

## RPCG Public Company Limited and its subsidiaries

### Notes to consolidated financial statements

For the year ended 31 December 2021

#### 1. General information

RPCG Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the investment and holding company business. The registered office of the Company, which is the head office, is located at 86/2 Sammakorn Place, Ramkhamhaeng Road, Saphan Sung, Bangkok. The Company’s branch, which is the plant, is located at 7/3 Pakorn Songkrohrad Road, Map-ta-phut, Muang Rayong, Rayong.

The Company’s major shareholder is Petro-Instruments Co., Ltd., which as at 31 December 2021 and 2020 held 19.72% of the issued and paid-up capital of the Company.

#### 2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

#### 2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of RPCG Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”).

Company’s name	Nature of business	Place of incorporation	Percentage of Shareholding	
			2021	2020
			%	%
Pure Biodiesel Co., Ltd.*	Manufacture and distribution of biodiesel (B100) and crude glycerin	Thailand	100	100
Pure Thai Energy Co., Ltd. and its subsidiaries	Trading of fuel oil	Thailand	100	100
RPC Management Co., Ltd.*	Systems management	Thailand	100	100
RPCG-JV 1 Co., Ltd.**	Real estate development	Thailand	100	-
Onward Venture Co., Ltd.**	Pico plus business	Thailand	100	-

Company's name	Nature of business	Place of incorporation	Percentage of Shareholding	
			2021	2020
			%	%
<u>Subsidiary directly held by Pure Thai Energy Co., Ltd.</u>				
SCT Sahapan Co., Ltd.	Distribution and maintenance of gasoline station equipment	Thailand	100	100

\* Business suspended as at 31 December 2021 and 2020.

\*\* Business has not yet commenced its operation as at 31 December 2021.

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
  - c) Subsidiaries are fully consolidated as from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
  - d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
  - e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
  - f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated income statement and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements present investments in subsidiaries and associates under the cost method.

### **3. New financial reporting standards**

#### **3.1 Financial reporting standards that became effective in the current year**

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

### **3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

## **4. Significant accounting policies**

### **4.1 Revenue and expense recognition**

#### ***Sales of goods***

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting discounts.

#### ***Revenues from construction services***

Revenues from construction services are recognised over time when services have been rendered taking into account the stage of completion, measuring based on comparison of actual construction costs incurred up to the end of the year and the total anticipated construction costs to be incurred to completion. Provision for the total anticipated loss on construction projects will be made in the accounts as soon as the possibility of loss is ascertained.

#### ***Rendering of services***

Service revenue is recognised on a straight-line basis over the service agreement terms.

#### ***Interest income***

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

### ***Finance cost***

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

### ***Dividends***

Dividends are recognised when the right to receive the dividends is established.

## **4.2 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

## **4.3 Inventories**

Inventories are valued at the lower of average cost and net realisable value.

## **4.4 Investments in subsidiaries, joint venture and associate**

- a) Investments in joint venture and associate are accounted for in the consolidated financial statements using the equity method.
- b) Investments in subsidiaries and associate are accounted for in the separate financial statements using the cost method.

## **4.5 Investment properties**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 15 - 20.5 years. Depreciation of the investment properties is included in determining income.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

#### 4.6 Property, plant and equipment and depreciation

Land is stated at revalued amount. Plant and equipment are stated at cost or revalued amount less accumulated depreciation and allowance for loss on impairment of assets (if any).

Land, factory buildings, machinery and factory equipment are initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows.

- When an asset's carrying amount is increased as a result of a revaluation of the Group's assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised in equity under the heading of "Revaluation surplus on assets" in other components of shareholders' equity. However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the Group's assets, the decrease is recognised in the income statement. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in respect of the same asset in "Revaluation surplus on assets" in other components of shareholders' equity.

Depreciation of plant and equipment is calculated by reference to their costs or the revalued amount, on the straight-line basis over the following estimated useful lives.

Buildings and building improvement on plots of leased land	Reference to land lease terms
Buildings	20 - 40 years
Building improvements	5 - 37 years
Machinery and equipment	5 - 27 years
Office furniture, fixture and equipment	3 - 15 years
Motor vehicles	5 years

Depreciation is included in determining income.

No depreciation is provided on land and construction in progress.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

#### 4.7 Intangible assets and amortisation

Intangible assets acquired are recognised at cost on the date of acquisition. Following the initial recognition, the intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to the income statement. No amortization is provided on computer software under installation.

The useful lives of computer software are 5 and 10 years.

#### 4.8 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### **The Group as a lessee**

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

##### ***Right-of-use assets***

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land and land improvement	1 - 30	years
Buildings and building improvement	4	years
Motor vehicles	5	years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets which are classified as investment properties are presented as part of investment properties in the statement of financial position.

### ***Lease liabilities***

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

### ***Short-term leases and leases of low-value assets***

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

### **The Group as a lessor**

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

## **4.9 Related party transactions**

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associates and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

#### **4.10 Foreign currencies**

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

#### **4.11 Impairment of non-financial assets**

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss. However in cases where property, plant and equipment were previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.



## **4.12 Employee benefits**

### **Short-term employee benefits**

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

### **Post-employment benefits and other long-term employee benefits**

#### ***Defined contribution plans***

The Company, its subsidiaries and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

#### ***Defined benefit plans and other long-term employee benefits***

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan. In addition, the Group provides other long-term employee benefit plan, such as long-service award.

The obligation under the defined benefit plan and other employee benefits plans are determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits plan are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term benefits plan are recognised immediately in profit and loss.

## **4.13 Advances received for renovation of gasoline stations**

The subsidiary records financial support for renovation of gasoline stations as advances received and recognised by net of depreciation expenses of gasoline stations in the income statement on a straight-line basis over the period of the related agreements.

## **4.14 Provisions**

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### **4.15 Free products**

Subsidiaries have distributed free products to customers who making purchases of goods under specified conditions. The subsidiaries record cost of free products as cost of sales when goods are delivered.

#### **4.16 Income tax**

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

##### **Current tax**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

##### **Deferred tax**

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

#### **4.17 Financial instruments**

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

##### **Classification and measurement of financial assets**

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

### ***Financial assets at amortised cost***

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

### ***Financial assets at FVTPL***

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are presented separately in profit or loss.

### **Classification and measurement of financial liabilities**

At initial recognition the Group’s financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

### **Recognition and derecognition of financial instruments**

Financial assets are recognised or derecognised on the trade date, i.e., the date on which the Group becomes a party to contractual provisions of the instrument. This includes regular way trades.

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

### **Impairment of financial assets**

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade and other receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLS are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **4.18 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

#### **5. Significant accounting judgements and estimates**

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows.

##### **Leases**

##### ***Determining the lease term with extension and termination options - The Group as a lessee***

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

### ***Estimating the incremental borrowing rate - The Group as a lessee***

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

### ***Lease classification - The Group as lessor***

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to exercise judgement as to whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

### ***Allowance for expected credit losses of trade receivables***

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

### ***Property, plant and equipment and depreciation***

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

The Group measures land, factory buildings, machinery and factory equipment at revalued amounts. Such amounts are determined by the independent valuer using the market approach for land and the orderly liquidation value approach for factory buildings, machinery and factory equipment. The valuation involves certain assumptions and estimates as described in Note 20 to the financial statements.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

### Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

### Post-employment benefits under defined benefit plan and other long-term employee benefits

The obligations under the defined benefit plan and other long-term employee benefit plan are determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

## 6. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2021	2020	2021	2020
Cash	17,847	13,632	60	60
Bank deposits	171,315	95,449	-	-
Cash at banks attributable to discontinued operations	9,702	8,281	9,702	8,281
Total	<u>198,864</u>	<u>117,362</u>	<u>9,762</u>	<u>8,341</u>

As at 31 December 2021, bank deposits carried interests between 0.05% and 0.65% per annum (2020: between 0.05% and 0.50% per annum).

## 7. Other current financial assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2021	2020	2021	2020
<b>Financial assets at FVTPL</b>				
Investment units in mutual funds	<u>252,227</u>	<u>1,143,557</u>	<u>252,227</u>	<u>1,143,557</u>
Total financial assets at FVTPL	<u>252,227</u>	<u>1,143,557</u>	<u>252,227</u>	<u>1,143,557</u>
Total other current financial assets	<u>252,227</u>	<u>1,143,557</u>	<u>252,227</u>	<u>1,143,557</u>

## 8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
<b>Trade receivables - related parties</b>				
Aged on the basis of due dates				
Past due				
Not over 3 months	17	11	-	-
Total trade receivables - related parties	17	11	-	-
<b>Trade receivables - unrelated parties</b>				
Aged on the basis of due dates				
Past due				
Not over 3 months	25,484	21,956	-	-
3 - 6 months	108	32	-	-
6 - 12 months	4	3	-	-
Over 12 months	3,353	10,447	-	-
Total	28,949	32,438	-	-
Less: Allowance for expected credit losses	(2,544)	(9,735)	-	-
Total trade receivables - unrelated parties, net	26,405	22,703	-	-
Total trade receivables - net	26,422	22,714	-	-
<b>Other receivables</b>				
Accrued income - related parties	1,737	-	6,503	3,837
Accrued income - unrelated parties	514	503	21	258
Others	5,326	3,345	2,663	39
Total	7,577	3,848	9,187	4,134
Less: Allowance for expected credit losses	(3,509)	(1,299)	(2,450)	-
Total other receivables - net	4,068	2,549	6,737	4,134
Total trade and other receivables - net	30,490	25,263	6,737	4,134

The normal credit term is 7 to 60 days.



