

AAPICO Hitech Public Company Limited
and its subsidiaries
Review report and interim financial information
For the three-month and six-month periods ended
30 June 2022

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of AAPICO Hitech Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of AAPICO Hitech Public Company Limited and its subsidiaries (collectively "the Group") as at 30 June 2022, the related consolidated statements of income and comprehensive income for the three-month and six-month periods then ended, and the related consolidated statements of changes in shareholders' equity and cash flows for the six-month period then ended, as well as the condensed notes to the interim financial statements (collectively "interim consolidated financial information"). I have also reviewed the separate interim financial information of AAPICO Hitech Public Company Limited for the same periods. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

Except as described in the basis for qualified conclusion paragraph, I conducted my review in accordance with Thai Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Basis for Qualified Conclusion

- a) Consolidated financial information: As at 30 June 2022, the Group had an investment in an overseas associate, Sakthi Auto Component Limited ("SACL"), of which the value under the equity method was Baht 2,977 million (Baht 2,576 million under the cost method), which was included under investments in associates in the consolidated statement of financial position. The Group's share of profit of Baht 42 million and Baht 48 million were included in the consolidated statements of income for the three-month and six-month periods then ended, respectively, and share of gain on translation adjustment of SACL of Baht 68 million and Baht 201 million were included in the consolidated statements of comprehensive income for the three-month and six-month periods then ended, respectively, as discussed in Note 5 to the interim financial statements. The investment in SACL under the equity method was valued based on the SACL's management accounts since SACL did not engage an auditor to review the consolidated financial information for such periods for group reporting purposes and I was unable to apply other review procedures to reach a conclusion regarding the consolidated financial position and the consolidated financial performance of SACL. I am therefore unable to determine whether and to what extent it is necessary to adjust the value of the investment in SACL under the equity method, share of profit and share of gain on translation adjustment of SACL in the consolidated financial information for such periods. This matter is regarded as a scope limitation imposed by circumstance.

- b) Separate financial information: As at 30 June 2022, the Company had an investment in an overseas subsidiary, Sakthi Global Auto Holdings Limited (“SGAH”) that invests in SACL, of which the value was Baht 779 million, which was included in investments in subsidiaries, and the loans and interest receivable provided directly and indirectly through the Company’s subsidiary to SGAH of Baht 2,331 million, which were included in loans to related parties and other receivables. As a result of the scope limitation imposed by circumstance, as described in a), I am unable to determine whether and to what extent it is necessary to adjust the recoverable amount of investments in SGAH and loans to and interest receivables from SGAH, together with related expenses, in the separate financial information for such periods.
- c) The scope limitation imposed by circumstance referred to in paragraphs a) and b) have existed since 2021 for the same reason. Therefore, my opinion on the consolidated and separate financial statements for the year 2021 and my conclusion on the consolidated and separate financial information for the three-month and six-month periods ended 30 June 2021 was qualified in respect of the above matters. Accordingly, my conclusion on the consolidated and separate financial information for the current periods are qualified in respect of the effects of the above matters as they may affect the comparison of the current periods’ figures and the comparative figures.

Qualified Conclusion

Based on my review, except for the possible effects on the matters described in the basis for qualified conclusion paragraph, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 Interim Financial Reporting.

Emphasis of Matter

I draw attention to Note 7.3 to the interim financial statements regarding the litigation cases between the Group and Sakthi group relating to the appropriation of collateral shares of SGAH. My conclusion is not qualified in respect of this matter.

Vissuta Jariyathanakorn

Certified Public Accountant (Thailand) No. 3853

EY Office Limited

Bangkok: 15 August 2022

AAPICO Hitech Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2022

(Unit: Thousand Baht)

	Note	Consolidated financial information		Separate financial information	
		30 June 2022	31 December 2021	30 June 2022	31 December 2021
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		825,992	690,391	103,452	40,700
Trade and other receivables	2, 3	3,250,294	2,236,600	1,603,347	1,389,936
Short-term loans to related parties	2	-	-	336,000	336,000
Inventories	4	3,470,157	3,030,653	185,346	149,480
Other current financial assets		94	51,679	-	23,000
Other current assets					
Advances for purchases of goods		5,374	22,603	1,195	16,560
Others		312,485	254,556	18,835	21,258
Total current assets		7,864,396	6,286,482	2,248,175	1,976,934
Non-current assets					
Restricted bank deposit		37,000	27,000	-	-
Long-term loans to related parties	2	125,804	95,804	4,003,212	3,877,831
Investments in associates	5	4,208,558	4,030,132	568,283	568,283
Investments in joint ventures	6	108,331	120,245	177,600	177,600
Investments in subsidiaries	7	-	-	4,984,419	4,968,889
Property, plant and equipment	8	7,989,367	8,221,984	985,861	1,013,541
Right-of-use assets	9	698,374	600,196	11,727	15,096
Goodwill		1,094,107	1,117,992	-	-
Other intangible assets		1,547,187	1,599,072	8,470	10,253
Assets recognised from the costs to fulfill					
a contract with a customer		567,009	564,180	-	-
Deferred tax assets		-	-	65,404	64,132
Other non-current assets		68,355	59,408	6,954	7,309
Total non-current assets		16,444,092	16,436,013	10,811,930	10,702,934
Total assets		24,308,488	22,722,495	13,060,105	12,679,868

The accompanying notes are an integral part of the financial information.

AAPICO Hitech Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2022

(Unit: Thousand Baht)

	Note	Consolidated financial information		Separate financial information	
		30 June 2022	31 December 2021	30 June 2022	31 December 2021
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from banks	10	1,443,023	1,710,423	-	109,000
Trade and other payables	2	5,847,410	4,883,735	550,176	479,775
Current portion of long-term loans	10	1,645,824	1,441,025	1,216,118	1,087,432
Current portion of long-term debentures	11	-	499,972	-	499,972
Current portion of lease liabilities		128,638	104,594	5,737	6,672
Short-term loans from related parties	2	33,030	35,696	604,869	1,298,495
Provision for product warranty		33,545	32,023	-	-
Other current liabilities					
Income tax payable		50,142	28,299	11,242	4,128
Advances received from customers		176,814	157,061	36,836	61,383
Others		221,464	265,280	2,297	4,040
Total current liabilities		9,579,890	9,158,108	2,427,275	3,550,897
Non-current liabilities					
Long-term loans	10	3,573,408	3,138,251	2,080,603	1,808,479
Long-term debentures	11	1,099,615	1,099,486	1,099,615	1,099,486
Lease liabilities		218,746	180,304	6,440	8,811
Provision for long-term employee benefits		270,710	264,938	46,496	45,266
Deferred tax liabilities		52,665	49,317	-	-
Other non-current liabilities		43,433	17,291	-	-
Total non-current liabilities		5,258,577	4,749,587	3,233,154	2,962,042
Total liabilities		14,838,467	13,907,695	5,660,429	6,512,939

The accompanying notes are an integral part of the financial information.

