

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

Interim Financial Information

For the Period Ended June 30, 2022

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.

Suite # 705-706 Chaophya Tower
(Shangri-La Hotel)
89 Soi Wat Suan Plu, New Road
Bangrak, Bangkok 10500, Thailand
Tel : 66 (2) 630 7500
Fax : 66 (2) 630 7506

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 June 30, 2022, and the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, the consolidated statement of changes in shareholders' equity and the consolidated statement of cash flows for the six-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 June 30, 2022, and the related statements of comprehensive income for the three-month and six-month periods then ended, the statement of changes in shareholders' equity and the statement of cash flows for the six-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".



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

M.R. & ASSOCIATES CO., LTD.
Bangkok
August 11, 2022

EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT JUNE 30, 2022 AND DECEMBER 31, 2021

ASSETS

		In Thousand Baht			
		Consolidated		Separate Financial Statements	
		June 30, 2022 (Unaudited)	December 31, 2021	June 30, 2022 (Unaudited)	December 31, 2021
	Note	(Reviewed)	(Audited)	(Reviewed)	(Audited)
CURRENT ASSETS					
Cash and cash equivalents		239,046	22,410	223,917	11,930
Trade receivables					
- Related parties	3, 4	8,488	8,441	54,203	52,355
- Other parties - net	4	526,187	445,984	510,002	430,132
Other receivables - related party (subsidiary)	3	-	-	1,056	-
Current portion of receivable from sales of rights	4	24,000	37,000	24,000	37,000
Current portion of other installment receivables					
- Related person	3, 5	3,575	5,955	3,575	5,955
- Other person	5	7,149	11,909	7,149	11,909
Inventories - net		1,304,990	1,314,471	1,304,370	1,312,878
Short-term loans to and interest receivables from related parties	3	98,500	30,000	14,086	13,715
Short-term loans to other persons (interest rates at 5.5%-7.5% p.a. and due at call)		55,000	99,000	15,000	35,000
Other current assets					
- Value-added tax receivable		9,597	7,925	7,141	5,579
- Prepaid expenses		7,363	9,266	7,312	9,131
- Deposits for purchases of raw materials and inventories		5,187	9,988	5,187	9,988
- Interest receivables	3	4,882	11,047	3,514	8,400
- Others (net of allowance for impairment of Baht 3,997 thousand)	3	14,545	7,238	13,892	7,139
Total Current Assets		2,308,509	2,020,634	2,194,404	1,951,111
NON-CURRENT ASSETS					
Restricted deposits at banks		52,014	51,950	52,014	51,950
Investment in subsidiaries accounted for using the cost method	6	-	-	962,407	961,407
Investment in associate accounted for using the equity method	6	869,072	823,866	-	-
Property, plant and equipment - net		679,073	613,960	651,586	591,739
Right-of-use assets - net		16,535	12,159	16,535	12,159
Intangible assets - net		1,150	1,350	1,103	1,286
Deferred tax assets	9	11,711	8,695	10,589	8,695
Other non-current assets					
- Deposit for investment project	17	100,000	100,000	100,000	100,000
- Advance for purchase of investment	17	50,300	58,000	50,300	58,000
- Deposits and guarantees	3, 6, 17	109,024	65,589	84,574	36,127
- Other - net		1,998	-	-	-
Total Non-Current Assets		1,890,877	1,735,569	1,929,108	1,821,363
TOTAL ASSETS		4,199,386	3,756,203	4,123,512	3,772,474

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 JUNE 30, 2022 AND DECEMBER 31, 2021

LIABILITIES AND SHAREHOLDERS' EQUITY

		In Thousand Baht			
		Consolidated		Separate Financial Statements	
		June 30, 2022 (Unaudited) (Reviewed)	December 31, 2021 (Audited)	June 30, 2022 (Unaudited) (Reviewed)	December 31, 2021 (Audited)
Note					
CURRENT LIABILITIES					
		722,420	704,970	722,420	704,971
Bank overdrafts and short-term borrowings from financial institutions					
Factoring payables	4	77,967	77,620	77,967	77,620
Trade payables		181,230	216,718	180,923	216,457
Other payable - related party	3	50	-	50	-
Short-term loans from and interest payable to related parties	3	30,200	-	129,582	130,333
Short-term loans from other parties	11	138,199	257,815	98,199	227,815
Current portion of long-term borrowings		56,533	77,010	56,533	77,010
Current portion of debentures	8	223,371	287,425	223,371	287,425
Current portion of lease liabilities		6,473	2,845	6,473	2,845
Income tax payable		1,034	2,324	-	852
Accrued expenses and other current liabilities	3, 7	66,350	66,927	59,019	62,854
Total Current Liabilities		1,503,827	1,693,654	1,554,537	1,788,182
NON-CURRENT LIABILITIES					
Long-term borrowings - net		133,208	158,501	133,208	158,501
Debentures - net	8	1,166,686	555,273	1,166,686	555,273
Lease liabilities - net		10,601	5,273	10,601	5,273
Deferred tax liabilities	9	4,989	2,570	4,989	2,570
Liability for post-employment benefits	10	16,052	14,321	14,862	14,321
Total Non-Current Liabilities		1,331,536	735,938	1,330,346	735,938
Total Liabilities		2,835,363	2,429,592	2,884,883	2,524,120

EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT JUNE 30, 2022 AND DECEMBER 31, 2021

LIABILITIES AND SHAREHOLDERS' EQUITY (Continued)

		In Thousand Baht			
		Consolidated		Separate Financial Statements	
		June 30, 2022 (Unaudited) (Reviewed)	December 31, 2021 (Audited)	June 30, 2022 (Unaudited) (Reviewed)	December 31, 2021 (Audited)
Note					
SHAREHOLDERS' EQUITY					
Authorized share capital - 1,151,385,108 common shares in 2022 and 2021, Baht 0.25 par value	12	287,846	287,846	287,846	287,846
Issued and paid-up share capital - 959,487,590 common shares in 2022 and 2021, Baht 0.25 par value	12, 13	239,872	239,872	239,872	239,872
Premium on shares	12, 13	768,342	768,342	768,342	768,342
Retained earnings					
- Appropriated for legal reserve		28,950	28,950	28,950	28,950
- Unappropriated		475,355	468,332	418,857	428,582
Total		1,512,519	1,505,496	1,456,021	1,465,746
Other components of equity		(171,865)	(202,268)	(217,392)	(217,392)
Equity attributable to Owners of the Parent		1,340,654	1,303,228	1,238,629	1,248,354
Non-controlling interests		23,369	23,383	-	-
Total Shareholders' Equity		1,364,023	1,326,611	1,238,629	1,248,354
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		4,199,386	3,756,203	4,123,512	3,772,474