Set out below is the movement in the allowance for expected credit losses of trade and other receivables.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2021	2020	2021	2020
Beginning balance	11,034	17,066	-	-
Provision for expected credit losses	2,929	970	2,450	-
Amount written off	(7,285)	(6,942)	-	-
Amount recovered	(625)	(60)	-	-
Ending balance	6,053	11,034	2,450	-

In 2021, the Group wrote-off trade and other receivables with a contractual amount of Baht 7.3 million due to the finalisation of the lawsuit and the debtor having insufficient assets to settle the debt (2020: Baht 6.9 million).

## 9. Related party transactions

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarized below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2021	2020	2021	2020
<b>Transactions with subsidiaries</b>				
(Eliminated from the consolidated financial statements)				
Management fee income	-	-	-	720
Interest income	-	-	5,629	8,450
Other income - other services	-	-	5,445	2,022
Interest expense	-	-	1,333	-
Other expenses	-	-	-	320
<b>Transactions with associates</b>				
Sales	222	177	-	-
Service income	940	-	-	-
Dividend income	9,291	27,873	9,291	27,873
Interest income	6,802	11,178	6,802	11,178
Land rental expense	849	715	-	-
Office rental expense	829	219	219	219
Other expenses	1,157	1,098	-	-
<b>Transactions with related party</b>				
Interest income	395	-	395	-
Acquisition of assets	12,350	-	12,350	-
Other expenses	176	179	176	179

Transfer pricing policy for significant business transactions with related parties are summarised below.

Transactions	Transfer pricing policy
Sales	The selling price is set out based on the market price.
Service income	Contract price
Dividend income	As declared
Interest income	0.75% - 5.00% per annum
Other income	The price is set out based on the market price.
Management fee income	Contract price
Acquisition of assets	The price is set out based on the market price.
Interest expense	2.50% per annum
Land and office rental expenses	Rental expenses are set out based on the market price.
Other expenses	The price is set out based on the market price.

### Significant agreement with related party

#### Guarantee agreement

In 2016, a subsidiary entered into an agreement with its subsidiary to guarantee bank credit facility of its subsidiary totaling Baht 10 million. The guarantee is effective as long as the underlying obligations have not been discharged by the subsidiary. No guarantee fee was charged for the guarantee.

As at 31 December 2021 and 2020, the balances of the accounts between the Group and those related parties are as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2021	2020	2021	2020
<b>Trade and other receivables - related parties (Note 8)</b>				
<b>Trade receivables - related party</b>				
Associate	17	11	-	-
Total trade receivables - related party	<u>17</u>	<u>11</u>	<u>-</u>	<u>-</u>
<b>Other receivables - related parties</b>				
Subsidiaries	-	-	5,706	3,837
Associate	1,566	-	626	-
Related company	171	-	171	-
Total other receivables - related parties	<u>1,737</u>	<u>-</u>	<u>6,503</u>	<u>3,837</u>

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
<b>Short-term loans to related parties</b>				
Subsidiaries	-	-	319,188	319,188
Associate	100,000	-	100,000	-
Related company	40,000	-	40,000	-
Total short-term loans to related parties	140,000	-	459,188	319,188
Less: Allowance for expected credit losses	-	-	(319,188)	(319,188)
Total short-term loans to related parties, net	140,000	-	140,000	-
<b>Long-term loans to related parties</b>				
Subsidiary	-	-	80,000	80,000
Related company	4,500	4,500	4,500	4,500
Total long-term loans to related parties	4,500	4,500	84,500	84,500
Less: Allowance for expected credit losses	(4,500)	(4,500)	(4,500)	(4,500)
Total long-term loans to related parties, net	-	-	80,000	80,000
<b>Other payables - related parties (Note 23)</b>				
Joint venture	1,000	-	-	-
Associate	387	99	-	-
Related company	2,498	14	2,498	14
Total other payables - related parties	3,885	113	2,498	14
<b>Short-term loan from related party</b>				
Subsidiary	-	-	299,500	-
Total short-term loan from related party	-	-	299,500	-
<b>Lease liabilities - related party (Note 27.1 b)</b>				
Associate	18,519	7,241	-	-
Total lease liabilities - related party	18,519	7,241	-	-
Less: Portion due within one year	(2,594)	(265)	-	-
Lease liabilities - related party, net of current portion	15,925	6,976	-	-

## Loans to related parties and loan from related party

As at 31 December 2021 and 2020, the balances of loans between the Group and those companies and the movements in loans are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Balance as at	Increase	Decrease	Balance as at
	31 December 2020	during the year	during the year	31 December 2021
<b>Short-term loans to related parties</b>				
Sammakorn Plc.	-	700,000	(600,000)	100,000
Petro-Instruments Corp., Ltd.	-	80,000	(40,000)	40,000
Total	-	780,000	(640,000)	140,000
<b>Long-term loan to related party</b>				
KP Energy Group Co., Ltd.	4,500	-	-	4,500
Less: Allowance for expected credit losses	(4,500)	-	-	(4,500)
Net	-	-	-	-

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at	Increase	Decrease	Balance as at
	31 December 2020	during the year	during the year	31 December 2021
<b>Short-term loans to related parties</b>				
Pure Biodiesel Co., Ltd.	319,188	-	-	319,188
Pure Thai Energy Co., Ltd.	-	300,000	(300,000)	-
Sammakorn Plc.	-	700,000	(600,000)	100,000
Petro-Instruments Corp., Ltd.	-	80,000	(40,000)	40,000
Total	319,188	1,080,000	(940,000)	459,188
Less: Allowance for expected credit losses	(319,188)	-	-	(319,188)
Net	-	1,080,000	(940,000)	140,000
<b>Long-term loans to related parties</b>				
Pure Thai Energy Co., Ltd.	80,000	-	-	80,000
KP Energy Group Co., Ltd.	4,500	-	-	4,500
Total	84,500	-	-	84,500
Less: Allowance for expected credit losses	(4,500)	-	-	(4,500)
Net	80,000	-	-	80,000
<b>Short-term loan from related party</b>				
RPCG-JV 1 Co., Ltd.	-	299,500	-	299,500
Total	-	299,500	-	299,500

As at 31 December 2021, loans to subsidiaries, associate and related company totaling Baht 539 million (2020: loans to subsidiaries totaling Baht 399 million) are in the form of short-term promissory notes carrying interest at rates of 2.50% - 3.50% per annum (2020: 2.92% - 3.50% per annum). Short-term loans to Pure Biodiesel Co., Ltd. were guaranteed by the mortgage of land, building, machinery and oil depots and short-term loans to Sammakorn Plc. were guaranteed by the mortgage of land amounting to Baht 500 million. However, the Company reclassified loans of Baht 80 million (2020: Baht 80 million) to Pure Thai Energy Co., Ltd. as long-term loans since the Company will not call the loans within one year.

The Company set aside allowance for expected credit losses for the loans to Pure Biodiesel Co., Ltd. (PBC) for the whole amount, as the Company expects that the assets of PBC will not be sufficient to repay the loans.

Short-term loan from RPCG-JV 1 Co., Ltd. is a 1-year promissory note with an interest rate of 2.50% per annum.

### Management benefit expenses

During the years ended 31 December 2021 and 2020, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Short-term employee benefits	18,706	17,050	15,466	13,748
Post-employment benefits	1,215	1,307	746	796
Total	<u>19,921</u>	<u>18,357</u>	<u>16,212</u>	<u>14,544</u>

## 10. Inventories

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2021	2020	2021	2020	2021	2020
Finished goods	80,981	78,518	(8,111)	(14,502)	72,870	64,016
Supplies	2,776	2,776	(2,776)	(2,776)	-	-
Total	<u>83,757</u>	<u>81,294</u>	<u>(10,887)</u>	<u>(17,278)</u>	<u>72,870</u>	<u>64,016</u>

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2021	2020	2021	2020	2021	2020
	Finished goods	7,055	7,055	(7,055)	(7,055)	-
Supplies	2,776	2,776	(2,776)	(2,776)	-	-
Total	9,831	9,831	(9,831)	(9,831)	-	-

During the year 2021, the Group reversed the write-down of cost of inventories by Baht 6.4 million and reduced the amount of inventories recognised as expenses during the year (2020: Baht 2.9 million) (separate financial statements: nil).