AAPICO Hitech Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2022

(Unit: Thousand Baht)

Note	Consolidated financial information		Separate financial information	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
	354,842,012 ordinary shares of Baht 1 each	354,842	354,842	354,842
Issued and paid-up				
	354,842,012 ordinary shares of Baht 1 each	354,842	354,842	354,842
	Premium on ordinary shares	2,164,354	2,164,354	2,164,354
	Premium on treasury shares	33,580	33,580	33,580
	Deficit from the change in the interests in a subsidiary	(1,533)	(1,533)	-
Retained earnings				
Appropriated				
	Statutory reserve - the Company	59,541	59,541	59,541
	Statutory reserve - subsidiaries	159,594	159,594	-
	Unappropriated	6,183,257	5,537,584	4,787,359
	Other components of shareholders' equity	202,782	205,042	-
	Equity attributable to owners of the Company	9,156,417	8,513,004	7,399,676
	Non-controlling interests of the subsidiaries	313,604	301,796	-
	Total shareholders' equity	9,470,021	8,814,800	7,399,676
	Total liabilities and shareholders' equity	24,308,488	22,722,495	13,060,105
		-	-	-

The accompanying notes are an integral part of the financial information.

Directors

AAPICO Hitech Public Company Limited and its subsidiaries**Income statement****For the three-month period ended 30 June 2022**

(Unit: Thousand Baht, except basic earnings per share expressed in Baht)

	Note	Consolidated financial information		Separate financial information	
		2022	2021	2022	2021
Revenues					
Revenues from contracts with customers		6,145,028	4,832,697	539,216	486,875
Other income					
Dividend income	5, 7	-	-	1,233,248	1,006,532
Gain on exchange rate		128,910	42,376	115,736	41,477
Others		71,375	102,839	31,262	63,526
Total		200,285	145,215	1,380,246	1,111,535
Total revenues		6,345,313	4,977,912	1,919,462	1,598,410
Expenses					
Cost of sales and services		5,523,381	4,273,227	483,608	444,839
Selling and distribution expenses		88,632	84,564	7,577	7,491
Administrative expenses		323,816	306,574	79,223	58,431
Total expenses		5,935,829	4,664,365	570,408	510,761
Profit from operating activities		409,484	313,547	1,349,054	1,087,649
Share of profit from investments in associates	5	128,533	62,581	-	-
Share of loss from investments in joint ventures	6	(6,630)	(5,130)	-	-
Finance income		2,243	1,462	41,840	42,655
Finance cost		(76,926)	(89,220)	(53,340)	(61,301)
Profit before income tax expenses		456,704	283,240	1,337,554	1,069,003
Income tax expenses	13	(42,506)	(32,647)	(12,133)	(16,451)
Profit for the period		414,198	250,593	1,325,421	1,052,552
Profit attributable to					
Equity holders of the Company		409,796	250,200	1,325,421	1,052,552
Non-controlling interests of the subsidiaries		4,402	393		
		414,198	250,593		
Basic earnings per share					
Profit attributable to equity holders of the Company		1.15	0.71	3.74	2.97

The accompanying notes are an integral part of the financial information.

(Unaudited but reviewed)

AAPICO Hitech Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 June 2022

(Unit: Thousand Baht)

	Consolidated financial information		Separate financial information	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Profit for the period	<u>414,198</u>	<u>250,593</u>	<u>1,325,421</u>	<u>1,052,552</u>
Other comprehensive income				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>				
Translation adjustments	(149,127)	105,993	-	-
Share of other comprehensive income from associates	68,630	2,462	-	-
Other comprehensive income for the period	<u>(80,497)</u>	<u>108,455</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u><u>333,701</u></u>	<u><u>359,048</u></u>	<u><u>1,325,421</u></u>	<u><u>1,052,552</u></u>
Total comprehensive income attributable to				
Equity holders of the Company	326,404	346,500	<u>1,325,421</u>	<u>1,052,552</u>
Non-controlling interests of the subsidiaries	<u>7,297</u>	<u>12,548</u>		
	<u><u>333,701</u></u>	<u><u>359,048</u></u>		

The accompanying notes are an integral part of the financial information.

AAPICO Hitech Public Company Limited and its subsidiaries

Income statement

For the six-month period ended 30 June 2022

(Unit: Thousand Baht, except basic earnings per share expressed in Baht)

	Note	Consolidated financial information		Separate financial information	
		2022	2021	2022	2021
Revenues					
Revenues from contracts with customers		12,875,324	10,419,008	1,231,641	1,082,198
Other income					
Dividend income	5, 7	-	-	1,323,578	1,028,532
Gain on exchange rate		125,387	144,746	111,829	131,596
Others		156,373	153,212	62,655	96,752
Total		281,760	297,958	1,498,062	1,256,880
Total revenues		13,157,084	10,716,966	2,729,703	2,339,078
Expenses					
Cost of sales and services		11,507,904	9,184,741	1,112,113	970,908
Selling and distribution expenses		172,152	171,399	16,497	16,375
Administrative expenses		632,524	609,594	165,499	123,256
Total expenses		12,312,580	9,965,734	1,294,109	1,110,539
Profit from operating activities		844,504	751,232	1,435,594	1,228,539
Share of profit from investments in associates	5	216,158	153,591	-	-
Share of loss from investments in joint ventures	6	(11,914)	(8,773)	-	-
Finance income		3,888	2,563	82,044	83,830
Finance cost		(158,242)	(176,683)	(106,308)	(124,774)
Profit before income tax expenses		894,394	721,930	1,411,330	1,187,595
Income tax expenses	13	(71,184)	(57,907)	(11,997)	(24,427)
Profit for the period		823,210	664,023	1,399,333	1,163,168
Profit attributable to					
Equity holders of the Company		812,259	660,930	1,399,333	1,163,168
Non-controlling interests of the subsidiaries		10,951	3,093		
		823,210	664,023		
Basic earnings per share					
Profit attributable to equity holders of the Company		2.29	1.86	3.94	3.28

The accompanying notes are an integral part of the financial information.