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 JUNE 30, 2022 AND 2021

(REVIEWED)
(UNAUDITED)

		In Thousand Baht			
		Consolidated		Separate Financial Statements	
	Note	2022	2021	2022	2021
REVENUES					
Net sales	3	339,114	382,792	334,623	375,440
Other income					
- Sales of production scraps and supplies		5,921	11,895	5,921	11,895
- Interest income	3	3,751	1,611	607	2,013
- Others	3	2,847	1,171	2,598	1,172
Gain on exchange rate		625	2,604	623	2,609
Total Revenues		352,258	400,073	344,372	393,129
EXPENSES					
Cost of sales		256,066	308,622	255,764	305,879
Distribution costs	3	13,372	13,891	10,830	12,056
Administrative expenses	3	38,770	33,761	33,703	31,821
Total Expenses		308,208	356,274	300,297	349,756
Profit from Operating Activities		44,050	43,799	44,075	43,373
Finance Costs	3	(39,409)	(31,985)	(39,146)	(35,120)
Reversal of Loss (Loss) on Impairment of Trade Receivables		(618)	(3,659)	124	(3,354)
Share of Profit from Investment in Associate	6	7,852	7,807	-	-
PROFIT BEFORE INCOME TAX EXPENSE		11,875	15,962	5,053	4,899
Tax Income (Income Tax Expense)	9	(2,155)	(150)	(1,884)	597
PROFIT FOR THE PERIOD		9,720	15,812	3,169	5,496
Other Comprehensive Income (Loss) for the Period					
Item that will not be reclassified subsequently to profit or loss					
- Actuarial loss on remeasusement of liability for post-employment benefits (net of income tax effect by Baht 341 thousand in 2021)	10	-	(1,365)	-	(1,365)
Item that will be reclassified subsequently to profit or loss					
- Share of other comprehensive income from associate	6	32,466	9,470	-	-
OTHER COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD		32,466	8,105	-	(1,365)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		42,186	23,917	3,169	4,131
Profit (Loss) Attributable to:					
Owners of the parent		9,834	15,773	3,169	5,496
Non-controlling interests		(114)	39	-	-
Profit for the Period		9,720	15,812	3,169	5,496
Total Comprehensive Income (Loss) Attributable to:					
Owners of the parent		42,300	23,878	3,169	4,131
Non-controlling interests		(114)	39	-	-
Total Comprehensive Income for the Period		42,186	23,917	3,169	4,131
Basic Earnings per Share (In Baht)	13	0.0102	0.0164	0.0033	0.0057
Diluted Earnings per Share (In Baht)	13	0.0102	0.0164	0.0033	0.0057

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 SIX-MONTH PERIODS ENDED JUNE 30, 2022 AND 2021

(REVIEWED)
(UNAUDITED)

		In Thousand Baht			
		Consolidated		Separate Financial Statements	
	Note	2022	2021	2022	2021
REVENUES					
Net sales	3	746,458	790,099	734,375	774,886
Other income					
- Sales of production scraps and supplies		11,610	12,838	11,610	12,838
- Interest income	3	6,689	3,187	1,643	4,258
- Others	3	6,832	2,342	4,887	2,342
Gain on exchange rate		1,233	5,420	1,229	5,425
Total Revenues		772,822	813,886	753,744	799,749
EXPENSES					
Cost of sales		579,438	628,316	577,367	620,848
Distribution costs	3	31,303	28,603	26,097	24,052
Administrative expenses	3	76,922	67,786	66,439	63,896
Total Expenses		687,663	724,705	669,903	708,796
Profit from Operating Activities		85,159	89,181	83,841	90,953
Finance Costs	3	(75,187)	(66,709)	(76,242)	(72,165)
Loss on Impairment of Trade Receivables		(2,239)	(8,676)	(1,735)	(7,837)
Share of Profit from Investment in Associate	6	14,802	16,123	-	-
PROFIT BEFORE INCOME TAX EXPENSE		22,535	29,919	5,864	10,951
Tax Income (Income Tax Expense)	9	(463)	(222)	(525)	393
PROFIT FOR THE PERIOD		22,072	29,697	5,339	11,344
Other Comprehensive Income (Loss) for the Period					
Item that will not be reclassified subsequently to profit or loss					
- Actuarial loss on remeasusement of liability for post-employment benefits (net of income tax effect by Baht 341 thousand in 2021)	10	-	(1,365)	-	(1,365)
Item that will be reclassified subsequently to profit or loss					
- Share of other comprehensive income from associate	6	30,404	26,294	-	-
OTHER COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD		30,404	24,929	-	(1,365)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		52,476	54,626	5,339	9,979
Profit (Loss) Attributable to:					
Owners of the parent		22,086	30,088	5,339	11,344
Non-controlling interests		(14)	(391)	-	-
Profit for the Period		22,072	29,697	5,339	11,344
Total Comprehensive Income (Loss) Attributable to:					
Owners of the parent		52,490	55,017	5,339	9,979
Non-controlling interests		(14)	(391)	-	-
Total Comprehensive Income for the Period		52,476	54,626	5,339	9,979
Basic Earnings per Share (In Baht)	13	0.0230	0.0314	0.0056	0.0118
Diluted Earnings per Share (In Baht)	13	0.0230	0.0314	0.0056	0.0118

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

(REVIEWED)

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 SIX-MONTH PERIODS ENDED JUNE 30, 2022 AND 2021

(REVIEWED)
(UNAUDITED)

