

RPCG Public Company Limited and its subsidiaries
Review report and interim financial statements
For the three-month and nine-month periods ended
30 September 2014

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of RPCG Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of RPCG Public Company Limited and its subsidiaries as at 30 September 2014, the related consolidated statements of income and comprehensive income for the three-month and nine-month periods then ended, and the consolidated statements of changes in shareholders' equity and cash flows for the nine-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of RPCG 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

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

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Emphasis of matters

I draw attention to the following notes to the financial statements.

- a) As discussed in Notes 1.2 and 14.5 a) to the financial statements, since the year 2009 the Company has been involved in a significant commercial dispute and outstanding litigation with its major raw material supplier, who stopped delivering raw materials to the Company in February 2012. This forced the Company to cease production, since it has been unable to find new suppliers of these raw materials, while some of its subsidiaries that operate in a related business have also had to cease operations. The Group has therefore suffered consistent operating losses in the years since the cessation of production in 2012. Even though some significant uncertainties that may impact on the ability of the Group to continue as going concern have currently eased as a result of the management plan discussed in Note 1.2 to the financial statements, the Group has suffered operating losses and as at 30 September 2014 its current liabilities exceeded its current assets by Baht 1,339 million (31 December 2013: Baht 945 million). Current liabilities include liabilities under the commercial dispute and outstanding litigation with its major raw material supplier, discussed above. These factors would raise substantial doubt regarding the ability of the Group to continue as going concern, should the outcome of the litigation not be in favour of the Company. However, there remains uncertainty regarding the outcomes of the commercial dispute and outstanding litigation, which cannot be concluded at this time and depend on future judicial proceedings.
- b) As discussed in Note 6 to the financial statements, the Company acquired the business of an associated company in April 2014. At present, the Company is in the process of completing its assessment of the fair value of the assets acquired and liabilities assumed at the acquisition date, which may differ significantly from its preliminary assessment and the Company may need to retrospectively adjust share of loss from investment in associate and investment in associate as from the acquisition date.

- c) As discussed in Note 6 to the financial statements, during the year 1997 Chonburi Province (plaintiff) sued a total of 8 unrelated companies and persons (defendants), charging that they had wrongly encroached on state land, exploded rock, and destroyed the natural environment, and claiming damages. During the year 2005, Chonburi Provincial Court issued a judgment ordering the defendants to jointly indemnify the damages, and revoking the title deeds held by the defendants, including the title deed to a plot of land owned by an associated company and used as the site of a dock and terminal project. Later, in July 2010, the Court of Appeals amended the judgment, whereby the title deeds held by the defendants, including the title deed to a plot of land owned by an associated company would not be revoked, since such an order exceeded the scope of the lawsuit. However, at present, the case is under consideration of the Supreme Court. The outcome of the dispute cannot be determined and depends on future judicial proceedings.

My conclusion is not qualified in respect of these matters.

Vissuta Jariyathanakorn

Certified Public Accountant (Thailand) No. 3853

EY Office Limited

Bangkok: 10 November 2014