(Unaudited but reviewed)

AAPICO Hitech Public Company Limited and its subsidiaries

Statement of comprehensive income

For the six-month period ended 30 June 2022

(Unit: Thousand Baht)

	Consolidated financial information		Separate financial information	
	2022	2021	2022	2021
Profit for the period	<u>823,210</u>	<u>664,023</u>	<u>1,399,333</u>	<u>1,163,168</u>
Other comprehensive income				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>				
Translation adjustments	(201,699)	36,294	-	-
Share of other comprehensive income from associates	200,296	138,477	-	-
Other comprehensive income for the period	<u>(1,403)</u>	<u>174,771</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u><u>821,807</u></u>	<u><u>838,794</u></u>	<u><u>1,399,333</u></u>	<u><u>1,163,168</u></u>
Total comprehensive income attributable to				
Equity holders of the Company	809,999	820,135	<u>1,399,333</u>	<u>1,163,168</u>
Non-controlling interests of the subsidiaries	11,808	18,659		
	<u><u>821,807</u></u>	<u><u>838,794</u></u>		

The accompanying notes are an integral part of the financial information.

(Unaudited but reviewed)

AAPICO Hitech Public Company Limited and its subsidiaries**Cash flow statement****For the six-month period ended 30 June 2022**

(Unit: Thousand Baht)

	Consolidated financial information		Separate financial information	
	2022	2021	2022	2021
Cash flows from operating activities				
Profit before tax	894,394	721,930	1,411,330	1,187,595
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	569,341	507,120	67,364	64,549
Unrealised loss (gain) on exchange rate from loan receivables/payables	8,352	14,843	(94,891)	(95,743)
Gain on sales/write-off of equipment, right-of-use assets and other intangible assets	(4,823)	(2,757)	(712)	(638)
Share of profit from investments in associates and joint ventures	(204,244)	(144,818)	-	-
Loss on write-off of other assets	1,451	284	-	-
Reduction of inventory cost to net realisable value (reversal)	(284)	14,427	(3,431)	(1,800)
Allowance for expected credit losses (reversal)	(1,975)	(22,886)	479	849
Provision for product warranty	2,296	16,978	-	-
Provision for long-term employee benefits	12,307	12,682	2,243	2,290
Dividend income from associates and subsidiaries	-	-	(1,323,578)	(1,028,532)
Finance income	(3,888)	(2,563)	(82,044)	(83,830)
Finance cost	158,242	176,683	106,308	124,774
Profit from operating activities before changes in operating assets and liabilities	1,431,169	1,291,923	83,068	169,514
Operating assets (increase) decrease				
Trade and other receivables	(974,705)	346,962	(127,289)	98,030
Inventories	(439,220)	(543,217)	(32,435)	(56,344)
Other current financial assets	51,585	(366,337)	23,000	(333,502)
Other current assets	(42,108)	(5,875)	17,788	(8,165)
Other non-current assets	(9,145)	5,210	355	4,913
Operating liabilities increase (decrease)				
Trade and other payables	882,644	322,509	59,788	(43,870)
Other current liabilities	(24,063)	108,095	(26,290)	80,496
Other non-current liabilities	26,142	2,688	-	-
Cash flows from (used in) operating activities	902,299	1,161,958	(2,015)	(88,928)
Cash paid for long-term employee benefits	(6,535)	(5,813)	(1,013)	(106)
Cash paid for product warranty	(774)	(892)	-	-
Bad debt recovery	500	-	500	-
Cash paid for income tax	(58,817)	(38,774)	(6,155)	(4,159)
Cash received from income tax refund	12,406	9,931	-	6,292
Net cash flows from (used in) operating activities	849,079	1,126,410	(8,683)	(86,901)

The accompanying notes are an integral part of the financial information.

(Unaudited but reviewed)

AAPICO Hitech Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the six-month period ended 30 June 2022

(Unit: Thousand Baht)

	Consolidated financial information		Separate financial information	
	2022	2021	2022	2021
Cash flows from investing activities				
Increase in restricted bank deposit	(10,000)	(25,000)	-	-
Decrease (increase) in loans to related parties	(30,000)	593,970	(22,138)	752,754
Acquisitions of investments in subsidiaries	-	-	(15,530)	(3,750)
Dividend received from associates and subsidiaries	231,115	106,331	1,316,665	1,026,381
Proceeds from sales of equipment	23,872	30,244	839	1,408
Acquisitions of property, plant and equipment, other intangible assets and assets recognised from the costs to fulfill a contract with a customer	(363,732)	(776,144)	(22,730)	(49,548)
Interest received	2,326	23,872	1,855	50
Net cash flows from (used in) investing activities	(146,419)	(46,727)	1,258,961	1,727,295
Cash flows from financing activities				
Decrease in short-term loans from banks	(193,137)	(43,752)	(109,000)	(175,500)
Decrease in loans from related parties	(2,678)	-	(693,626)	(614,795)
Cash received from long-term loans	1,451,406	108,114	1,000,000	-
Repayments of long-term loans	(784,901)	(612,808)	(607,885)	(597,585)
Repayments of long-term debentures	(500,000)	(38,243)	(500,000)	(3,328)
Payments of lease liabilities	(92,364)	(48,388)	(3,306)	(48,388)
Dividend paid	(166,586)	-	(166,586)	-
Interest paid	(162,639)	(179,881)	(107,123)	(126,480)
Net cash flows used in financing activities	(450,899)	(814,958)	(1,187,526)	(1,566,076)
Decrease in translation adjustments	(116,160)	(141,923)	-	-
Net increase in cash and cash equivalents	135,601	122,802	62,752	74,318
Cash and cash equivalents at beginning of period	690,391	651,781	40,700	68,888
Cash and cash equivalents at end of period	825,992	774,583	103,452	143,206
	-	-	-	-

The accompanying notes are an integral part of the financial information.

(Unaudited but reviewed)

AAPICO Hitech Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the six-month period ended 30 June 2022

(Unit: Thousand Baht)

	Consolidated financial information		Separate financial information	
	2022	2021	2022	2021
Supplemental cash flows information				
Non-cash items consist of				
Increase in share subscription payable	-	-	-	(6,000)
Increase (decrease) in accounts payable for purchase and construction of assets	86,429	(19,102)	11,929	-
Increase (decrease) in deposits for purchases of assets	(199)	90,568	-	-
Transfer assets recognised from costs to fulfill a contract with a customer to equipment	-	4,680	-	-
Transfer equipment to other intangible assets and right-of-use assets	73,313	-	-	-
Transfer other intangible assets to equipment	63	180	-	-
Increase in right-of-use assets from lease liabilities	80,587	18,929	-	-
Increase in dividend receivable	6,913	2,151	6,913	2,151
Stock dividends	-	32,258	-	32,258
Conversion of short-term loans from banks to lease liabilities	74,263	-	-	-

The accompanying notes are an integral part of the financial information.