		In Thousand Baht									
		Separate Financial Statements									
	Note	Issued and Paid-up Share Capital	Premium on Shares	Retained Earnings			Total	Other Components of Equity			
				Appropriated for Legal Reserve	Unappropriated			Surplus on Business Combination under Common Control	Total Shareholders' Equity		
Beginning balance as at January 1, 2022		239,872	768,342	28,950	428,582		1,465,746	(217,392)	1,248,354		
Payment of dividends	15	-	-	-	(15,064)		(15,064)	-	(15,064)		
Total comprehensive income for the period		-	-	-	5,339		5,339	-	5,339		
Ending balance as at June 30, 2022		239,872	768,342	28,950	418,857		1,456,021	(217,392)	1,238,629		
Beginning balance as at January 1, 2021		239,872	768,342	28,950	429,545		1,466,709	(217,392)	1,249,317		
Payment of dividends	15	-	-	-	(11,993)		(11,993)	-	(11,993)		
Total comprehensive income for the period		-	-	-	9,979		9,979	-	9,979		
Ending balance as at June 30, 2021		239,872	768,342	28,950	427,531		1,464,695	(217,392)	1,247,303		

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

EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

(REVIEWED)

STATEMENTS OF CASH FLOWS

(UNAUDITED)

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2022 AND 2021

	In Thousand Baht			
	Consolidated		Separate Financial Statements	
	2022	2021	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit for the period	22,072	29,697	5,339	11,344
Adjustments				
Income tax expense (tax income)	463	222	525	(393)
Depreciation and amortization	24,415	22,013	20,307	21,965
Loss on impairment of trade receivables	2,239	8,676	1,735	7,837
Expenses on post-employment benefits	1,731	500	541	500
Loss on allowance for diminution in value of inventories	3,165	1,065	3,192	1,055
Share of profit from investment in associate	(14,802)	(16,123)	-	-
Unrealized loss on valuation of fair value of derivatives	2,097	369	2,097	369
Unrealized loss (gain) on exchange rate	563	(1,624)	566	(1,629)
Gain on sales of fixed assets	-	(115)	-	(115)
Loss on written-off assets	74	15	74	15
Interest income	(6,689)	(3,187)	(1,643)	(4,258)
Interest expense	75,187	66,709	76,242	72,165
Decrease (increase) in operating assets				
Trade receivables	(82,093)	(71,974)	(83,057)	(71,371)
Receivable from sales of rights	13,000	-	13,000	-
Inventories	6,317	933	5,316	3,656
Other current assets	(2,331)	12,613	(2,678)	12,350
Other non-current assets	3,015	5,086	-	5,028
Increase (decrease) in operating liabilities				
Trade payables	(35,488)	(5,249)	(35,535)	(2,437)
Other payables - related party	50	-	50	(6,581)
Accrued expenses and other current liabilities	(10,480)	(19,839)	(10,982)	(18,045)
Net Cash Flows Provided by (Used in) Operations	2,505	29,787	(4,911)	31,455
Income tax paid	(2,380)	(3,303)	(882)	(1,169)
Net Cash Flows Provided by (Used in) Operating Activities	125	26,484	(5,793)	30,286

EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS (Continued)
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2022 AND 2021

(REVIEWED)
(UNAUDITED)

	In Thousand Baht			
	Consolidated		Separate Financial Statements	
	2022	2021	2022	2021
CASH FLOWS FROM INVESTING ACTIVITIES				
Increase in restricted deposits at banks	(64)	-	(64)	-
Decrease (increase) in short-term loans to related parties	(68,500)	-	-	149,000
Collections on other installment receivables	7,140	6,000	7,140	6,000
Decrease (increase) in short-term loans to other parties	44,000	(60,000)	20,000	-
Increase in investment in subsidiaries	-	-	(1,000)	(221,630)
Increase in non-controlling interests in the new subsidiary	-	500	-	-
Increase in investment in associate	-	(45,000)	-	-
Additions to plant and equipment	(137,056)	(35,631)	(129,707)	(35,631)
Decrease in advance for purchase of investment	7,700	-	7,700	-
Interest received	12,854	2,066	6,158	6,197
Net Cash Flows Used in Investing Activities	(133,926)	(132,065)	(89,773)	(96,064)
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase in bank overdrafts and short-term borrowings from financial institutions	16,826	15,204	16,826	15,204
Decrease in factoring payables	347	9,073	347	9,073
Decrease in short-term loans from other parties	(120,000)	(15,000)	(130,000)	(15,000)
Increase (decrease) in short-term loans from related parties	30,000	(53,500)	(4,901)	73,152
Proceeds from sales and leaseback of equipment	10,000	8,140	10,000	8,140
Decrease in lease liabilities	(2,605)	(1,586)	(2,605)	(1,586)
Increase in long-term borrowings	-	80,000	-	80,000
Repayments of long-term borrowings	(45,770)	(19,946)	(45,770)	(19,946)
Issuance of debentures	850,000	225,000	850,000	225,000
Redemption of debentures	(290,550)	(200,000)	(290,550)	(200,000)
Debenture issuance costs	(19,000)	(5,700)	(19,000)	(5,700)
Increase in non-controlling interests	-	1,332	-	-
Dividends paid	(15,064)	(11,993)	(15,064)	(11,993)
Interest paid	(63,747)	(61,386)	(61,730)	(64,501)
Net Cash Flows Provided by (Used in) Financing Activities	350,437	(30,362)	307,553	91,843

EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS (Continued)
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2022 AND 2021

(REVIEWED)
(UNAUDITED)

	In Thousand Baht			
	Consolidated		Separate Financial Statements	
	2022	2021	2022	2021
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	216,636	(135,943)	211,987	26,065
Cash and Cash Equivalents at Beginning of Period	22,410	187,144	11,930	12,763
CASH AND CASH EQUIVALENTS AT END OF PERIOD	239,046	51,201	223,917	38,828
Supplemental disclosures of cash flow statements:				
a. Cash and cash equivalents at end of period				
Cash in hand	1,559	893	271	308
Current accounts at banks	19,478	37,147	7,424	25,659
Savings deposits at banks	213,378	9,075	211,591	8,775
Short-term fixed deposits at banks	4,631	4,086	4,631	4,086
Total	239,046	51,201	223,917	38,828
b. Non-cash transactions				
Purchases of equipment by means of payables	3,608	1,340	1,599	1,340
Transfer of fixed assets to right-of-use assets	4,084	11,628	4,084	11,628
Transfer of other non-current assets to fixed assets	4,298	105	4,298	105
Transfer of other non-current assets to intangible assets	-	31	-	-
Payable on investment in shares	-	-	-	1,500
Increase in right-of-use assets and lease liabilities from the new leases	1,562	-	1,562	-
c. Supplemental disclosures of cash flow information				
Total cash outflow for leases	5,795	3,881	5,795	3,881

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
June 30, 2022 and 2021 (Unaudited) (Reviewed)
and December 31, 2021 (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 2021) “Interim Financial Reporting” including interpretations and guidelines promulgated by the Thai Federation of Accounting Professions (“TFAC”), and applicable rules and regulations of the Securities and Exchange Commission.