#### 11. Short-term loans to unrelated party

As at 31 December 2021, loans to unrelated party were guaranteed by entering into land sale with right of redemption contracts for a period of 1 year, carrying interest at a rate of 15% per annum (2020: nil).

#### 12. Long-term loans to unrelated parties

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Long-term loans to unrelated parties	5,533	6,071	5,146	5,146
Less: Allowance for expected credit losses	(5,146)	(5,146)	(5,146)	(5,146)
Long-term loans to unrelated parties, net	387	925	-	-
Less: Current portion	(387)	(538)	-	-
Non-current portion	-	387	-	-

#### 13. Other current assets

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Value added tax refundable	2,853	9,485	1,793	9,437
Others	8,336	8,517	784	989
Total	11,189	18,002	2,577	10,426

#### 14. Pledged deposits at banks

These represented fixed deposits pledged with the banks to secure credit facilities and to guarantee electricity use.

#### 15. Other non-current financial assets

The Company has an investment in 6,702 ordinary shares (representing 17.46% shareholding) of KP Energy Group, which is principally engaged in the production and distribution of electricity. As at 31 December 2021 and 2020, fair value of such investment was zero because of continuous operating losses and capital deficit.

During the years 2021 and 2020, the Company had no dividend received from such investment.

#### 16. Investment in joint venture

##### 16.1 Details of investment in joint venture

As at 31 December 2021, investment in joint venture represents investment in entity which is jointly controlled by the Group and other company. Details of this investment are as follows:

(Unit: Thousand Baht)

Joint venture	Nature of business	Country of incorporation	Consolidated financial statements		
			Shareholding percentage	Cost	Carrying amount based on equity method
			(%)		
SCTP Joint Venture	Construction service	Thailand	40	1,000	1,010
Total				<u>1,000</u>	<u>1,010</u>

On 2 August 2021, the Board of Directors Meeting of the SCT Sahapan Company Limited (SAP) approved that SAP is to invest in SCTP Joint Venture (SCTP), a joint venture registered as a new tax unit with the Revenue Department on 18 November 2021 to operate a construction business with a working capital of Baht 5 million. SAP will invest in the joint venture for 40% of the working capital or amounting to Baht 2 million.

Later, on 15 December 2021, SAP received a letter from SCTP calling for payment of the first investment at 50% or equivalent to the total amount that SAP had to pay of Baht 1 million. As at 31 December 2021, the Group recorded such investment as accrued investment in joint venture under the heading "Trade and other payables" in the statement of financial position. SAP paid for such investment on 11 January 2022.

## 16.2 Share of profit and dividend received

During the year, the Group recognised its share of profit from investment in joint venture in the consolidated financial statements as follows:

		(Unit: Thousand Baht)
Joint venture		2021
SCTP Joint Venture		10
Total		10

During the year 2021, the Group had no dividend received from its joint venture.

## 17. Investment in associate

### 17.1 Details of associate

Company's name	Nature of business	Country of incorporation	Shareholding percentage		(Unit: Thousand Baht)			
					Consolidated financial statements		Separate financial statements	
					Carrying amounts based on equity method		Carrying amounts based on cost method	
					2021	2020	2021	2020
			2021	2020	2021	2020	2021	2020
			(%)	(%)				
Sammakorn Plc.	Real estate development	Thailand	48.25	48.25	1,208,181	1,190,086	785,802	785,802
Total					1,208,181	1,190,086	785,802	785,802

### 17.2 Share of comprehensive income and dividend received

During the years, the Company has recognised its share of comprehensive income from investment in associate in the consolidated financial statements and dividend income in the separate financial statements as follows.

Company's name					(Unit: Thousand Baht)	
	Consolidated financial statements				Separate financial statements	
	Share of other				Dividend received	
	Share of profit from investment in associate during the years		comprehensive income from investment in associate during the years		during the years	
	2021	2020	2021	2020	2021	2020
Sammakorn Plc.	20,335	18,927	7,051	(15,047)	9,291	27,873
Total	20,335	18,927	7,051	(15,047)	9,291	27,873



### 17.3 Fair value of investment in listed associate

As at 31 December 2021, fair value of investment in Sammakorn Plc., an associate that is listed company on the Stock Exchange of Thailand, was Baht 585 million (2020: Baht 375 million).

### 17.4 Summarised financial information about material associate

Summarised information about financial position of Sammakorn Plc. as at 31 December 2021 and 2020.

	(Unit: Million Baht)	
	2021	2020
Current assets	1,906	1,859
Non-current assets	3,826	3,586
Current liabilities	(647)	(865)
Non-current liabilities	(2,544)	(2,070)
<b>Net assets</b>	<b>2,541</b>	<b>2,510</b>
Shareholding percentage (%)	48.25	48.25
<b>Share of net assets</b>	<b>1,226</b>	<b>1,211</b>
Eliminations	(18)	(21)
<b>Carrying amounts of associate based on equity method</b>	<b>1,208</b>	<b>1,190</b>

Summarised information about comprehensive income of Sammakorn Plc. for the year ended 31 December 2021 and 2020.

	(Unit: Million Baht)	
	2021	2020
Revenue	1,442	1,701
Profit	35	39
Other comprehensive income	15	(31)
Total comprehensive income	50	8

## 18. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements are as follows.

Company	(Unit: Thousand Baht)					
	Paid-up capital		Shareholding percentage		Cost	
	2021	2020	2021	2020	2021	2020
			%	%		
Pure Biodiesel Co., Ltd. *	280,000	280,000	100	100	279,999	279,999
Pure Thai Energy Co., Ltd. and its subsidiaries	140,000	140,000	100	100	140,000	140,000
RPC Management Co., Ltd. *	500	500	100	100	956	956
RPCG-JV 1 Co., Ltd.**	300,000	-	100	-	300,000	-
Onward Venture Co., Ltd.**	10,000	-	100	-	10,000	-
Total investments in subsidiaries					730,955	420,955
Less: Allowance for impairment					(104,189)	(99,761)
Investments in subsidiaries - net					626,766	321,194

\* Business suspended as at 31 December 2021 and 2020.

\*\* Business has not yet commenced its operation as at 31 December 2021.

During the years 2021 and 2020, the Company had no dividend received from its subsidiaries.

During the year 2021, the Company set up allowance for impairment of investment in Pure Biodiesel Co., Ltd. amounting to Baht 4.4 million (2020: nil).

### **RPCG-JV 1 Co., Ltd.**

On 12 November 2020, the meeting of the Company's Board of Directors passed a resolution approving the incorporation of a new company named "RPCG-JV 1 Company Limited (RPCG-JV 1)", in which the Company holds 100% of the shares. This company is engaged in the business of real estate development and has a registered share capital of Baht 300 million (3 million ordinary shares at a par value of Baht 100 each).

Later, on 1 February 2021, the meeting on the establishment of RPCG-JV 1 passed a resolution to call up the first share payment of Baht 25 per share or equivalent to the amount that the Company has to pay in total of Baht 75 million. The Company made payment for such shares on 4 February 2021. RPCG-JV 1 registered its establishment with the Ministry of Commerce on 5 February 2021.

On 18 February 2021, the meeting of the Board of Directors of RPCG-JV 1 passed a resolution to call up the remaining share payment of Baht 75 per share or equivalent to the amount that the Company has to pay in total of Baht 225 million. The Company made payment for such shares on 12 March 2021.

### **Onward Venture Co., Ltd.**

On 16 April 2021, the meeting of the Company's Board of Directors passed a resolution approving the incorporation of a new company named "Onward Venture Company Limited", in which the Company holds 100% of the shares. This company is engaged in the business of Pico Plus and has a registered share capital of Baht 1 million (10,000 ordinary shares at a par value of Baht 100 each). Onward Ventures Company Limited was registered the establishment of the company with the Ministry of Commerce on 19 May 2021 with the Company's directors as the founders and shareholders. Subsequently, on 1 June 2021, the Company entered into an agreement to transfer 9,997 ordinary shares from the director to the Company, and the Company made payment for such ordinary shares on 4 June 2021.

Later, on 14 June 2021, the Extraordinary General Meeting of the Shareholders of Onward Venture Company Limited passed a resolution approving the increase in registered share capital of Baht 9 million (90,000 ordinary shares at a par value of Baht 100 each). The Company made payment for such shares on 14 June 2021. Onward Venture Company Limited registered the share capital increase with the Ministry of Commerce on 23 June 2021.

### **19. Investment properties**

The net book value of investment properties as at 31 December 2021 and 2020 is presented below.