(Unaudited but reviewed)

AAPICO Hitech Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2022

(Unit: Thousand Baht)

Consolidated financial information

	Equity attributable to the Company's shareholders												
								Other components of equity - other					
				Deficit from the change in the interests in a subsidiary	Retained earnings			Translation adjustments	Share of other comprehensive income from associates		Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
	Issued and paid-up share capital	Premium on ordinary shares	Premium on treasury shares		Appropriated - The Company	Statutory reserve Subsidiaries	Unappropriated		Total				
Balance as at 1 January 2021	322,584	2,164,354	33,580	-	59,541	159,594	4,761,037	161,822	(189,370)	(27,548)	7,473,142	268,146	7,741,288
Profit for the period	-	-	-	-	-	-	660,930	-	-	-	660,930	3,093	664,023
Other comprehensive income for the period	-	-	-	-	-	-	-	20,728	138,477	159,205	159,205	15,566	174,771
Total comprehensive income for the period	-	-	-	-	-	-	660,930	20,728	138,477	159,205	820,135	18,659	838,794
Purchase of non-controlling interests of the subsidiary	-	-	-	(1,533)	-	-	-	-	-	-	(1,533)	(4,467)	(6,000)
Dividends paid	-	-	-	-	-	-	(48,388)	-	-	-	(48,388)	-	(48,388)
Stock dividends	32,258	-	-	-	-	-	(32,258)	-	-	-	-	-	-
Balance as at 30 June 2021	354,842	2,164,354	33,580	(1,533)	59,541	159,594	5,341,321	182,550	(50,893)	131,657	8,243,356	282,338	8,525,694
Balance as at 1 January 2022	354,842	2,164,354	33,580	(1,533)	59,541	159,594	5,537,584	134,695	70,347	205,042	8,513,004	301,796	8,814,800
Profit for the period	-	-	-	-	-	-	812,259	-	-	-	812,259	10,951	823,210
Other comprehensive income for the period	-	-	-	-	-	-	-	(202,556)	200,296	(2,260)	(2,260)	857	(1,403)
Total comprehensive income for the period	-	-	-	-	-	-	812,259	(202,556)	200,296	(2,260)	809,999	11,808	821,807
Dividends paid (Note 12)	-	-	-	-	-	-	(166,586)	-	-	-	(166,586)	-	(166,586)
Balance as at 30 June 2022	354,842	2,164,354	33,580	(1,533)	59,541	159,594	6,183,257	(67,861)	270,643	202,782	9,156,417	313,604	9,470,021
	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-

The accompanying notes are an integral part of the financial information.

(Unaudited but reviewed)

AAPICO Hitech Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2022

(Unit: Thousand Baht)

Separate financial information

	Issued and paid-up share capital	Premium on ordinary shares	Premium on treasury shares	Retained earnings		Total shareholders' equity
				Appropriated - Statutory reserve	Unappropriated	
Balance as at 1 January 2021	322,584	2,164,354	33,580	59,541	2,604,111	5,184,170
Profit for the period	-	-	-	-	1,163,168	1,163,168
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	1,163,168	1,163,168
Dividends paid	-	-	-	-	(48,388)	(48,388)
Stock dividends	32,258	-	-	-	(32,258)	-
Balance as at 30 June 2021	354,842	2,164,354	33,580	59,541	3,686,633	6,298,950
Balance as at 1 January 2022	354,842	2,164,354	33,580	59,541	3,554,612	6,166,929
Profit for the period	-	-	-	-	1,399,333	1,399,333
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	1,399,333	1,399,333
Dividends paid (Note 12)	-	-	-	-	(166,586)	(166,586)
Balance as at 30 June 2022	354,842	2,164,354	33,580	59,541	4,787,359	7,399,676
	-	-	-	-	-	-
	-	-	-	-	-	-

The accompanying notes are an integral part of the financial information.

AAPICO Hitech Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month and six-month periods ended 30 June 2022

1. General information

1.1 Basis for the preparation of interim financial information

This interim financial information is prepared in accordance with Thai Accounting Standard 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial information. However, the Company has presented the statements of financial position, income statement, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial information is intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. This interim financial information should therefore be read in conjunction with the latest annual financial statements.

The interim financial information in Thai language is the official statutory financial information of the Company. The interim financial information in English language has been translated from the Thai language interim financial information.

1.2 Coronavirus disease 2019 pandemic

A second wave of the Coronavirus disease 2019 pandemic has slowed down the economic recovery, adversely impacting most businesses and industries. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

1.3 Basis of consolidation

This interim consolidated financial information includes the financial information of AAPICO Hitech Public Company Limited (hereinafter called as "the Company") and its subsidiaries (hereinafter called as "the Group") and has been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2021. During the current period, there was no significant change in the structure of the Group.

1.4 Significant accounting policies

The interim financial information is prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2021.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2022, do not have any significant impact on the Group's financial information.

2. Related party transactions

2.1 During the periods, significant business transactions with related parties, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

Transactions	Transfer pricing policies			
Sales of goods and services	Close to selling price to third party			
Dividend income	As declared			
Interest income	3.53% to 4.00% p.a. (2021: 3.87% to 4.00% p.a.)			
Rental income	Contract price			
Management fee income	Contract price			
Other income	Approximate cost			
Purchases of goods and services	Cost plus margin, averaging around 2% to 45% depend on product type			
Other expenses	Contract price			
Interest expense	3.53% to 3.55% p.a. (2022: 3.87% to 3.98% p.a.)			

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial information		financial information	
	For the three-month periods ended 30 June			
	2022	2021	2022	2021
Sales of goods and services				
Subsidiaries	-	-	93,479	67,210
Associates	60,961	51,702	11,165	1,674
Joint ventures	4,935	-	-	-
Total	65,896	51,702	104,644	68,884
Dividend income				
Subsidiaries	-	-	1,070,020	920,050
Associates	-	-	163,228	86,482
Total	-	-	1,233,248	1,006,532
Interest income				
Subsidiaries	-	-	40,774	42,054
Associates	40	40	40	40
Joint ventures	814	337	814	337
Related company (common director)	260	-	-	-
Total	1,114	377	41,628	42,431
Rental income				
Subsidiaries	-	-	390	336
Associates	3,609	3,530	412	333
Total	3,609	3,530	802	669

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial information		financial information	
	For the three-month periods ended 30 June			
	2022	2021	2022	2021
Management fee income				
Subsidiaries	-	-	20,420	20,420
Associates	3,653	3,395	3,653	3,395
Joint ventures	32	64	32	64
Total	<u>3,685</u>	<u>3,459</u>	<u>24,105</u>	<u>23,879</u>
Other income				
Subsidiaries	-	-	4,069	4,881
Associates	2,414	1,961	1,033	945
Joint ventures	109	396	32	33
Related company (common director)	1,674	1,895	-	-
Total	<u>4,197</u>	<u>4,252</u>	<u>5,134</u>	<u>5,859</u>
Purchases of goods and services				
Subsidiaries	-	-	86,532	69,150
Associates	65,513	130,616	30,344	101,695
Joint ventures	-	409	-	16
Total	<u>65,513</u>	<u>131,025</u>	<u>116,876</u>	<u>170,861</u>
Other expenses				
Subsidiaries	-	-	6,040	5,179
Associates	108	258	17	30
Related company (common director)	-	144	-	-
Total	<u>108</u>	<u>402</u>	<u>6,057</u>	<u>5,209</u>
Interest expense				
Subsidiaries	-	-	16,144	6,219
Total	<u>-</u>	<u>-</u>	<u>16,144</u>	<u>6,219</u>