The accompanying interim financial information has been prepared to provide additional information to the financial statements for the year ended December 31, 2021 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, 2021.

The consolidated financial statements for the three-month and six-month periods ended June 30, 2022 and 2021, and the consolidated financial statements for the year ended December 31, 2021, which are a component of this interim financial information, include the accounts of the Company and its subsidiaries which the Company has the controlling power or directly and indirectly holdings on those subsidiaries as discussed in Note 6.

Significant intercompany transactions between the Company and its subsidiaries (“the Group”) were eliminated in the preparation of the consolidated financial statements.

Starting from January 1, 2022, the Group has adopted Thai Accounting Standards (TAS), Thai Financial Reporting Standards (TFRS), Thai Accounting Interpretation (TSIC), Thai Financial Reporting Interpretation (TFRIC) and the accounting guidance, newly issued and revised by TFAC, which became effective from the accounting period starting on or after January 1, 2022 whereby their significant parts for 2022 relate to (1) the practical expedient relating to COVID-19-related rent concessions for the lessee in respect of TFRS 16 and (2) the Interest Rate Benchmark (IBOR) Reform-Phase 2 which relates to certain significant TFRSs e.g. TFRS 4, TFRS 7, TFRS 9 and TFRS 16. The adoption of such newly issued and revised TAS / TFRS / TSIC / TFRS and accounting guidance did not have any material effect to the Group’s financial statements.

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. SIGNIFICANT ACCOUNTING POLICIES

The Group applied significant accounting policies and methods of computation to the preparation of interim financial information for the three-month and six-month periods ended June 30, 2022 and 2021 which are similar to those applied to the preparation of financial statements for the year ended December 31, 2021 except the matters relating to the adoption of newly issued and revised TAS / TFRS / TSIC / TFRIC and accounting guidance as discussed in Note 1 which had no any material effect.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Continued)
June 30, 2022 and 2021 (Unaudited) (Reviewed)
and December 31, 2021 (Audited)

3. TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties for the three-month and six-month periods ended June 30, 2022 and 2021 are as follows:

	Consolidated (In Thousand Baht)			
	Three-Month Periods		Six-Month Periods	
	2022	2021	2022	2021
Sales of products				
Related companies	6,360	7,044	14,761	14,885
Interest income				
Associate	2,389	-	3,315	-
Related person	70	153	152	319
Total	2,459	153	3,467	319
Advertising expense (agreed-upon rate)				
Related company	50	-	80	-
Interest expense				
Related persons	1,434	121	1,702	390
Key management's remunerations				
Short-term benefits	5,171	5,553	9,684	10,878
Post-employment benefits	166	54	830	108
Total	5,337	5,607	10,514	10,986
Separate Financial Statements (In Thousand Baht)				
	Three-Month Periods		Six-Month Periods	
	2022	2021	2022	2021
Sales of products				
Subsidiaries	18,462	26,939	41,277	49,781
Related company	3,777	2,126	7,360	5,441
Total	22,239	29,065	48,637	55,222
Interest income				
Subsidiaries	186	595	371	1,333
Related person	70	153	152	319
Total	256	748	523	1,652
Other income				
Subsidiary	987	-	1,428	-
Advertising expense (agreed-upon rate)				
Related company	50	-	80	-
Interest expense				
Subsidiaries	2,559	3,134	4,124	5,562
Related persons	492	121	726	283
Total	3,051	3,255	4,850	5,845
Key management's remunerations				
Short-term benefits	4,329	4,713	8,002	9,198
Post-employment benefits	118	54	236	108
Total	4,447	4,767	8,238	9,306

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Continued)
June 30, 2022 and 2021 (Unaudited) (Reviewed)
and December 31, 2021 (Audited)

Outstanding balances with related parties as at June 30, 2022 and December 31, 2021 are as follows:

	In Thousand Baht			
	Consolidated		Separate Financial Statements	
	2022	2021	2022	2021
Trade receivables				
Subsidiaries	-	-	50,161	48,050
Related companies	8,488	8,441	4,042	4,305
Total	8,488	8,441	54,203	52,355
Other installment receivables (see Note 5)				
Related person	3,575	5,955	3,575	5,955
Interest receivable (other current assets)	825	1,069	825	1,069
Total	4,400	7,024	4,400	7,024
Advances (other current assets)				
Related persons	5,035	-	5,035	-
Short-term loans and interest receivables				
Interest receivables				
Subsidiaries	-	-	486	115
Associate (other current assets)	810	66	-	-
Short-term loans				
Subsidiaries (interest rate at 5.5% p.a. and due at call)	-	-	13,600	13,600
Associate (interest rate at 10% p.a. and due under mutual agreement attributable to the percentage of shareholding in this associate)	98,500	30,000	-	-
Total	99,310	30,066	14,086	13,715
Guarantees on construction of power plant project				
Associate	20,000	20,000	-	-
Other payables (other current liabilities)				
Associate	780	780	-	-
Related persons	306	560	-	-
Total	1,086	1,340	-	-
Short-term loans and interest payables				
Interest payables				
Subsidiaries	-	-	11,704	7,581
Related persons	200	-	27	-
Short-term loans				
Subsidiaries (interest rate at 5.5% p.a. and due at call)	-	-	117,851	122,752
Related persons (interest rate at 5.25% p.a. and due at call)	30,000	-	-	-
Total	30,200	-	129,582	130,333