	(Unit: Thousand Baht)				
	Consolidated financial statements			Separate financial statements	
	Land for rent	Right-of-use assets for rent	Total	Land for rent	Total
31 December 2021					
Cost	146,936	40,660	187,596	146,936	146,936
Less: Accumulated depreciation	-	(4,665)	(4,665)	-	-
Net book value	<u>146,936</u>	<u>35,995</u>	<u>182,931</u>	<u>146,936</u>	<u>146,936</u>
31 December 2020					
Cost	146,936	-	146,936	146,936	146,936
Less: Accumulated depreciation	-	-	-	-	-
Net book value	<u>146,936</u>	<u>-</u>	<u>146,936</u>	<u>146,936</u>	<u>146,936</u>

A reconciliation of the net book value of investment properties for the years 2021 and 2020 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Net book value at beginning of year	146,936	-	146,936	-
Additions / acquisition of assets	6,396	146,936	-	146,936
Transfers	31,980	-	-	-
Depreciation charged	(2,381)	-	-	-
Net book value at end of year	<u>182,931</u>	<u>146,936</u>	<u>146,936</u>	<u>146,936</u>

The additional information of the investment properties as at 31 December 2021 and 2020 stated below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
The fair value of land for rent	146,936	146,936	146,936	146,936
The fair value of right-of-use assets for rent	69,663	-	-	-

The fair value of land for rent has been determined based on market prices, while that of the right-of-use assets for rent has been determined using the income approach. Key assumptions used in the valuation of such right-of-use assets for rent consist of discount rate, growth rate and occupancy rate.

## 20. Property, plant and equipment

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Operating assets	623,391	573,795	17,462	6,045
Ceased using assets	986,434	972,435	595,143	579,530
Total property, plant and equipment	1,609,825	1,546,230	612,605	585,575
Less: Allowance for impairment	(453,642)	(464,004)	(234,748)	(240,998)
Property, plant and equipment - net	<u>1,156,183</u>	<u>1,082,226</u>	<u>377,857</u>	<u>344,577</u>

(Unit: Thousand Baht)

## Consolidated financial statements

	Revaluation basis		Cost basis				Total
	Land	Office buildings and office building improvements	Gas station equipment	Office furniture, fixture and equipment	Motor vehicles	Construction in progress	
<b>Operating assets</b>							
<b>Cost/revalued amount</b>							
1 January 2020	7,350	374,359	111,891	118,204	18,125	99,201	729,130
Additions	-	-	92	231	-	160,820	161,143
Disposals/write-off	-	(25,782)	(16,167)	(8,905)	-	-	(50,854)
Transfers	-	110,983	30,376	21,506	-	(162,865)	-
31 December 2020	7,350	459,560	126,192	131,036	18,125	97,156	839,419
Additions	-	-	52	237	-	115,131	115,420
Disposals/write-off	-	(6,849)	(935)	(1,968)	-	-	(9,752)
Transfers	-	158,391	12,948	10,534	-	(181,873)	-
31 December 2021	7,350	611,102	138,257	139,839	18,125	30,414	945,087
<b>Accumulated depreciation</b>							
1 January 2020	-	142,741	35,077	56,473	14,153	-	248,444
Depreciation for the year	-	31,637	12,330	11,316	713	-	55,996
Depreciation on disposals/write-off	-	(18,343)	(12,995)	(7,478)	-	-	(38,816)
31 December 2020	-	156,035	34,412	60,311	14,866	-	265,624
Depreciation for the year	-	34,525	14,331	12,668	666	-	62,190
Depreciation on disposals/write-off	-	(3,321)	(909)	(1,888)	-	-	(6,118)
31 December 2021	-	187,239	47,834	71,091	15,532	-	321,696
<b>Net book value</b>							
31 December 2020	7,350	303,525	91,780	70,725	3,259	97,156	573,795
31 December 2021	7,350	423,863	90,423	68,748	2,593	30,414	623,391
<b>Depreciation for the years</b>							
2020 (included in administrative expenses)							55,996
2021 (included in administrative expenses)							62,190

(Unit: Thousand Baht)

	Consolidated financial statements			
	Revaluation basis			
	Land	Factory buildings and factory building improvements	Machinery and factory equipment	Total
<b>Ceased using assets</b>				
<b>Revalued amount</b>				
1 January 2020	391,829	175,768	1,491,691	2,059,288
Disposals	-	-	(470)	(470)
31 December 2020	391,829	175,768	1,491,221	2,058,818
Revaluations	22,100	-	-	22,100
31 December 2021	413,929	175,768	1,491,221	2,080,918
<b>Accumulated depreciation</b>				
1 January 2020	-	112,487	959,291	1,071,778
Depreciation for the year	-	1,101	13,809	14,910
Depreciation on disposals	-	-	(305)	(305)
31 December 2020	-	113,588	972,795	1,086,383
Depreciation for the year	-	856	7,245	8,101
31 December 2021	-	114,444	980,040	1,094,484
<b>Allowance for impairment loss</b>				
1 January 2020	-	46,187	417,935	464,122
Reversal of impairment due to disposals	-	-	(118)	(118)
31 December 2020	-	46,187	417,817	464,004
Increase (decrease) during the year	-	78	(10,440)	(10,362)
31 December 2021	-	46,265	407,377	453,642
<b>Net book value</b>				
31 December 2020	391,829	15,993	100,609	508,431
31 December 2021	413,929	15,059	103,804	532,792
<b>Depreciation for the years</b>				
2020 (included in administrative expenses)				14,910
2021 (included in administrative expenses)				8,101

(Unit: Thousand Baht)

	Separate financial statements				
	Cost basis				
	Office buildings and office building improvements	Office furniture, fixture and equipment	Motor vehicles	Construction in progress	Total
<b>Operating assets</b>					
<b>Cost</b>					
1 January 2020	8,679	17,333	5,246	-	31,258
Additions	-	9	-	-	9
Disposals	-	(223)	-	-	(223)
31 December 2020	8,679	17,119	5,246	-	31,044
Additions	-	39	-	12,350	12,389
31 December 2021	8,679	17,158	5,246	12,350	43,433
<b>Accumulated depreciation</b>					
1 January 2020	4,369	17,096	2,533	-	23,998
Depreciation for the year	526	98	600	-	1,224
Depreciation on disposals	-	(223)	-	-	(223)
31 December 2020	4,895	16,971	3,133	-	24,999
Depreciation for the year	300	72	600	-	972
31 December 2021	5,195	17,043	3,733	-	25,971
<b>Net book value</b>					
31 December 2020	3,784	148	2,113	-	6,045
31 December 2021	3,484	115	1,513	12,350	17,462
<b>Depreciation for the years</b>					
2020 (included in administrative expenses)					1,224
2021 (included in administrative expenses)					972

(Unit: Thousand Baht)

	Separate financial statements			
	Revaluation basis			
	Factory buildings and factory building improvements		Machinery and factory equipment	Total
	Land			
<b>Ceased using assets</b>				
<b>Revalued amount</b>				
1 January 2020	299,861	108,094	950,561	1,358,516
Disposals	-	-	(470)	(470)
31 December 2020	299,861	108,094	950,091	1,358,046
Revaluations	17,000	-	-	17,000
31 December 2021	316,861	108,094	950,091	1,375,046
<b>Accumulated depreciation</b>				
1 January 2020	-	79,216	691,480	770,696
Depreciation for the year	-	924	7,201	8,125
Depreciation on disposals	-	-	(305)	(305)
31 December 2020	-	80,140	698,376	778,516
Depreciation for the year	-	361	1,026	1,387
31 December 2021	-	80,501	699,402	779,903
<b>Allowance for impairment loss</b>				
1 January 2020	-	18,482	222,634	241,116
Reversal of impairment due to disposals	-	-	(118)	(118)
31 December 2020	-	18,482	222,516	240,998
Decrease during the year	-	-	(6,250)	(6,250)
31 December 2021	-	18,482	216,266	234,748
<b>Net book value</b>				
31 December 2020	299,861	9,472	29,199	338,532
31 December 2021	316,861	9,111	34,423	360,395
<b>Depreciation for the years</b>				
2020 (included in administrative expenses)				8,125
2021 (included in administrative expenses)				1,387



During the year 2021, the Group arranged for an independent professional valuer to appraise the value of certain refinery assets on an asset-by-asset basis. The revaluation was concluded on 23 July 2021 and the basis of the revaluation was as follows.

- a) Land was revalued using the market approach. The fair value of the land was at the average of Baht 9.5 million per rai.
- b) Factory buildings, machinery and factory equipment were revalued using the orderly liquidation value approach. The orderly liquidation value is the amount expected to be obtained from finding buyers for the assets on a piecemeal basis, given the condition and location of the assets at that time and the applicable conditions. It assumes there is a reasonable period of time within which the owner is forced to sell, that the assets are sold through an intermediary or offered to the buyer for other uses, and that the buyer will pay all expenses.