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial information		financial information	
	For the six-month periods ended 30 June			
	2022	2021	2022	2021
Sales of goods and services				
Subsidiaries	-	-	207,962	160,524
Associates	120,430	108,984	14,040	2,601
Joint ventures	9,910	775	-	-
Total	<u>130,340</u>	<u>109,759</u>	<u>222,002</u>	<u>163,125</u>
Dividend income				
Subsidiaries	-	-	1,085,550	920,050
Associates	-	-	238,028	108,482
Total	<u>-</u>	<u>-</u>	<u>1,323,578</u>	<u>1,028,532</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial information		financial information	
	For the six-month periods ended 30 June			
	2022	2021	2022	2021
Interest income				
Subsidiaries	-	-	80,250	82,980
Associates	79	78	79	78
Joint ventures	1,502	547	1,502	547
Related company (common director)	260	-	-	-
Total	1,841	625	81,831	83,605
Rental income				
Subsidiaries	-	-	780	780
Associates	7,192	7,061	797	666
Total	7,192	7,061	1,577	1,446
Management fee income				
Subsidiaries	-	-	40,841	40,841
Associates	7,243	7,045	7,243	7,045
Joint ventures	64	64	64	64
Total	7,307	7,109	48,148	47,950
Other income				
Subsidiaries	-	-	7,786	8,632
Associates	4,556	4,176	2,001	1,914
Joint ventures	228	1,560	55	51
Related company (common director)	4,109	4,316	-	-
Total	8,893	10,052	9,842	10,597
Purchases of goods and services				
Subsidiaries	-	-	214,417	153,708
Associates	142,784	175,225	74,956	111,756
Joint ventures	-	409	-	16
Total	142,784	175,634	289,373	265,480
Other expenses				
Subsidiaries	-	-	13,685	8,359
Associates	143	273	38	30
Related company (common director)	-	144	-	-
Total	143	417	13,723	8,389
Interest expense				
Subsidiaries	-	-	26,201	12,605
Total	-	-	26,201	12,605

2.2 The balances of the accounts between the Group and those related parties as at 30 June 2022 and 31 December 2021

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial information		financial information	
	30	31	30	31
	June	December	June	December
	2022	2021	2022	2021
Trade and other receivables - related parties (Note 3)				
Subsidiaries	-	-	1,322,889	1,206,855
Associates	66,386	59,609	22,747	7,431
Joint ventures	6,788	946	645	613
Related company (common directors)	81,178	80,316	21,769	20,791
Less: Allowance for expected credit losses	(78,132)	(77,153)	(83,936)	(82,957)
Total	76,220	63,718	1,284,114	1,152,733
Trade and other payables - related parties				
Subsidiaries	-	-	79,025	57,161
Associates	58,522	74,362	32,487	56,778
Related company (common director)	4,963	4,961	-	-
Total	63,485	79,323	111,512	113,939
Short-term loans to related parties				
Subsidiaries	-	-	360,000	360,000
Less: Allowance for expected credit losses	-	-	(24,000)	(24,000)
Total	-	-	336,000	336,000
Long-term loans to related parties				
Subsidiaries	-	-	4,025,462	3,933,081
Associates	4,000	4,000	4,000	4,000
Joint ventures	99,750	69,750	99,750	69,750
Related company (common director)	566,187	545,301	389,593	368,708
Less: Allowance for expected credit losses	(544,133)	(523,247)	(515,593)	(497,708)
Total	125,804	95,804	4,003,212	3,877,831
Short-term loans from related parties				
Subsidiaries	-	-	604,869	1,298,495
Related company (common directors)	33,030	35,696	-	-
Total	33,030	35,696	604,869	1,298,495

(Unaudited but reviewed)

- 2.3 The movements in the loan receivables and payables between the Group and those related parties during the six-month period ended 30 June 2022 are summarised below.

Loans to related parties	(Unit: Thousand Baht)	
	Consolidated financial information	Separate financial information
As at 1 January 2022	95,804	4,213,831
Increase	30,000	977,483
Decrease	-	(955,345)
Effect from foreign exchange rate	-	103,243
As at 30 June 2022	<u>125,804</u>	<u>4,339,212</u>

Loans from related parties	(Unit: Thousand Baht)	
	Consolidated financial information	Separate financial information
As at 1 January 2022	35,696	1,298,495
Increase	-	3,874,169
Decrease	(2,678)	(4,567,795)
Translation adjustments	12	-
As at 30 June 2022	<u>33,030</u>	<u>604,869</u>

- 2.4 Directors and management's benefits

During the three-month and six-month periods ended 30 June 2022 and 2021, the Group had employee benefit expenses payable to its directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial information		financial information	
	For the three-month periods ended 30 June			
	2022	2021	2022	2021
Short-term employee benefits	8,923	8,152	8,923	8,152
Post-employment and other long-term benefits	56	54	56	54
Total	<u>8,979</u>	<u>8,206</u>	<u>8,979</u>	<u>8,206</u>

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial information		financial information	
	For the six-month periods ended 30 June			
	2022	2021	2022	2021
Short-term employee benefits	17,386	15,765	17,386	15,765
Post-employment and other long-term benefits	111	108	111	108
Total	<u>17,497</u>	<u>15,873</u>	<u>17,497</u>	<u>15,873</u>

- 2.5 Guarantee obligations with related parties

The Company has outstanding guarantee obligations for credit facilities of its related parties, as described in Note 14.4 to the interim financial statements.

3. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial information		financial information	
	30	31	30	31
	June	December	June	December
	2022	2021	2022	2021
Trade receivables - related parties				
Aged on the basis of due dates				
Not yet due and past due not over 3 months	59,033	52,614	57,121	30,497
Past due 3 - 12 months	-	-	-	-
Past due more than 12 months	51,502	51,502	-	-
Total	110,535	104,116	57,121	30,497
Less: Allowance for expected credit losses	(51,502)	(51,502)	-	-
Total trade receivables - related parties, net	59,033	52,614	57,121	30,497
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due and past due not over 3 months	3,060,464	2,064,100	270,204	232,518
Past due 3 - 12 months	10,253	17,061	79	586
Past due more than 12 months	9,866	15,467	2,345	543
Total	3,080,583	2,096,628	272,628	233,647
Less: Allowance for expected credit losses	(26,904)	(29,056)	(833)	(833)
Total trade receivables - unrelated parties, net	3,053,679	2,067,572	271,795	232,814
Total trade receivables - net	3,112,712	2,120,186	328,916	263,311
Other receivables				
Dividend receivable - related party	6,913	-	6,913	-
Advances - unrelated parties	22,808	37,653	-	-
Interest receivables - related parties	25,360	23,798	1,281,822	1,180,427
Accrued income - related parties	-	-	542	-
Accrued income - unrelated parties	88,730	44,325	47,417	2,470
Others - related parties	11,544	12,957	21,653	24,766
Others - unrelated parties	75,729	90,704	18,308	20,707
Total	231,084	209,437	1,376,655	1,228,370
Less: Allowance for expected credit losses	(93,502)	(93,023)	(102,224)	(101,745)
Total other receivables - net	137,582	116,414	1,274,431	1,126,625
Total trade and other receivables - net	3,250,294	2,236,600	1,603,347	1,389,936

As at 30 June 2022, a subsidiary has pledged trade receivables of Baht 28.5 million (31 December 2021: Baht 20.4 million) as collateral to secure loans from banks.

4. Inventories

Movements in the allowance for reduction of cost of inventories to net realisable value account during the six-month period ended 30 June 2022 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial information	Separate financial information
As at 1 January 2022	89,953	17,244
Decrease	(284)	(3,431)
As at 30 June 2022	<u>89,669</u>	<u>13,813</u>

As at 30 June 2022, certain subsidiaries have pledged finished goods of Baht 303 million (31 December 2021: Baht 153 million) to secure loans from banks.

5. Investments in associates

5.1 Movements in the investments in associates account during the six-month period ended 30 June 2022 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial information	Separate financial information
Net book value as at 1 January 2022	4,030,132	568,283
Share of profit	216,158	-
Share of comprehensive income	200,296	-
Dividend income	(238,028)	-
Net book value as at 30 June 2022	<u>4,208,558</u>	<u>568,283</u>

The value of the investment under the equity method of Sakthi Auto Component Limited ("SACL") in the consolidated financial information as at 30 June 2022 of Baht 2,977 million (31 December 2021: Baht 2,728 million) has been accounted for based on the financial information prepared by the management of SACL, which has not been audited or reviewed by the auditor of SACL.

(Unaudited but reviewed)

5.2 Details of share of profit or loss, share of other comprehensive income and dividend income for the three-month and six-month periods ended 30 June 2022 and 2021

(Unit: Thousand Baht)

Separate financial
information

Company	Consolidated financial information								Separate financial information	
	Shareholding percentage		Share of profit (loss)		Share of other comprehensive income		Dividend income		Dividend income	
	For the three-month periods ended 30 June									
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	(%)	(%)								
Associates in Thailand										
Able Sanoh Industries (1996) Company Limited	45.62	45.62	26,449	29,874	-	-	137,790	70,291	137,790	70,291
Sanoh Industries (Thailand) Company Limited	20	20	(2,484)	1,253	-	-	6,913	2,151	6,913	2,151
MINTH AAPICO (Thailand) Company Limited	40	40	2,231	(7,077)	-	-	-	-	-	-
Thai Takagi Seiko Company Limited	49.20	49.20	2,995	427	-	-	-	-	-	-
Hyundai Motor (Thailand) Company Limited	20	20	58,398	8,040	-	-	-	-	-	-
Edscha AAPICO Automotive Company Limited	49	49	5,884	3,272	-	-	16,073	11,588	16,073	11,588
Sumino AAPICO (Thailand) Company Limited	49	49	(220)	3,301	-	-	2,452	2,452	2,452	2,452
Associates in overseas										
Nuro Technology Incorporated	20.36	20.36	(6,785)	(3,199)	231	712	-	-	-	-
Sakthi Auto Component Limited	77.04	77.04	42,065	26,690	68,399	1,750	-	-	-	-
Total			128,533	62,581	68,630	2,462	163,228	86,482	163,228	86,482

(Unaudited but reviewed)

(Unit: Thousand Baht)

Separate financial
information

Company	Consolidated financial information								Separate financial information	
	Shareholding percentage		Share of profit (loss)		Share of other comprehensive income		Dividend income		Dividend income	
For the six-month periods ended 30 June										
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	(%)	(%)								
Associates in Thailand										
Able Sanoh Industries (1996) Company Limited	45.62	45.62	65,725	74,345	-	-	137,790	70,291	137,790	70,291
Sanoh Industries (Thailand) Company Limited	20	20	521	5,220	-	-	6,913	2,151	6,913	2,151
MINTH AAPICO (Thailand) Company Limited	40	40	5,164	(7,450)	-	-	-	-	-	-
Thai Takagi Seiko Company Limited	49.20	49.20	8,105	5,425	-	-	-	-	-	-
Hyundai Motor (Thailand) Company Limited	20	20	82,206	35,916	-	-	74,800	22,000	74,800	22,000
Edscha AAPICO Automotive Company Limited	49	49	9,662	7,998	-	-	16,073	11,588	16,073	11,588
Sumino AAPICO (Thailand) Company Limited	49	49	4,955	9,020	-	-	2,452	2,452	2,452	2,452
Associates in overseas										
Nuro Technology Incorporated	20.36	20.36	(7,790)	(5,448)	(321)	1,218	-	-	-	-
Sakthi Auto Component Limited	77.04	77.04	47,610	28,565	200,617	137,259	-	-	-	-
Total			216,158	153,591	200,296	138,477	238,028	108,482	238,028	108,482

6. Investments in joint ventures

6.1 Movements in the investments in joint ventures account during the six-month period ended 30 June 2022 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial information	Separate financial information
Net book value as at 1 January 2022	120,245	177,600
Share of loss	(11,914)	-
Net book value as at 30 June 2022	108,331	177,600

6.2 Details of share of profit or loss, share of other comprehensive income and dividend income for the three-month and six-month periods ended 30 June 2022 and 2021

Joint venture	(Unit: Thousand Baht)							
	Consolidated financial information				Separate financial information			
	Shareholding percentage	Share of loss	Share of other comprehensive income		Share of other comprehensive income		Dividend income	
			2022	2021	2022	2021	2022	2021
For the three-month periods ended 30 June								
AAPICO Sodectia (Thailand) Company Limited	50	50	(93)	(60)	-	-	-	-
AAPICO Electronics Company Limited	51	51	(746)	(580)	-	-	-	-
Vroom Company Limited	40	40	(5,791)	(4,490)	-	-	-	-
Total			(6,630)	(5,130)	-	-	-	-

Joint venture	(Unit: Thousand Baht)							
	Consolidated financial information				Separate financial information			
	Shareholding percentage	Share of loss	Share of other comprehensive income		Share of other comprehensive income		Dividend income	
			2022	2021	2022	2021	2022	2021
For the six-month periods ended 30 June								
AAPICO Sodectia (Thailand) Company Limited	50	50	(179)	(110)	-	-	-	-
AAPICO Electronics Company Limited	51	51	(913)	(1,056)	-	-	-	-
Vroom Company Limited	40	40	(10,822)	(7,607)	-	-	-	-
Total			(11,914)	(8,773)	-	-	-	-

7. Investments in subsidiaries

- 7.1 Movements in the investments in subsidiaries account during the six-month period ended 30 June 2022 are summarised below.