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

	Consolidated (In Thousand Baht)		
	December 31, 2021	Movements during the period	June 30, 2022
		Increase	Decrease
Short-term loans to			
Green Earth Power (Thailand) Co., Ltd.	30,000	68,500	-
			98,500

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Continued)
June 30, 2022 and 2021 (Unaudited) (Reviewed)
and December 31, 2021 (Audited)

	Separate Financial Statement (In Thousand Baht)			
	December 31,	Movements during the period		June 30,
	2021	Increase	Decrease	2022
Short-term loans to ECF Holdings Co., Ltd.	13,600	-	-	13,600

	Consolidated (In Thousand Baht)			
	December 31,	Movements during the period		June 30,
	2021	Increase	Decrease	2022
Short-term loans from Directors	-	40,000	40,000	-
Relatives of director	-	144,000	114,000	30,000

	Separate Financial Statement (In Thousand Baht)			
	December 31,	Movements during the period		June 30,
	2021	Increase	Decrease	2022
Short-term loans from ECF Power Co., Ltd.	111,152	220,000	229,501	101,651
Planet Board Co., Ltd.	11,600	4,600	-	16,200
Directors	-	20,000	20,000	-
Relatives of director	-	114,000	114,000	-

4. TRADE RECEIVABLES

As at June 30, 2022 and December 31, 2021, trade receivables classified by outstanding periods are as follows:

	In Thousand Baht			
	Consolidated		Separate Financial Statements	
	2022	2021	2022	2021
<i>Related companies</i>				
Current	7,136	6,793	16,070	19,142
Overdue :				
Not exceeding 3 months	1,352	1,648	8,176	10,334
Between 3 months - 6 months	-	-	12,892	13,178
Between 6 months - 12 months	-	-	7,364	4,242
Over 12 months	-	-	9,701	5,459
Total	8,488	8,441	54,203	52,355
<i>Other companies - net</i>				
Current	215,343	263,955	203,025	249,989
Overdue :				
Not exceeding 3 months	109,713	79,370	105,863	76,905
Between 3 months - 6 months	103,945	17,791	102,834	17,743
Between 6 months - 12 months	52,485	90,898	52,403	90,648
Over 12 months	64,283	11,313	61,038	8,273
Total	545,769	463,327	525,163	443,558
Less Allowance for impairment	(19,582)	(17,343)	(15,161)	(13,426)
Net	526,187	445,984	510,002	430,132

As at June 30, 2022 and December 31, 2021, the Company discounted, under factoring, its trade receivables amounting to approximately Baht 91.6 million and Baht 83.9 million, respectively, with two local financial institutions (under credit facilities totalling Baht 100 million) whereby such financial institutions can take recourse action on the Company amounting to approximately Baht 78.0 million and Baht 77.6 million, respectively. The Company presented such amounts of obligation under recourse action as "Factoring payables" in statements of financial position.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Continued)
June 30, 2022 and 2021 (Unaudited) (Reviewed)
and December 31, 2021 (Audited)

**5. 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 June 30, 2022 and December 31, 2021, current portion of “Other installment receivables” to be collected from (1) and (2) totally amounted to approximately Baht 10.7 million and Baht 17.9 million, respectively.

**6. INVESTMENT IN SUBSIDIARIES ACCOUNTED FOR USING THE COST METHOD
AND INVESTMENT IN ASSOCIATE 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)	
	2022	2021	2022	2021	2022	2021
VV-Decor Co., Ltd.	1,000	1,000	99.95	99.95	1,000	1,000
ECF Holdings Co., Ltd.	45,000	45,000	94.44	94.44	42,500	42,500
ECF Power Co., Ltd.	909,283	909,283	99.99	99.99	909,282	909,282
Planet Board Co., Ltd.	50,000	50,000	57.00	57.00	7,125	7,125
Somewa Plaza Co., Ltd.	2,000	2,000	75.00	75.00	1,500	1,500
VV Rich Co., Ltd.	1,000	-	99.97	-	1,000	-
Total					<u>962,407</u>	<u>961,407</u>

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Continued)
June 30, 2022 and 2021 (Unaudited) (Reviewed)
and December 31, 2021 (Audited)

On February 10, 2022, the Company established the new (sixth) subsidiary, i.e. VV Rich Co., Ltd., in order to conduct business relating to cultivation and sales of agricultural products with initial authorized share capital of Baht 1 million (fully paid-up) whereby the Company invests in such company at 99.97% of shareholding with the total investment budget of Baht 80 million. Cash flows for this investment will be derived from the Company's working capital and/or borrowings.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Condensed Notes to Financial Statements (Continued)

June 30, 2022 and 2021 (Unaudited) (Reviewed)
and December 31, 2021 (Audited)

Investment in associate accounted for using the equity method

	Percentage of Shareholding by Subsidiary	Consolidated (In Thousand Baht)					
		Authorized Share Capital		Investment Value		Dividends	
		2022	2021	2022	2021	2022	2021
<i>Investment in associate</i>							
Green Earth Power (Thailand) Co., Ltd. ("GEP")	20.00	20.00	2,252,716	2,252,716	869,072	823,866	-

Share of profit from GEP for the six-month period ended June 30, 2022 amounting to approximately Baht 14.8 million whereas share of other comprehensive income for the same period amounting to approximately Baht 30.4 million.

GEP holds the entire shares of its subsidiary, i.e. GEP (Myanmar) Company Limited ("GEPM"), whereby GEP is engaged as a holding and management company in the 220-megawatt solar power plant project (divided into 4 phases) of GEPM which is located in Minbu province, Myanmar.

In 2019, ECF Power Co., Ltd. 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 June 30, 2022 and December 31, 2021.