The reappraised value of the land was Baht 22.1 million (separate financial statements: Baht 17.0 million) higher than the value per the previous revaluation conducted in 2019. The Group recognised the increase in asset values in shareholders' equity under the heading of "Revaluation surplus on assets".

In addition, the reappraised values of the buildings and equipment were Baht 10.4 million higher than their net book values as presented in the consolidated financial statements (separate financial statements: Baht 6.2 million). The Group therefore reversed the loss on impairment of assets in the income statement for the same amount.

Had the land, factory buildings, machinery and factory equipment been carried in the financial statements on a historical cost basis, their net book values as of 31 December 2021 and 2020 would have been as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Land	141,286	141,286	105,770	105,770
Factory buildings and improvements	15,059	15,442	9,111	9,472
Machinery and factory equipment	103,804	100,972	34,423	29,199

Pure Biodiesel Company Limited has mortgaged land, buildings, machinery and oil depots with a total book value as at 31 December 2021 of Baht 105 million (2020: Baht 101 million), as collateral to secure short-term loans received from the Company, as discussed in Note 9 to the financial statements.

As at 31 December 2021, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to Baht 162 million (2020: Baht 159 million) in the consolidated financial statements (separate financial statements: Baht 20 million (2020: Baht 20 million)).

## 21. Intangible assets

	(Unit: Thousand Baht)		
	Consolidated financial statements		
	Computer software under installation	Computer software	Total
<b>Cost</b>			
1 January 2020	-	27,902	27,902
Additions	2,509	889	3,398
31 December 2020	2,509	28,791	31,300
Additions	1,423	806	2,229
Transfers	(3,932)	3,932	-
31 December 2021	-	33,529	33,529
<b>Accumulated amortisation</b>			
1 January 2020	-	25,081	25,081
Amortisation for the year	-	445	445
31 December 2020	-	25,526	25,526
Amortisation for the year	-	624	624
31 December 2021	-	26,150	26,150
<b>Net book value</b>			
31 December 2020	2,509	3,265	5,774
31 December 2021	-	7,379	7,379
<b>Amortisation for the years</b>			
2020 (included in administrative expenses)			445
2021 (included in administrative expenses)			624

(Unit: Thousand Baht)

	Separate financial statements		
	Computer software under installation	Computer software	Total
<b>Cost</b>			
1 January 2020	-	19,738	19,738
Additions	2,509	-	2,509
31 December 2020	2,509	19,738	22,247
Additions	1,423	-	1,423
Disposals to subsidiary	(3,932)	-	(3,932)
31 December 2021	-	19,738	19,738
<b>Accumulated amortisation</b>			
1 January 2020	-	19,736	19,736
Amortisation for the year	-	2	2
31 December 2020	-	19,738	19,738
31 December 2021	-	19,738	19,738
<b>Net book value</b>			
31 December 2020	2,509	-	2,509
31 December 2021	-	-	-
<b>Amortisation for the years</b>			
2020 (included in administrative expenses)			2
2021 (included in administrative expenses)			-

As at 31 December 2021 and 2020, certain items of computer software were fully amortised but are still in use. The gross carrying amount before deducting accumulated amortisation of those assets amounted to approximately Baht 24 million (separate financial statements: Baht 20 million).

## 22. Other non-current assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
	9,365	-	9,365	-
Withholding tax awaiting refund	9,005	20,886	7,915	643
Deposits	4,061	2,798	1,203	207
Total	22,431	23,684	18,483	850

## 23. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Trade payables - unrelated parties	373,004	1,802,309	-	1,518,109
Other payables - related parties	3,885	113	2,498	14
Other payables - unrelated parties	14,559	23,374	1,506	2,138
Accrued expenses	34,917	37,308	8,479	15,594
Retention payables	3,276	4,794	-	-
Total	429,641	1,867,898	12,483	1,535,855

As at 31 December 2020, trade payables - unrelated parties include liabilities under the commercial dispute and outstanding litigation with its major raw material supplier. Therefore, the Company has exercised lien over the last payment for condensate residue, amounting to Baht 1,518 million, as discussed in Note 40.5 to the financial statements.

## 24. Short-term loans from unrelated parties

As at 31 December 2021, these represented promissory notes which the subsidiary issued to individuals. The loans carried interest at the rate of 0.26% per annum (2020: 0.31% per annum) and are repayable within one year.

## 25. Advances received for renovation of gasoline stations

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	2021	2020
Advances received for renovation of gasoline stations		
at beginning of year	466,960	401,020
Increase during the year	56,433	108,480
Less: Amortisation for the year	(48,294)	(42,540)
Advances received for renovation of gasoline stations		
at end of year	475,099	466,960
Less: Current portion	(49,928)	(47,322)
Advances received for renovation of gasoline stations, net of current portion	425,171	419,638

## 26. Other current liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Advances received from customers	9,626	8,061	-	-
Others	4,487	4,916	647	199
Total	14,113	12,977	647	199

## 27. Leases

### 27.1 The Group as a lessee

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 3 - 30.5 years.

**a) Right-of-use assets**

Movement of right-of-use assets for the years ended 31 December 2021 and 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Land and land improvement	Buildings and building improvement	Motor vehicles	Total
1 January 2020	599,147	3,660	-	602,807
Additions	40,577	-	1,392	41,969
Adjustment due to lease modification	215	(104)	-	111
Difference from rental reduction	(444)	(74)	-	(518)
Depreciation for the year	(73,455)	(1,722)	-	(75,177)
31 December 2020	566,040	1,760	1,392	569,192
Additions	40,306	7,873	6,531	54,710
Write-off	-	(587)	-	(587)
Transfer to investment properties	(31,980)	-	-	(31,980)
Adjustment due to lease modification	411	-	-	411
Depreciation for the year	(78,863)	(1,779)	(1,019)	(81,661)
31 December 2021	495,914	7,267	6,904	510,085

(Unit: Thousand Baht)

	Separate financial statements			
	Land and land improvement	Buildings and building improvement	Motor vehicles	Total
1 January 2020	-	-	-	-
31 December 2020	-	-	-	-
Additions	3,325	-	-	3,325
Depreciation for the year	(1,250)	-	-	(1,250)
31 December 2021	2,075	-	-	2,075

The movements of right-of-use assets exclude the right-of-use assets which are classified as investment properties which are presented in Note 19 to the financial statements.

**b) Lease liabilities**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Lease payments	822,650	796,501	2,203	-
Less: Deferred interest expenses	(313,131)	(318,019)	(13)	-
Total	509,519	478,482	2,190	-
Less: Portion due within one year	(25,031)	(20,165)	(1,138)	-
Lease liabilities - net of current portion	484,488	458,317	1,052	-

Movements of the lease liability account during the years ended 31 December 2021 and 2020 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Balance at beginning of year	478,482	456,555	-	-
Additions	54,426	34,645	3,325	-
Accretion of interest	32,060	30,335	40	-
Repayments	(55,666)	(42,349)	(1,175)	-
Adjustment due to lease modification	217	(187)	-	-
Difference from rental reduction	-	(517)	-	-
Balance at end of year	509,519	478,482	2,190	-

A maturity analysis of lease payments is disclosed in Note 42.1 to the financial statements under the liquidity risk.

**c) Expenses relating to leases that are recognised in profit or loss**

(Unit: Thousand Baht)

	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Depreciation expense of				
right-of-use assets	84,042	75,177	1,250	-
Interest expense on lease liabilities	32,060	30,335	40	-
Expense relating to short-term or				
low-value assets leases	2,416	2,579	447	-
Expense relating to variable lease				
payments that do not depend on				
an index or a rate	10,585	11,740	-	-

The Group has lease contracts for land that contains variable payments based on sales quantity. The lease term is 11 - 25 years.

**d) Others**

The Group had total cash outflows for leases for the year ended 31 December 2021 of Baht 68.7 million (2020: Baht 56.7 million) (separate financial statements: Baht 1.6 million, 2020: nil), including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate.

**27.2 Group as a lessor**

The Group has entered into operating leases for its investment properties portfolio consisting of land and buildings (see Note 19 to the financial statements) of the lease terms are between 1 - 7 years.

The Group has future minimum rentals receivable under non-cancellable operating leases as at 31 December 2021 and 2020 as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Within 1 year	7,627	7,000	2,902	2,878
Over 1 and up to 5 years	14,146	17,201	11,555	11,937
Over 5 years	-	2,520	-	2,520
<b>Total</b>	<b>21,773</b>	<b>26,721</b>	<b>14,457</b>	<b>17,335</b>



During 2021, the Group has rental income and sub-lease income amounting to Baht 13.0 million (2020: Baht 10.9 million) (separate financial statements: Baht 3.0 million (2020: Baht 0.3 million)).