	(Unit: Thousand Baht) Separate financial information
Net book value as at 1 January 2022	4,968,889
Increase	15,530
Net book value as at 30 June 2022	<u>4,984,419</u>

During the current period, the Company purchased the share capital increase of AAPICO Motors Sdn. Bhd. of 2 million ordinary shares with a par value of RM 1 each, amounting to RM 2 million or Baht 15.5 million in order to maintain its shareholding percentage.

- 7.2 During the three-month and six-month periods ended 30 June 2022, the Company received dividend from the subsidiaries amounting to Baht 1,070 million (2021: Baht 920 million) and Baht 1,086 million (2021: Baht 920 million), respectively.

- 7.3 Appropriation of shares of Sakthi Global Auto Holdings Limited ("SGAH")

Due to the appropriation of shares of SGAH as disclosed in Note 7.2 to the financial statements for the year 2021, there are a number of legal cases proceeding between the Group and Sakthi Group ("Sakthi"). As of 30 June 2022, there are two relevant cases that have been advanced and the results of which may directly affect the total amount of outstanding debt owed by Sakthi to the Group, including interest, default interest and costs. The details of these two cases are as follows.

- a) Legal proceeding by ABT, which is a company within Sakthi, against the Group challenging the value of SGAH shares which have been appropriated by the Group as enforcement of security.

ABT has brought a legal case in the English Commercial Court to challenge the valuation of SGAH's shares by the independent appraiser assigned by the Group. The Group is vigorously contesting ABT's claims.

Should the English Commercial Court rule in favor of the Group, there will be no change to the Group's current position, where it has appropriated SGAH's shares and applied a value for those shares in accordance with a valuation by an independent appraiser. Should the English Commercial Court rule in favor of ABT, the value of SGAH shares appropriated by the Group will be adjusted as per the Court ruling.

In the realistic worst-case scenario where the English Commercial Court agrees entirely with ABT and decides the value of SGAH's shares should be adjusted as claimed by ABT, the Group will need to adjust value of SGAH's shares in its statement of financial position. An account will need to be taken of the difference between the valuation applied and the valuation decided. If the English Commercial Court agrees that some other adjustment should be made, an account will need to be taken of that difference.

The trial and hearing process for the case has been arranged in July 2022, which the outcome of the case is currently being awaited.

- b) Legal proceeding by the Group to enforce four personal guarantees

The Group is pursuing arbitration proceedings at the Singapore International Arbitration Centre (SIAC) under four personal guarantees issued by individuals currently and/or formerly connected to Sakthi as security for loans from the Group.

On 21 December 2021, the arbitrator issued the Partial Award on the case. The arbitrator decided that the Guarantors are personally liable to pay Group under the guarantees. However, the arbitrator has decided that the amount due by Guarantors can only be determined after the conclusion of the English share charge proceedings.

As a result of the above mentioned, the Group will take further action to enforce the payment under the guarantees as soon as the English Court's judgement is obtained.

8. Property, plant and equipment

Movements in the property, plant and equipment account during the six-month period ended 30 June 2022 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial information	financial information
Net book value as at 1 January 2022	8,221,984	1,013,541
Acquisitions - at cost	347,455	34,625
Transfer from right-of-use assets	327	-
Transfer from other intangible assets	63	-
Transfer to right-of-use assets	(73,640)	-
Disposals/write-off - net book value	(18,841)	(127)
Depreciation	(422,510)	(62,178)
Translation adjustments	(65,471)	-
Net book value as at 30 June 2022	<u>7,989,367</u>	<u>985,861</u>

Certain subsidiaries have mortgaged their land, building, machinery and vehicles with net book value as at 30 June 2022 of Baht 1,035 million (31 December 2021: Baht 1,086 million) to secure the credit facilities granted by banks.

9. Right-of-use assets

Movements in the right-of-use assets account during the six-month period ended 30 June 2022 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial information	financial information
Net book value as at 1 January 2022	600,196	15,096
Increase	80,587	-
Cancellation	(206)	-
Transfer from equipment	73,640	-
Transfer to equipment	(327)	-
Depreciation	(51,753)	(3,369)
Translation adjustments	(3,763)	-
Net book value as at 30 June 2022	<u>698,374</u>	<u>11,727</u>

Two subsidiaries have mortgaged their right-of-use assets in land with net book value as at 30 June 2022 of Baht 232 million (31 December 2021: Baht 384 million) to secure the credit facilities granted by banks.

10. Loans from banks

Movements in the long-term loans from banks account during the six-month period ended 30 June 2022 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial information	Separate financial information
As at 1 January 2022	4,586,950	2,901,836
Additions	1,451,406	1,000,000
Repayments	(784,901)	(607,885)
Effect from foreign exchange rate	8,352	8,352
Translation adjustments	(35,368)	-
As at 30 June 2022	5,226,439	3,302,303
Less: Deferred financial fees	(7,207)	(5,582)
Long-term loans - net	5,219,232	3,296,721
Less: Portion due within one year	(1,645,824)	(1,216,118)
Portion due more than one year	3,573,408	2,080,603

The Company

The Company's short-term loans from banks are clean loans, while long-term loans from banks are clean loans with a negative pledge of assets belonging to the Company and its subsidiaries.

The loan agreements contain covenants relating to various matters specified in the agreements, including restrictions on providing loans other than loans to intercompany and covenants relating to the shareholding of the major shareholders, and the maintenance of certain financial ratios.

The subsidiaries

Certain subsidiaries' bank overdrafts, short-term loans and long-term loans from banks are secured by the pledge of bank deposit, inventories, right-of-use assets of land, land, buildings and machinery, a letter of guarantee, a letter of credit, and guarantees provided by the Company or subsidiaries, with a negative pledge of assets by the Group.

As at 30 June 2022, the short-term and long-term credit facilities of the Group which have not been drawn down amounted to Baht 4,526 million (31 December 2021: Baht 4,313 million).

11. Long-term debentures

Movements in the long-term debentures account during the six-month period ended 30 June 2022 are summarised below.