ECF Power Co., Ltd. has used its 4,505,433 share certificates (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 guarantee shall be continued until the payments for construction works of such project are completed.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Continued)
June 30, 2022 and 2021 (Unaudited) (Reviewed)
and December 31, 2021 (Audited)

7. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	In Thousand Baht			
	Consolidated		Separate Financial Statements	
	2022	2021	2022	2021
Other payables	18,086	15,586	12,931	13,299
Accrued advertising and sales promotions	12,064	14,124	12,064	14,124
Accrued interest	11,200	7,338	10,450	7,338
Accrued salary, wage, and welfares	5,067	7,938	4,754	7,293
Advances from customers	4,242	9,433	4,213	9,405
Accrued electricity	3,704	3,510	3,704	3,510
Accrued sales discount	2,642	2,729	2,642	2,729
Others	9,345	6,269	8,261	5,156
Total	<u>66,350</u>	<u>66,927</u>	<u>59,019</u>	<u>62,854</u>

8. DEBENTURES

	Consolidated and Separate Financial Statements (In Thousand Baht)	
	2022	2021
Debentures	1,415,000	855,550
Less Deferred direct transaction costs on debenture issuance	(24,943)	(12,852)
Net	1,390,057	842,698
Less Due for payments within one year	(223,371)	(287,425)
Net	<u>1,166,686</u>	<u>555,273</u>

As at June 30, 2022 and December 31, 2021, such debentures had fair values of approximately Baht 1,414.5 million and Baht 855.8 million, respectively (fair value is the level 2 inputs of the fair value hierarchy which was the price announced and referenced by the Thai Bond Market Association).

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. Close to the end of 2021, the Company early redeemed these debentures at a half of face value, amounting to Baht 290.55 million whereby the rest was redeemed in June 2022 as scheduled. 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 34,452,570 held by the Company.

On January 29, 2021, the Company limitedly issued and offered the registered, unsubordinated, and secured debentures to the institutional investors of 225,000 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 January 29, 2023. 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 21,684,657 held by the Company. The Company early redeemed the entire balance of these debentures in August 2022.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Continued)
June 30, 2022 and 2021 (Unaudited) (Reviewed)
and December 31, 2021 (Audited)

On December 8, 2021, the Company limitedly issued and offered the registered, unsubordinated, and secured debentures to the institutional investors of 340,000 units of which face value per unit is Baht 1,000. Such debentures bear interest rate at 6.80% p.a. whereby interest is payable on a quarterly basis and will mature for redemption on December 8, 2023. 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 34,452,569 held by the Company.

On June 9, 2022, the Company limitedly issued and offered three series of the registered, unsubordinated, and unsecured debentures to the institutional investors of 200,000 units, 409,500 units and 240,500 units of which face value per unit is Baht 1,000. Such debentures bear interest rates at 7%, 7.15% and 7.30% p.a., respectively, whereby interest is payable on a quarterly basis and will mature for redemption on June 9, 2023, June 9, 2024 and June 9, 2025, respectively. The abovementioned debentures have significant conditions which include maintaining Debt-to-Equity ratio at the rate not exceeding 4:1.

9. INCOME TAX

Income tax recorded as expense (income) for the three-month and six-month periods ended June 30, 2022 and 2021 consists of:

	Three-Month Periods (In Thousand Baht)			
	Consolidated		Separate Financial Statements	
	2022	2021	2022	2021
Income tax computed from accounting profit	2,372	3,218	1,011	980
Effects from non-deductible expenses or item recognized as taxable income	2,919	1,579	2,423	1,553
Effects from additional deductible expenses or items not recognized as taxable income	(5,592)	(1,766)	(4,042)	(249)
Effect from utilization of tax loss carryforward	129	-	-	-
Effects from reduction in income tax rate under investment promotion	244	(1,529)	244	(1,529)
Current tax on taxable profit (loss)	72	1,502	(364)	755
Increase in deferred tax assets	(1,119)	(825)	(954)	(825)
Increase (decrease) in deferred tax liabilities	3,202	(527)	3,202	(527)
Income tax presented as profit or loss in statements of comprehensive income	2,155	150	1,884	(597)
Deferred tax assets increased from other comprehensive loss (see Note 10)	-	341	-	341

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Continued)
June 30, 2022 and 2021 (Unaudited) (Reviewed)
and December 31, 2021 (Audited)

	Six-Month Periods (In Thousand Baht)			
	Consolidated		Separate Financial Statements	
	2022	2021	2022	2021
Income tax computed from accounting profit	4,507	5,984	1,173	2,190
Effects from non-deductible expenses or item recognized as taxable income	5,173	4,194	4,455	3,789
Effects from additional deductible expenses or items not recognized as taxable income	(8,434)	(5,487)	(5,442)	(1,903)
Effects from reduction in income tax rate under investment promotion	(186)	(2,586)	(186)	(2,586)
Current tax on taxable profit	1,060	2,105	-	1,490
Increase in deferred tax assets	(3,016)	(1,878)	(1,894)	(1,878)
Increase (decrease) in deferred tax liabilities	2,419	(5)	2,419	(5)
Income tax presented as profit or loss in statements of comprehensive income	463	222	525	(393)
Deferred tax assets increased from other comprehensive loss (see Note 10)	-	341	-	341

As at June 30, 2022, a subsidiary (ECF-H) had tax loss carryforward of approximately Baht 58.6 million whereby such loss is able to be used as tax credit during 2022 until 2027.

Deferred tax assets and liabilities presented in statements of financial positions as at June 30, 2022 and December 31, 2021 consist of:

	In Thousand Baht			
	Consolidated		Separate Financial Statements	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
<i>Deferred tax assets</i>				
Effects from temporary non-deductible items or item recognized as taxable income:				
- Allowance for diminution in value of obsolete and slow moving inventories	1,897	1,254	1,893	1,254
- Allowance for impairment of trade and other receivables	4,716	3,485	3,832	3,485
- Allowance for impairment of building and machinery	1,092	1,092	1,092	1,092
- Lease liabilities - net	800	-	800	-
- Liability for post-employment benefits	3,206	2,864	2,972	2,864
Total deferred tax assets	11,711	8,695	10,589	8,695
<i>Deferred tax liabilities</i>				
Effects from temporary non-recognized items as expense in accounting:				
- Unamortized debenture issuance costs	4,989	2,570	4,989	2,570
Total deferred tax liabilities	4,989	2,570	4,989	2,570

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Continued)
June 30, 2022 and 2021 (Unaudited) (Reviewed)
and December 31, 2021 (Audited)

10. LIABILITY FOR POST-EMPLOYMENT BENEFITS

Movements of liability for post-employment benefits for six-month periods ended June 30, 2022 and 2021 are as follows:

	In Thousand Baht			
	Consolidated		Separate Financial Statements	
	2022	2021	2022	2021
Balance as at January 1	14,321	11,615	14,321	11,615
Past service cost	975	-	-	-
Current service cost	680	444	477	444
Interest cost	76	56	64	56
Expense recognized as profit or loss in the statements of comprehensive income	1,731	500	541	500
Actuarial loss on re-measurement	-	1,706	-	1,706
Balance as at June 30	16,052	13,821	14,862	13,821

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

Discount rate	1.17% p.a. in 2022 and 2021 for the parent 1.77% - 2.87% p.a. in 2022 for subsidiaries
Salary escalation rate	3.00% p.a. in 2022 and 2021 for the parent 5.00% p.a. in 2022 for subsidiaries
Employee turnover rate	9% - 46% p.a. in 2022 and 2021 for the parent 2% - 23% p.a. in 2022 for subsidiaries

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

Significant Assumptions - Consolidated	Liability may increase (decrease) from changes in significant assumptions (In Thousand Baht)	
	If assumption increased	If assumption decreased
Discount rate (increase/decrease by 1%)	(937)	1,055
Salary escalation rate (increase/decrease by 1%)	1,135	(1,023)
Employee turnover rate (increase/decrease by 20%)	(1,864)	2,348
Significant Assumptions - Separate Financial Statements		
Discount rate (increase/decrease by 1%)	(827)	925
Salary escalation rate (increase/decrease by 1%)	1,010	(915)
Employee turnover rate (increase/decrease by 20%)	(1,796)	2,268

In the second quarter of 2021, the abovementioned provisions were recalculated and re-measured by the qualified actuary. Thus, actuarial loss on re-measurement in 2021 comprised of (1) loss from experience adjustment of approximately Baht 891 thousand, (2) loss from changes in financial assumptions of approximately Baht 1,221 thousand, and (3) gain from changes in demographic assumptions of approximately Baht 406 thousand.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Continued)
June 30, 2022 and 2021 (Unaudited) (Reviewed)
and December 31, 2021 (Audited)

11. SHORT-TERM LOANS FROM OTHER PARTIES

As at June 30, 2022, this account represented short-term loans under loan agreements, which the amount of Baht 40 million in the consolidated financial statements was secured by the Company's common shares of totalling 22.4 million shares held by two directors and a relative of such two directors, made by the Company and a subsidiary with several non-related persons between April and June 2022. These loans bear interest ranging between 6.5% p.a. and 15.0% p.a. which have maturities not exceeding nine months.

As at December 31, 2021, this account represented short-term loans under bill of exchange, secured by the Company's common shares of totalling 124.8 million shares held by two directors and a relative of such two directors, issued by the Company and a subsidiary to several non-related persons between April and December 2021. These loans bear interest ranging between 6.5% p.a. and 15.0% p.a. which have maturities not exceeding nine months from particular issuance dates.

12. SHARE CAPITAL AND PREMIUM ON SHARES

	Par Value (In Baht)	In Thousand Shares / In Thousand Baht			
		June 30, 2022		December 31, 2021	
		No. of Share	At Par Value	No. of Share	At Par Value
Authorized share capital					
As at June 30, 2022 and					
December 31, 2021					
- Common shares	0.25	<u>1,151,385</u>	<u>287,846</u>	<u>1,151,385</u>	<u>287,846</u>
Issued and paid-up shares					
As at January 1, 2022 and					
2021					
- Common shares	0.25	959,488	239,872	959,488	239,872
Exercise of warrants	0.25	-	-	-	-
As at June 30, 2022 and					
December 31, 2021					
- Common shares	0.25	<u>959,488</u>	<u>239,872</u>	<u>959,488</u>	<u>239,872</u>

13. WARRANTS AND EARNINGS PER SHARE

On June 2, 2021, the Company issued and offered 191,894,988 units of free warrants ("ECF-W4") to existing shareholders for purchase of incremental shares on the basis of 5 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 2 per share
Exercise period	The warrants shall be exercisable with the first exercise date on July 20, 2021 and other 9 times, i.e. the 20th of November 2021, March, July, November 2022, March, July, November 2023, March 2024 and the last exercise date is June 2, 2024.
Term of warrants	3 years from the date on which warrants are issued to shareholders

Later on June 21, 2021, the Stock Exchange of Thailand has granted the Company's 191,894,988 (ECF-W4) units of warrants as listed securities and has permitted such warrants to be traded on the Market for Alternative Investment since June 22, 2021. As at June 30, 2022, no ECF-W4 warrants have been exercised.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Continued)
June 30, 2022 and 2021 (Unaudited) (Reviewed)
and December 31, 2021 (Audited)

Basic earnings per share

Basic earnings per share for the three-month and six-month periods ended June 30, 2022 and 2021 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			
	Consolidated		Separate Financial Statements	
	2022	2021	2022	2021
Profit for the period attributable to owners of the Company (In thousand Baht)	9,834	15,773	3,169	5,496
Basic weighted average number of the outstanding common shares (In thousand shares)	959,488	959,488	959,488	959,488
Basic earnings per share (Baht)	0.0102	0.0164	0.0033	0.0057
	Six-Month Periods			
	Consolidated		Separate Financial Statements	
	2022	2021	2022	2021
Profit for the period attributable to owners of the Company (In thousand Baht)	22,086	30,088	5,339	11,344
Basic weighted average number of the outstanding common shares (In thousand shares)	959,488	959,488	959,488	959,488
Basic earnings per share (Baht)	0.0230	0.0314	0.0056	0.0118

Diluted earnings per share

Diluted earnings per share for the three-month and six-month periods ended June 30, 2022 and 2021 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			
	Consolidated		Separate Financial Statements	
	2022	2021	2022	2021
Profit for the period attributable to owners of the Company (In thousand Baht)	9,834	15,773	3,169	5,496
Basic weighted average number of the outstanding common shares (In thousand shares)	959,488	959,488	959,488	959,488
Effect from the assumed exercise of warrants (In thousand shares)	-	-	-	-
Diluted weighted average number of the outstanding common shares (In thousand shares)	959,488	959,488	959,488	959,488
Diluted earnings per share (Baht)	0.0102	0.0164	0.0033	0.0057

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Continued)
June 30, 2022 and 2021 (Unaudited) (Reviewed)
and December 31, 2021 (Audited)

	Six-Month Periods			
	Consolidated		Separate Financial Statements	
	2022	2021	2022	2021
Profit for the period attributable to owners of the Company (In thousand Baht)	22,086	30,088	5,339	11,344
Basic weighted average number of the outstanding common shares (In thousand shares)	959,488	959,488	959,488	959,488
Effect from the assumed exercise of warrants (In thousand shares)	-	-	-	-
Diluted weighted average number of outstanding common shares (In thousand shares)	959,488	959,488	959,488	959,488
Diluted earnings per share (Baht)	0.0230	0.0314	0.0056	0.0118

Diluted earnings per share for the three-month and six-month periods ended June 30, 2022 and 2021 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 exercise price specified in the warrants. Hence, there was no virtual effect from the right under the assumed exercise of warrants that create dilutive potential common shares.