## 28. Provision for long-term employee benefits

Provision for long-term employee benefits as at 31 December 2021 and 2020, which represents compensation payable to employees after they retire from the company, was as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2021	2020	2021	2020
Provisions for long-term employee				
benefits at beginning of year	18,309	16,434	3,746	3,197
Included in profit or loss:				
Current service cost	1,856	1,730	449	412
Interest cost	280	479	48	75
Reversal of provision for long-term				
employee benefits	-	(197)	-	-
Benefits paid during the year	(20)	(54)	-	-
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	-	8	-	-
Financial assumptions changes	-	1,073	-	336
Experience adjustments	-	(1,164)	-	(274)
Provisions for long-term employee				
benefits at end of year	<u>20,425</u>	<u>18,309</u>	<u>4,243</u>	<u>3,746</u>

The Group expects to pay Baht 0.9 million of long-term employee benefits during the next year (separate financial statements: nil) (2020: Baht 0.8 million (separate financial statements: nil)).

As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefit is approximately 2 - 14 years (separate financial statements: 7 years) (2020: 3 - 15 years (separate financial statements: 8 years)).

Key actuarial assumptions used for the valuation are as follows.

	(Unit: % per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Discount rate	0.63 - 1.71	0.63 - 1.71	1.28	1.28
Future salary increase rate	3.00 - 5.00	3.00 - 5.00	5.00	5.00

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2021 and 2020 are summarised below:

	(Unit: Thousand Baht)			
	As at 31 December 2021			
	Consolidated		Separate	
	financial statements		financial statements	
	Rate	Rate	Rate	Rate
	increase	decrease	increase	decrease
Increase or decrease 0.5%				
in discount rate	(938)	1,005	(136)	142
Increase or decrease 1%				
in future salary increase rate	2,082	(1,840)	292	(271)

	(Unit: Thousand Baht)			
	As at 31 December 2020			
	Consolidated		Separate	
	financial statements		financial statements	
	Rate	Rate	Rate	Rate
	increase	decrease	increase	decrease
Increase or decrease 0.5%				
in discount rate	(916)	984	(138)	145
Increase or decrease 1%				
in future salary increase rate	1,852	(1,640)	258	(239)

## 29. Statutory reserve / Premium on ordinary shares

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution.

Under the Civil and Commercial Code, the subsidiaries are required to set aside a statutory reserve equal to at least 5% of its net profit each time the subsidiaries pay out a dividend, until such reserve reaches 10% of their registered share capital. The statutory reserve is not available for dividend distribution.

On 16 July 2020, the 2020 Annual General Meeting of the Shareholders of the Company approved a resolution to transfer of statutory reserve in the amount of Baht 80.3 million and premium on ordinary shares in the amount of Baht 336.0 million to compensate the deficits of the Company. The Company recorded such transactions in July 2020.

### 30. Revaluation surplus

This represents surplus arising from revaluation of land. Movements in the revaluation surplus account, net of income tax, during the years ended 31 December 2021 and 2020 are summarised below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Balance - beginning of year	206,316	206,316	155,273	155,273
Add: Revaluation of assets during the year	22,100	-	17,000	-
Less: Effect of income tax from revaluation	(4,420)	-	(3,400)	-
Balance - end of year	<u>223,996</u>	<u>206,316</u>	<u>168,873</u>	<u>155,273</u>

The revaluation surplus can neither be offset against deficit nor used for dividend payment.

### 31. Other income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Management fee income	-	-	-	720
Rental income	13,347	20,350	3,034	253
Compensation for damages and interest income	-	71,019	-	71,019
Other income	3,962	5,041	3,795	2,779
Total	<u>17,309</u>	<u>96,410</u>	<u>6,829</u>	<u>74,771</u>

A subsidiary has rental income from the lease of land, building, machinery and oil depots. However, the subsidiary recorded such assets under the heading "Property, plant and equipment" instead of "Investment properties" because the main objective is to sell such assets.

### 32. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Interest expenses on borrowings	1,060	2,815	1,333	1,410
Interest expenses on lease liabilities	32,060	30,335	40	-
Total	<u>33,120</u>	<u>33,150</u>	<u>1,373</u>	<u>1,410</u>

### 33. Expenses by nature

Significant expenses classified by nature are as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Salaries, wages and other employee benefits	168,853	160,011	23,127	18,989
Long-term employee benefits	2,116	1,957	498	486
Depreciation and amortisation	154,957	146,528	3,609	9,351
Changes in finished goods	(2,464)	7,457	-	-
Cost of merchandise inventories and services	5,151,486	3,805,313	-	-
Reversal of loss on impairment of buildings and equipment	(10,362)	(118)	(6,250)	(118)
Loss on impairment of investment in subsidiary	-	-	4,428	-
Bad debts and provision for doubtful debts	2,304	1,182	2,450	-

### 34. Income tax

Income tax expense for the years ended 31 December 2021 and 2020 are made up as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
<b>Current income tax:</b>				
Current income tax charge	167,375	1,391	164,143	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(8,083)	269	-	-
<b>Income tax expense reported in the income statement</b>	<b>159,292</b>	<b>1,660</b>	<b>164,143</b>	<b>-</b>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2021 and 2020 are as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Deferred tax on actuarial gain	-	29	-	-
Deferred tax on gain from revaluation of land	4,420	-	3,400	-
Total	4,420	29	3,400	-

The reconciliation between accounting profit (loss) and income tax expense is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Accounting profit (loss) before tax				
From continuing operation	850,383	47,895	866,182	64,469
From discontinued operation	4,863	(8,125)	4,863	(8,125)
Total accounting profit before tax	855,246	39,770	871,045	56,344
Applicable tax rate	20%	20%	20%	20%

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Accounting profit before tax multiplied by				
income tax rate	171,049	7,954	174,209	11,269
Utilisation of previously unrecognised deferred				
tax assets on temporary differences	(9,841)	(24)	(9,841)	(24)
Deferred tax assets which were not recognised				
during the year as future taxable profits may				
not be sufficient	9,039	(1,309)	(403)	(8,897)
Effects of non-deductible expenses				
- Allowance for impairment on investment in				
subsidiary	-	-	886	-
- Other non-deductible expenses	(6,882)	(2,991)	(477)	1,191
Effects of:				
- Income not subject to tax	(2,955)	(5,725)	(2,518)	(5,726)
- Write-off bad debt	(1,457)	(1,356)	-	-
- Others	1,480	3,746	2,287	2,187
Effect of elimination entries on the consolidated				
financial statements	(1,141)	1,365	-	-
Income tax expense reported in the income				
statement	<u>159,292</u>	<u>1,660</u>	<u>164,143</u>	<u>-</u>

The components of deferred tax assets and deferred tax liabilities are as follows.

	(Unit: Thousand Baht)			
	Statements of financial position			
	Consolidated financial statements		Separate financial statements	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
<b>Deferred tax assets</b>				
Allowance for expected credit losses	633	2,119	-	-
Allowance for diminution in value of inventories	185	1,463	-	-
Provision for long-term employee benefits	3,236	2,913	-	-
Unused tax loss	195	626	-	-
Lease	19,774	9,432	-	-
Others	3,076	2,463	-	-
Total	<u>27,099</u>	<u>19,016</u>	<u>-</u>	<u>-</u>
<b>Deferred tax liabilities</b>				
Revaluation surplus on land	55,999	51,579	42,218	38,818
Total	<u>55,999</u>	<u>51,579</u>	<u>42,218</u>	<u>38,818</u>

As at 31 December 2021, the Group has deductible temporary differences and unused tax losses totaling Baht 913 million (2020: Baht 1,030 million) per the consolidated financial statements and Baht 685 million (2020: Baht 766 million) per the separate financial statements. No deferred tax assets have been recognised on these amounts as the Group believes future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses. The unused tax losses amounting to Baht 183 million per the consolidated financial statements (separate financial statements: nil) will expire by 2026.

### 35. Promotional privileges

The Company has received promotional privileges from the Board of Investment for the solar power generation, pursuant to the promotion certificate No.64-1095-1-00-1-0 issued on 14 September 2021. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted operations begin generating revenues. However, in the year 2021, the Company has no income from such business.

### 36. Discontinued operation

Profit (loss) from discontinued operations for the years ended 31 December 2021 and 2020 are presented below.

	(Unit: Thousand Baht)	
	Consolidated / Separate financial statements	
	2021	2020
<b>Revenues</b>	-	-
<b>Expenses</b>		
Administrative expenses	1,387	8,125
Reversal of loss on impairment of buildings and equipment	(6,250)	-
<b>Total expenses</b>	(4,863)	8,125
<b>Profit (loss) for the year from discontinued operation</b>	4,863	(8,125)
		(Unit: Baht)
<b>Earnings per share:</b>		
Profit (loss) per share for the year from discontinued operation	0.0037	(0.0062)
		(Unit: Thousand shares)
Weighted average number of ordinary shares	1,304,664	1,304,664

The net cash flows incurred by discontinued operation for 2021 and 2020 are as follows.

