2019 are determined by dividing profit for the period attributable to owners of the Company by the weighted average number of common shares outstanding during the period as follows:

	Three-Month Periods (In Thousand Baht / In Thousand Shares)			
	Consolidated		Separate Financial Statements	
	2020	2019	2020	2019
Profit for the period attributable to owners of the Company (In thousand Baht)	<u>21,905</u>	<u>14,890</u>	<u>9,486</u>	<u>14,680</u>
Basic weighted average number of outstanding common shares (In thousand shares)	<u>959,488</u>	<u>959,488</u>	<u>959,488</u>	<u>959,488</u>
Basic earnings per share (Baht)	<u>0.0229</u>	<u>0.0155</u>	<u>0.0099</u>	<u>0.0153</u>

**EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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	Nine-Month Periods (In Thousand Baht / In Thousand Shares)			
	Consolidated		Separate Financial Statements	
	2020	2019	2020	2019
Profit for the period attributable to owners of the Company (In thousand Baht)	<u>37,200</u>	<u>43,257</u>	<u>21,499</u>	<u>44,200</u>
Basic weighted average number of outstanding common shares (In thousand shares)	<u>959,488</u>	<u>959,472</u>	<u>959,488</u>	<u>959,472</u>
Basic earnings per share (Baht)	<u>0.0388</u>	<u>0.0451</u>	<u>0.0224</u>	<u>0.0461</u>

**Diluted earnings per share**

Diluted earnings per share for the three-month and nine-month periods ended September 30, 2020 and 2019 are determined by dividing the profit for the period attributable to owners of the Company by the weighted average number of common shares outstanding during the period after adjusting the effect from dilutive potential common shares as follows:

	Three-Month Periods (In Thousand Baht / In Thousand Shares)			
	Consolidated		Separate Financial Statements	
	2020	2019	2020	2019
Profit for the period attributable to owners of the Company (In thousand Baht)	<u>21,905</u>	<u>14,890</u>	<u>9,486</u>	<u>14,680</u>
Basic weighted average number of outstanding common shares (In thousand shares)	<u>959,488</u>	<u>959,488</u>	<u>959,488</u>	<u>959,488</u>
Effect from the assumed exercise of warrants (In thousand shares)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Diluted weighted average number of outstanding common shares (In thousand shares)	<u>959,488</u>	<u>959,488</u>	<u>959,488</u>	<u>959,488</u>
Diluted earnings per share (Baht)	<u>0.0229</u>	<u>0.0155</u>	<u>0.0099</u>	<u>0.0153</u>

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	Nine-Month Periods (In Thousand Baht / In Thousand Shares)			
	Consolidated		Separate Financial Statements	
	2020	2019	2020	2019
Profit for the period attributable to owners of the Company (In thousand Baht)	<u>37,200</u>	<u>43,257</u>	<u>21,499</u>	<u>44,200</u>
Basic weighted average number of outstanding common shares (In thousand shares)	959,488	959,472	959,488	959,472
Effect from the assumed exercise of warrants (In thousand shares)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Diluted weighted average number of outstanding common shares (In thousand shares)	<u>959,488</u>	<u>959,472</u>	<u>959,488</u>	<u>959,472</u>
Diluted earnings per share (Baht)	<u>0.0388</u>	<u>0.0451</u>	<u>0.0224</u>	<u>0.0461</u>

Diluted earnings per share for the three-month and nine-month periods ended September 30, 2020 and 2019 are the same amount to basic earnings per share because the average market price of the Company's common shares for the aforesaid period was less than the exercise price specified in the warrants. Accordingly, there was no virtual effect from the right under the assumed exercise of warrants that create dilutive potential common shares.

**15. SIGNIFICANT FINANCIAL INFORMATION DISAGGREGATED BY OPERATING SEGMENT**

Sales, other income, cost of sales, other expenses, and profit/loss before income tax expense are significant financial and core information of the Company and its subsidiaries that are provided regularly to the highest authority in decision-making operation and also used in evaluation of financial performances of the segments. The Company and its subsidiaries have two significant operating segments (identified by internal reporting segments), i.e. (1) wood furniture and particle boards (rubber wood furniture and particle board furniture) and (2) other segments (e.g. laminating papers, dried sawn lumbers, furniture-decorating supplies, retail sales of sundry goods and energy business operated by associate and joint venture) which in the starting and has been insignificant portion as compared to entire volumes and size of business activities and, therefore, are insignificant minor segments. The transfers between segments were accounted for at cost whereby the accounting policies applied to operating segments of the Company and its subsidiaries are similar to those accounting policies discussed in Note 3. In addition, the Company and its subsidiaries are unable to apportion the segment information for assets and liabilities without incurring undue costs.

**EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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*Information on Products (Consolidated - Nine-Month Periods)*

	In Thousand Baht	
	2020	2019
Net sales		
- Wood furniture and particle boards	932,947	917,073
- Other products	39,090	41,926
Total	972,037	958,999
Other income		
- Wood furniture and particle boards	10,097	26,142
- Other products	62,717	8,716
Total	72,814	34,858
Cost of sales		
- Wood furniture and particle boards	713,647	637,236
- Other products	35,023	33,895
Total	748,670	671,131
Other expenses		
- Wood furniture and particle boards	228,678	251,696
- Other products	32,343	17,373
Total	261,021	269,069
Profit (loss) before income tax expense		
- Wood furniture and particle boards	719	54,283
- Other products	34,441	( 626)
Net	35,160	53,657

*Information on Geographic Areas (Consolidated - Nine-Month Periods)*

	In Thousand Baht	
	2020	2019
Export sales - net		
- Japan	452,189	474,874
- United States of America	70,590	11,435
- India	66,961	4,352
- China	35,731	5,400
- Philippines	5,563	6,931
- Bahrain	4,202	4,358
- Kuwait	2,753	6,648
- United Arab Emirates	1,680	-
- Malaysia	560	2,837
Total	640,229	516,835
Domestic sales - net	331,808	442,164
Total sales - net	972,037	958,999

The Company and its subsidiaries have no any non-current assets located in the countries other than Thailand.

**EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**Condensed Notes to Financial Statements (Continued)**  
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*Information on Key Customers (customers whose transactions exceeding 10% of total balance of transactions in the consolidated financial statements)*

	Percentage of Balance Attributable to Key Customers to Total Balance - Nine-Month Periods	
	2020	2019
Net sales		
- Wood furniture and particle boards	24.05	32.22
- Other products	-	-
- Export	35.04	36.35
- Domestic	-	24.34
- Total	23.08	30.81

**16. PAYMENT OF DIVIDENDS AND INTERIM DIVIDENDS**

At the Board of Directors' meeting on April 24, 2020 (subsequently acknowledged at the general shareholders' meeting on July 8, 2020), the Company's Board of Directors unanimously passed the resolution to approve the declaration of interim dividends for the 2019 operations at approximately Baht 0.0167 per share, totalling approximately Baht 16.0 million, to the shareholders and scheduled the date for dividend payment on May 22, 2020.

At the general shareholders' meeting held on April 22, 2019, the shareholders unanimously approved the Company to pay dividends for the 2018 operations at approximately Baht 0.030227 per share, totalling approximately Baht 29.0 million, to the shareholders and scheduled the date for dividend payment was May 21, 2019.

**17. OTHERS**

As at September 30, 2020:

- a. The Company had letters of guarantee issued by three local banks to two private companies and a government agency totalling approximately Baht 17.9 million and had letters of credit unused with a local bank amounting to approximately Baht 3.5 million;
- b. The Company had commitments on purchase of land, purchase of machinery, construction of office building and warehouse amounting to approximately Baht 9.4 million, Baht 11.8 million, Baht 32.0 million and Baht 17.5 million, respectively (excluding value-added tax);
- c. The Company has had advance amounting to Baht 80.0 million for purchase of investment in common shares of a local company, whose business is engaged in electricity generated from wind power, from shareholder of such company who is non-related person to the Company. Such purchase of investment was approved in the Company's Board of Directors' meeting on September 10, 2019 in total amount of not exceeding Baht 200.0 million;



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- d. The Company has been during feasibility study on investment project relating to biomass power plant located in Saga prefecture of Japan with a condition that the refundable deposit of Baht 100 million shall be paid to the project owner as part of the process for such feasibility study whereby such deposit will be refunded in case the Company or the Group finally decides not to invest in the project. In 2018 and 2019, the Company has partially paid such deposit amounting to Baht 75 million and Baht 25 million, respectively;

- e. The Company had the outstanding forward exchange contracts (sell - in U.S. Dollar) as follows:

<u>Contract Type</u>	<u>Foreign Currency Amount</u>	<u>Fixed Baht (In Thousand Baht)</u>	<u>Fair Value (In Thousand Baht)</u>	<u>Maturity Period</u>
Sell	765,918	24,046	24,308	December 2020 - March 2021

- f. The Company has the revolving credit facilities with a local bank in addition to those of 2019 which comprised the facilities for overdraft, packing credit and discounted bill with recourse totalling approximately Baht 95 million that bear interest rates referenced to MOR and MLR. Such facilities are guaranteed by a portion of the Company's land with mortgage value of Baht 48 million, the Company's deposit with such bank of Baht 6 million as well as personal guarantee by a director of the Company and a relative of such director.
- g. The Company has the long-term loan credit facility amounting to Baht 30 million with a local leasing company in addition to that of 2019 which bears interest rate at 11.105% p.a. whereby the principal is repayable and interest is payable monthly together in amount of Baht 1.4 million (starting in August 2020), totalling 24 months. This loan is guaranteed by the Company's cash guarantee maintained by such company amounting to Baht 6 million as well as personal guarantee by two directors of the Company.
- h. A subsidiary, i.e. Planet Board Co., Ltd. ("PNB"), has had a plan to discontinue its project for manufacturing and sales of MDF board and particle board whereby the Company's management is during consideration for the appropriate new project in the future for PNB. Accordingly, a portion of PNB's fixed assets amounting to approximately Baht 18.1 million was no longer in use and was written-off as expense (approved by the Company's director) which is presented as part of "Other expenses" in the consolidated statement of comprehensive income for the nine-month period ended September 30, 2020.

**EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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**18. RECLASSIFICATION OF ACCOUNTS**

The Company reclassified certain accounts in the statements of comprehensive income for the three-month and nine-month periods ended September 30, 2019 in order to conform to and be comparable with the presentation of the statements of comprehensive income for the three-month and nine-month periods ended September 30, 2020 without effect to previously reported profit or shareholders' equity. Such reclassification is as follows:

	Three-Month Period (In Thousand Baht)			
	Consolidated		Separate Financial Statements	
	Reclassified Balance	Previously Reported Balance	Reclassified Balance	Previously Reported Balance
Net sales	320,115	332,256	319,503	331,644
Distribution costs	18,596	30,737	18,492	30,633

  

	Nine-Month Period (In Thousand Baht)			
	Consolidated		Separate Financial Statements	
	Reclassified Balance	Previously Reported Balance	Reclassified Balance	Previously Reported Balance
Net sales	958,999	999,752	956,512	997,265
Distribution costs	60,475	101,228	60,080	100,833

**19. APPROVAL OF THE INTERIM FINANCIAL INFORMATION**

The accompanying interim financial information has been approved for issuance by the Company's Board of Directors' meeting on November 13, 2020.