14. 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, dealer on furniture business, mining and sales of cryptocurrency and renewable energy business operated by associate) which in overall has been insignificant portion as compared to entire volumes and size of business activities and, therefore, are insignificant minor segments. For agriculture business of the new subsidiary, it has not yet been operated as at June 30, 2022 while the operating results on renewable energy business, operated by associate, was the share of profit presented in the consolidated statements of comprehensive income. Transfers between segments were accounted for at cost whereby accounting policies applied to operating segments of the Company and its subsidiaries are similar to those accounting policies discussed in Note 2. Further, 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
Condensed Notes to Financial Statements (Continued)
June 30, 2022 and 2021 (Unaudited) (Reviewed)
and December 31, 2021 (Audited)

Information on Products (Consolidated - Six-Month Periods)

	In Thousand Baht	
	2022	2021
Net sales		
- Wood furniture and particle boards	720,906	760,336
- Other products	25,552	29,763
Total	746,458	790,099
Other revenues		
- Wood furniture and particle boards	16,744	22,857
- Other products	24,422	17,053
Total	41,166	39,910
Cost of sales		
- Wood furniture and particle boards	558,227	610,545
- Other products	21,211	17,771
Total	579,438	628,316
Other expenses		
- Wood furniture and particle boards	173,442	162,853
- Other products	12,209	8,921
Total	185,651	171,774
Profit before income tax expense		
- Wood furniture and particle boards	5,981	9,795
- Other products	16,554	20,124
Net	22,535	29,919

Profit (loss) before income tax expense of Other Products segment in 2022 included the operating results on mining and sales of cryptocurrency with revenues totalling approximately Baht 3.36 million (divided into BTC and ETH amounting to Baht 0.09 million and Baht 3.27 million, respectively) and expenses totalling approximately Baht 5.72 million, whereby none of cryptocurrency outstanding on hand as at June 30, 2022.

Information on Geographic Areas (Consolidated - Six-Month Periods)

	In Thousand Baht	
	2022	2021
Export sales - net		
- Japan	260,748	335,740
- India	62,326	33,934
- United States of America	57,159	115,013
- United Arab Emirates	14,573	-
- Philippines	6,993	7,718
- China	5,310	-
- Bahrain	4,442	1,834
- Other countries	-	12,178
Total	411,551	506,417
Domestic sales - net	334,907	283,682
Total sales - net	746,458	790,099

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)
June 30, 2022 and 2021 (Unaudited) (Reviewed)
and December 31, 2021 (Audited)

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 (Six-Month Periods)	
	2022	2021
Net sales		
- Wood furniture and particle boards	21.11	11.26
- Other products	-	-
- Export	36.99	16.90
- Domestic	-	-
- Total	20.39	10.83

15. PAYMENT OF DIVIDENDS

At the general shareholders' meeting on April 21, 2022, the shareholders approved the payment of cash dividends for the 2021 operations at Baht 0.0157 per share (from the promoted profit of Baht 0.0043 per share and non-promoted profit of Baht 0.0114 per share), totalling approximately Baht 15.064 million, to shareholders and scheduled the date for dividends payment on May 20, 2022.

At the general shareholders' meeting on April 22, 2021, the shareholders approved the payment of cash dividends for the 2020 operations at approximately Baht 0.0125 per share, totalling approximately Baht 12.0 million, to the shareholders and scheduled the date for dividends payment was May 21, 2021.

16. EVENT AFTER THE REPORTING PERIOD

At the Board of Directors' meeting on August 11, 2022, the Board of Directors passed the resolution approving the lease of land owned by a director of the Company. Such land located at Amphur Klaeng, Rayong province, with total area of 2-1-90 rai (990 square wah). The leased land is purposed for being the venue for construction of the Company's warehouse. The lease is on progressive rates starting from Baht 9,900 per month with an increase of 10% every three year. Such lease rates are based on the appraisal prices of two independent valuers whereby the lower rates are chosen by the Company. Total amount of the lease fees do not exceed of Baht 3.2 million. The lease term is for a period of 20 years starting from August 2022 with renewal option of the lease.

17. OTHERS

As at June 30, 2022:

- a. The Company had letters of guarantee issued by three local banks to four private companies and a government agency totalling approximately Baht 58.8 million;
- b. The Company had commitments on construction of office building, construction of warehouse, and improvements of infrastructure and factory systems amounting to approximately Baht 46.5 million, Baht 11.5 million and Baht 11.2 million, respectively;

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Continued)
June 30, 2022 and 2021 (Unaudited) (Reviewed)
and December 31, 2021 (Audited)

- c. The Company had advance amounting to Baht 50.3 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;
- d. The Company has been during the 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 partially paid such deposit amounting to Baht 75 million and Baht 25 million, respectively (totalling Baht 100 million);
- e. The Company had the outstanding forward exchange contracts (sell - in U.S. Dollar) as follows:

Foreign Currency Amount	Fixed Baht (In Thousand Baht)	Fair Value (In Thousand Baht)	Maturity Periods
2,402,519	82,178	84,275	September to December 2022

- f. A subsidiary had commitment on purchase of computer software and related services for supporting its e-commerce business amounting to approximately Baht 1.2 million.

18. APPROVAL OF THE INTERIM FINANCIAL INFORMATION

The accompanying interim financial information was approved for issuance by the Company's Board of Directors' meeting on August 11, 2022.