	(Unit: Thousand Baht)	
	Consolidated / Separate financial statements	
	2021	2020
Operating activities	-	-
Investing activities	-	31
Financing activities	-	-
<b>Net cash flows from discontinued operation</b>	<b>-</b>	<b>31</b>

### 37. Basic earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

### 38. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Group is organised into business units based on its products and services and have two reportable segments as follows.

- 1) Energy segment: Fuel and gas retailing through a network of gas stations, distribution and maintenance of gas station equipment and rental of oil depot and port business.
- 2) Real estate segment: Real estate development for sale and for rent.

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The Group operates in Thailand only. As a result, all the revenues as reflected in these financial statements pertain exclusively to this geographical reportable segment.

For the years 2021 and 2020, the Group has no major customer with revenue of 10% or more of an entity's revenues.



The following tables present revenues and profit (loss) information regarding the Group's operating segments for the years ended 31 December 2021 and 2020.

(Unit: Million Baht)

	For the years ended 31 December							
	Energy segment		Real estate segment		Adjustments and eliminations		Consolidated financial statements	
	2021	2020	2021	2020	2021	2020	2021	2020
<b>Revenues</b>								
Sales and service income from external customers	5,480	4,155	-	-	-	-	5,480	4,155
Interest income	10	13	-	-	-	-	10	13
Other income	17	97	-	-	-	-	17	97
Income from compensation for damages according to the court judgements	900	-	-	-	-	-	900	-
<b>Total revenues</b>	<b>6,407</b>	<b>4,265</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,407</b>	<b>4,265</b>
<b>Expenses</b>								
Cost of sales and services	5,149	3,813	-	-	-	-	5,149	3,813
Depreciation and amortisation	155	147	-	-	-	-	155	147
Selling and distribution expenses	94	91	-	-	-	-	94	91
Administrative expenses	150	152	-	-	-	-	150	152
Reversal of loss on impairment of buildings and equipment	(4)	-	-	-	-	-	(4)	-
<b>Total expenses</b>	<b>5,544</b>	<b>4,203</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,544</b>	<b>4,203</b>
<b>Profit from operating activities</b>	<b>863</b>	<b>62</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>863</b>	<b>62</b>
Share of profit from investments in joint venture and associate	-	-	20	19	-	-	20	19
Finance cost	(33)	(33)	-	-	-	-	(33)	(33)
<b>Profit before income tax</b>	<b>830</b>	<b>29</b>	<b>20</b>	<b>19</b>	<b>-</b>	<b>-</b>	<b>850</b>	<b>48</b>
Tax income expense	(159)	(2)	-	-	-	-	(159)	(2)
<b>Profit for the year from continuing operation</b>	<b>671</b>	<b>27</b>	<b>20</b>	<b>19</b>	<b>-</b>	<b>-</b>	<b>691</b>	<b>46</b>
Profit (loss) for the year from discontinued operation	5	(8)	-	-	-	-	5	(8)
<b>Profit for the year</b>	<b>676</b>	<b>19</b>	<b>20</b>	<b>19</b>	<b>-</b>	<b>-</b>	<b>696</b>	<b>38</b>

### 39. Provident fund

The Company, its subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both the Company or its subsidiaries and employees contributed to the fund monthly at the rates of 5% - 10% of basic salary. The fund, which is managed by Aberdeen Standard Asset Management (Thailand) Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the years 2021 amounting to Baht 3.3 million (2020: Baht 3.1 million) were recognised as expenses.

## **40. Commitments and contingent liabilities**

### **40.1 Capital commitments**

As at 31 December 2021, the Group had capital commitments of Baht 12.5 million, relating to the constructions of gas stations and solar roof power generation system (2020: capital commitments of Baht 1.7 million, relating to the construction of gas stations) (separate financial statements: capital commitments of Baht 6.7 million, relating to the construction of solar roof power generation system (2020: nil)).

As at 31 December 2021, the Group had capital commitments of Baht 1.9 million, relating to the installation of computer software (2020: Baht 1.3 million) (separate financial statements: Baht 1.9 million (2020: Baht 1.3 million)).

### **40.2 Research and development agreement commitment**

The Company entered into a research and development agreement together with the Company's major shareholder and a university. The Company agreed to support the budget as a cost of conducting the research project under this agreement, totaling Baht 10 million. The agreement has a period of 3 years, commencing from 15 May 2017 to 14 May 2020 and extended the period of the project to 30 September 2021. At present, the research and development of this project has finished.

As at 31 December 2021, the Company has no future minimum payments required under such agreement (2020: the future minimum payments were required under such agreement of Baht 3.5 million).

### **40.3 Long-term purchase and sale commitments**

On 6 October 2017, a meeting of the Company's Board of Directors passed a resolution granting approval for a subsidiary running a retail and gasoline service station business to change from operating its service stations under the "Pure" brand to operating them under the "Esso" brand, in order to improve efficiency and the strength of its gasoline retail sales business and to support future business expansion.

As at 31 December 2021, the subsidiary has signed up to gasoline trading agreements with Esso (Thailand) Public Company Limited and was granted the right to use the "Esso" trademark at 74 gasoline stations (2020: 68 gasoline stations) for at least 10 years from the date that each station is opened under the "Esso" trademark. The subsidiary continues to be the operator of these gasoline stations. Under the agreements, the subsidiary has to order fuel in quantities and at prices as specified in the agreements throughout the contractual period.

#### **40.4 Guarantees**

- a) As at 31 December 2021 and 2020, there were outstanding bank guarantees of Baht 182 million issued by banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee amounting to Baht 180 million to guarantee payments due to creditors and Baht 2 million to guarantee electricity use, among others.
- b) As at 31 December 2021 and 2020, a subsidiary has guaranteed bank credit facilities of its subsidiary amounting to Baht 10 million.

#### **40.5 Litigation and commercial dispute**

On 8 August 1995, the Company entered into a purchase agreement with PTT Public Company Limited (PTT) to purchase condensate residue raw materials that are produced by PTT Global Chemical Public Company Limited (PTTGC) in a quantity and at a price stipulated in the agreement. The agreement is on an evergreen basis, meaning that there is no specified termination date, and after the primary period of 15 years ends in 2012 it automatically renews for a second period.

On 30 September 2009, PTT sent a letter informing the Company of the cancellation of the condensate residue raw materials purchase agreement, and requesting termination of the agreement upon completion of the 15-year term (Primary period) in 2012 even though the Company did not breach the agreement and the cancellation was contrary to the purpose of the agreement. The Company and the Company's legal advisor are of the opinion that the agreement cannot be terminated since it is a long-term reciprocal agreement. On 3 December 2009, the Company therefore submitted a petition to the Arbitration Office (Black Dispute No. 114/2552) and on 27 August 2010, the Company lodged a lawsuit against PTT and PTTGC with the Civil Court (Black Case No. 3162/2553), demanding PTT and PTTGC should pay compensation to the Company from cancellation of the agreement totaling Baht 29,368 million and Baht 9,382 million, respectively. The Civil Court has ordered the ongoing litigation (Black Case No. 3162/2553) be temporarily struck off in order to await the decision of the Arbitration Office.

According to PTT's breach of agreement, and the Company exercising its rights to undertake court action and arbitration in order to pursue these claims. Due to PTT did not deliver condensate residue raw material to the Company as stated in contract. Therefore, the Company has exercised lien over the last payment for condensate residue, amounting to Baht 1,518 million. PTT had submitted the dispute to the Arbitration Office (Black Dispute No. 78/2555), requesting the Company to pay principal together with interest totaling Baht 1,555 million to PTT.

In April 2016, the Company received a copy of an arbitration award (Black Dispute No. 114/2552) dated 25 March 2016, pursuant to which the arbitral tribunal rendered an award by a majority vote whereby PTT was to pay damages for the unlawful termination of its agreement with the Company in the amount of Baht 390 million per annum starting from 1 February 2012 until the date on which the arbitral tribunal rendered the arbitration award (25 March 2016), together with 7.5% interest per annum on such amount of damages calculated on the date on which the arbitral tribunal rendered the arbitration award until PTT makes payment in full to the Company. However, PTT lodged a petition with the Civil Court to revoke the award on 30 June 2016 (Black Case No. Por.3016/2559). Later, on 16 December 2016, the Company filed a petition with the Civil Court to seek enforcement of the above arbitration award (Black Case No. Por.6000/2559). The Civil Court has ordered the combination of Black Case No. Por.6000/2559 with Black Case No. Por.3016/2559. In September 2019, the Civil Court ordered PTT to pay damages to the Company in accordance with the arbitral award and dismissed the petition of PTT. The Company has filed a petition for enforcement of the judgement of the Civil Court. However, PTT disagreed with the judgement and file an appeal with the Supreme Court in March 2020. The Company has filed an answer in response to the appeal with the Supreme Court. Later, on 23 June 2021, the Supreme Court rendered judgement in concurrence with the Civil Court's judgement, to enforce the arbitration award. The lawsuit is finalised. As a result, PTT is obliged to make payment together with interest to the Company, which was calculated up to 23 July 2021, which is the date of the debt offset memorandum, of Baht 2,263 million.