	(Unit: Thousand Baht)
	Consolidated/Separate financial information
As at 1 January 2022	1,600,000
Repayments	(500,000)
As at 30 June 2022	1,100,000
Less: Deferred debenture issuing costs	(385)
Long-term debentures - net	1,099,615
Less: Portion due within one year	-
Portion due more than one year	1,099,615

The debentures contain terms of issuer relating to the transfer or disposal of assets that need to be used in or maintained for the operation of the business, negative pledges of assets and the maintenance of a certain financial ratio at the end of each quarter.

12. Dividends paid

Dividends	Approved by	Dividend per share (Baht)	Total dividends (Thousand Baht)
Dividends paid for 2021	Annual General Meeting of the shareholders on 20 April 2022	0.47	166,586
Total dividends paid for the six-month period ended 30 June 2022			166,586

13. Income tax expenses

Interim income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

14. Commitments and contingent liabilities**14.1 Capital commitments**

As at 30 June 2022 and 31 December 2021, the Group had capital commitments relating to installation of computer software, acquisitions of machinery and building from unrelated parties as follows.

	Consolidated		Separate	
	financial information		financial information	
Currency	30 June 2022	31 December 2021	30 June 2022	31 December 2021
THB	69.5	165.2	5.9	22.2
RMB	22.9	19.6	-	-
EUR	-	0.8	-	-

(Unit: Million)

14.2 Long-term investment commitments

As at 30 June 2022 and 31 December 2021, the Group had outstanding commitments in respect of uncalled portion of investments as follows.

(Unit: Million Baht)

Investment type	Consolidated		Separate	
	financial information		financial information	
	30 June	31 December	30 June	31 December
	2022	2021	2022	2021
Subsidiaries	223	223	77	77
Associate	25	25	25	25
Joint venture	68	68	68	68

14.3 Long-term service commitments

Two local subsidiaries have entered into technical assistance agreements with a Japanese company and a German company, under which they have to pay fees at rates stipulated in the agreements, on sales of certain products. The first agreement is for one year and automatically renews annually for a further period of one year, while the other agreement is effective until 2027. Other two local subsidiaries have entered into memorandums with a Japanese company, under which the subsidiaries have to pay royalty fees at certain rates on sales of particular products. These agreements are effective for as long as the products are sold.

The fees for the six-month period ended 30 June 2022 amounting to Baht 7 million (2021: Baht 7 million) were recognised as expenses.

14.4 Guarantees

- a) As at 30 June 2022 and 31 December 2021, the Company has guaranteed bank credit facilities of its foreign subsidiary amounting to RMB 10 million and its local associate amounting to Baht 100 million.
- b) As at 30 June 2022 and 31 December 2021, two foreign subsidiaries have provided guarantees for bank credit facilities of another foreign subsidiary amounting to RM 1 million and RM 19 million, respectively.
- c) As at 30 June 2022 and 31 December 2021, there were outstanding bank guarantees issued by banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business as follows.

Letter of guarantee	Consolidated		Separate	
	financial information		financial information	
	30 June	31 December	30 June	31 December
	2022	2021	2022	2021
Contractual performance	Baht 59 million	Baht 59 million	Baht 59 million	Baht 59 million
Electricity use and others	Baht 32 million	Baht 29 million	Baht 15 million	Baht 14 million
	RM 0.5 million	RM 0.5 million		

14.5 Contingent liabilities

During the current period, there have been no significant changes with respect to contingent liabilities as disclosed in Note 35.5 to the financial statements for the year 2021.

15. Fair value of financial instruments

As at 30 June 2022 and 31 December 2021, the Group had the assets that were measured at fair value using different levels of inputs as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial information		financial information	
	30 June	31 December	30 June	31 December
	2022	2021	2022	2021
Assets measured at fair value				
Investments in debt instrument				
- open-end fund (Level 2)	94	51,679	-	23,000
Investments in unquoted securities (Level 3)	-	-	-	-

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

16. Segment information

The Group is organised into business units based on its products and services. During the current period, the Group has not changed the organisation of its reportable segments.

The following tables present revenues and profit (loss) information regarding the Group's operating segments for the three-month and six-month periods ended 30 June 2022 and 2021.

(Unit: Million Baht)

	For the three-month periods ended 30 June											
	Sales of automobiles and automobiles				Others				Adjustments and eliminations		Consolidated financial information	
	Manufacture of auto parts segment		repair service segment		Others		Total segments		2022	2021	2022	2021
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Revenues from contracts with customers												
External customers	4,530	3,663	1,608	1,167	7	3	6,145	4,833	-	-	6,145	4,833
Inter-segment	387	349	226	213	3	1	616	563	(616)	(563)	-	-
Total revenues	4,917	4,012	1,834	1,380	10	4	6,761	5,396	(616)	(563)	6,145	4,833
Operating results												
Segment profit (loss)	401	312	11	7	(1)	(3)	411	316	-	-	411	316
Share of profit from investments in associates and joint ventures											122	58
Finance cost											(77)	(90)
Profit before tax income tax expenses											456	284
Income tax expenses											(42)	(33)
Profit for the period											414	251

(Unaudited but reviewed)

(Unit: Million Baht)

For the six-month periods ended 30 June

	Sales of automobiles and automobiles								Adjustments and eliminations		Consolidated financial information	
	Manufacture of auto parts segment		repair service segment		Others		Total segments		2022	2021	2022	2021
	2022	2021	2022	2021	2022	2021	2022	2021				
Revenues from contracts with customers												
External customers	9,657	7,835	3,204	2,580	14	4	12,875	10,419	-	-	12,875	10,419
Inter-segment	855	740	406	405	7	3	1,268	1,148	(1,268)	(1,148)	-	-
Total revenues	10,512	8,575	3,610	2,985	21	7	14,143	11,567	(1,268)	(1,148)	12,875	10,419
Operating results												
Segment profit	813	740	34	14	1	-	848	754	-	-	848	754
Share of profit from investments in associates and joint ventures											204	145
Finance cost											(158)	(177)
Profit before income tax expenses											894	722
Income tax expenses											(71)	(58)
Profit for the period											823	664

17. Events after the reporting period

On 10 August 2022, the Company entered into a joint venture agreement to invest in 49% of the ordinary shares of Purem AAPICO Co., Ltd., a newly established company in Thailand that is engaged in the manufacturing of automotive parts. The company will have a registered share capital of not more than Baht 220 million.

On 15 August 2022, the Company's Board of Directors passed a resolution to approve the payment of an interim dividend of Baht 0.58 per share from the profit of the first half of year 2022, or a total of Baht 205.80 million. The dividend will be paid in September 2022.

18. Approval of interim financial information

This interim financial information was authorised for issue by the Company's Board of Directors on 15 August 2022.