In May 2017, the Company received a copy of an arbitration award (Black Dispute No. 78/2555) dated 27 April 2017, pursuant to which the arbitral tribunal rendered an award to order the Company to make a final payment for condensate residue to PTT of Baht 1,555 million, together with interest at 9.375% per annum on principal of Baht 1,518 million, from the date on which the dispute was submitted to arbitration (18 May 2012) until the Company makes payment in full to PTT. However, the Company does not agree with the arbitration award. On 25 July 2017, the Company exercised its legal right to file a petition with the Civil Court to revoke the award (Black Case No. Por.3492/2560). Later, in September 2017, the Company received a copy of a petition filed by PTT with the Civil Court seeking to enforce the award (Black Case No. Por.3789/2560). The Civil Court has ordered the combination of Black Case No. Por.3789/2560 with Black Case No. Por. 3492/2560. In March 2019, the Civil Court ordered the revocation of the arbitration award and dismissed the petition of PTT. However, PTT disagreed with the judgement and file an appeal with the Supreme Court in August 2019. The Company has filed an answer in response to the appeal with the Supreme Court. Later, on 23 June 2021, the Supreme Court rendered judgement in reversal of the Civil Court's judgement, to enforce

the arbitration award. The lawsuit is finalised. As a result, the Company is obliged to make payment together with interest to PTT, which was calculated up to 23 July 2021, which is the date of the debt offset memorandum, of Baht 2,862 million (this amount consisted of raw material payable of Baht 1,518 million previously recorded and interest of Baht 1,344 million).

On 23 July 2021, the Company entered into “Debt offset memorandum” with PTT. The memorandum is to offset debts between Black Disputes No. 114/2552 and 78/2555, resulting in the Company having to pay the remaining debt of Baht 599 million. Subsequently, on 26 November 2021, the Company issued a letter for the full payment of the remaining debt together with interest calculated up to 26 November 2021, along with cashier cheques of Baht 599 million and Baht 19 million, repressively, to PTT. PTT has issued a receipt to the Company on 15 December 2021.

Based on the final court judgements, the Company is entitled to compensation plus interest of Baht 2,263 million, net of interest on last payment of raw material for which the Company had exercised a lien over the amount of Baht 1,344 million and interest expense calculated up to 26 November 2021, which was the date of payment to PTT, of Baht 19 million. The Company recognised income from compensation for damages according to court judgements of Baht 900 million in the consolidated and separate income statements for the year ended 31 December 2021.

#### 40.6 Uncalled portion of investment in joint venture

As at 31 December 2021, the Group has a commitment of Baht 1 million (2020: nil) (separate financial statements: nil), relating to the uncalled portion of investment in joint venture.

#### 41. Fair value hierarchy

As at 31 December 2021 and 2020, the Group had the assets that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statements					
	31 December 2021			31 December 2020		
	Level 2	Level 3	Total	Level 2	Level 3	Total
<b>Assets measured at fair value</b>						
Financial assets measured at PVTPL						
Investment in investment units in						
mutual funds	252	-	252	1,144	-	1,144
Property, plant and equipment	540	-	540	516	-	516
<b>Assets for which fair value is disclosed</b>						
Investment properties	153	64	217	147	-	147

(Unit: Million Baht)

	Separate financial statements					
	31 December 2021			31 December 2020		
	Level 2	Level 3	Total	Level 2	Level 3	Total
<b>Assets measured at fair value</b>						
Financial assets measured at PVTPL						
Investment in investment units in						
mutual funds	252	-	252	1,144	-	1,144
Property, plant and equipment	360	-	360	339	-	339
<b>Assets for which fair value is disclosed</b>						
Investment properties	147	-	147	147	-	147

## 42. Financial instruments

### 42.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, accounts receivable, accounts payable, loans receivable, investments and loans payable. The financial risks associated with these financial instruments and how they are managed is described below.

#### **Credit risk**

The Group is exposed to credit risk primarily with respect to trade receivables, loans, deposits with banks and financial institutions and other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

#### **Trade receivables**

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored and any shipments to major customers are generally covered by pledging of collateral. In addition, the Group does not have high concentrations of credit risk since it has a large customer base in various industries.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by customer type and coverage by pledging of collateral according to the Group's policy. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than two years and may subject to enforcement activity.

### **Financial instruments and cash deposits**

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

### **Interest rate risk**

The Group's exposures to interest rate risk relate primarily to its loans. However, the loans bear fixed interest rates which are close to the market rate. The interest rate risk is expected to be minimal.

As at 31 December 2021 and 2020, significant financial assets and liabilities classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2021						
Fixed interest rates		Floating		Total	Effective interest rate (% p.a.)	
Within 1 year	Over 1 year	interest rate	Non-interest bearing			
<b>Financial assets</b>						
Cash and cash equivalents	-	-	180	19	199	0.05 - 0.65
Other current financial assets	-	-	-	252	252	-
Trade and other receivables	-	-	-	30	30	-
Short-term loans to related parties	140	-	-	-	140	2.50 - 3.50
Short-term loans to unrelated party	12	-	-	-	12	15.00
Pledged deposits at banks	141	-	-	-	141	0.05 - 0.65
	<u>293</u>	<u>-</u>	<u>180</u>	<u>301</u>	<u>774</u>	
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	430	430	-
Lease liabilities	25	485	-	-	510	1.20 - 6.88
	<u>25</u>	<u>485</u>	<u>-</u>	<u>430</u>	<u>940</u>	

(Unit: Million Baht)

## Consolidated financial statements as at 31 December 2020

	Fixed interest rates		Floating		Total	Effective interest rate (% p.a.)
	Within		interest	Non-interest		
	1 year	1-5 years	rate	bearing		
<b>Financial assets</b>						
Cash and cash equivalents	-	-	99	18	117	0.05 - 0.50
Other current financial assets	-	-	-	1,144	1,144	-
Trade and other receivables	-	-	-	25	25	-
Receivable compensation for damages	-	-	-	98	98	-
Pledged deposits at banks	141	-	-	-	141	0.20 - 0.65
Long-term loans to unrelated parties	1	-	-	-	1	9.05
	<u>142</u>	<u>-</u>	<u>99</u>	<u>1,285</u>	<u>1,526</u>	
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	1,868	1,868	-
Lease liabilities	20	458	-	-	478	3.31 - 6.62
	<u>20</u>	<u>458</u>	<u>-</u>	<u>1,868</u>	<u>2,346</u>	

(Unit: Million Baht)

## Separate financial statements as at 31 December 2021

	Fixed interest rates		Floating		Total	Effective interest rate (% p.a.)
	Within		interest	Non-interest		
	1 year	1-5 years	rate	bearing		
<b>Financial assets</b>						
Cash and cash equivalents	-	-	9	1	10	0.05 - 0.30
Other current financial assets	-	-	-	252	252	-
Trade and other receivables	-	-	-	7	7	-
Short-term loans to related parties	140	-	-	-	140	2.50 - 3.50
Pledged deposits at banks	49	-	-	-	49	0.15 - 0.30
Long-term loans to related party	-	80	-	-	80	2.50
	<u>189</u>	<u>80</u>	<u>9</u>	<u>260</u>	<u>538</u>	
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	12	12	-
Short-term loan from related party	300	-	-	-	300	2.50
Lease liabilities	1	1	-	-	2	1.20
	<u>301</u>	<u>1</u>	<u>-</u>	<u>12</u>	<u>314</u>	



(Unit: Million Baht)

## Separate financial statements as at 31 December 2020

	Fixed interest rates		Floating		Total	Effective interest rate (% p.a.)
	Within 1 year	1-5 years	interest rate	Non-interest bearing		
<b>Financial assets</b>						
Cash and cash equivalents	-	-	5	3	8	0.05 - 0.30
Other current financial assets	-	-	-	1,144	1,144	-
Trade and other receivables	-	-	-	4	4	-
Receivable compensation for damages	-	-	-	98	98	-
Pledged deposits at banks	49	-	-	-	49	0.20 - 0.30
Long-term loans to related party	-	80	-	-	80	2.92
	<u>49</u>	<u>80</u>	<u>5</u>	<u>1,249</u>	<u>1,383</u>	
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	1,536	1,536	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,536</u>	<u>1,536</u>	

**Liquidity risk**

The Group regularly monitors the risk of a shortage of liquidity and has a policy to manage the cash inflow and outflow to be sufficient for its operations.

The table below summarises the maturity profile of the Group's financial liabilities as at 31 December 2021 and 2020 based on contractual undiscounted cash flows:

(Unit: thousand Baht)

## Consolidated financial statements

	31 December 2021				Total
	On demand	Less than 1 year	1 - 5 years	> 5 years	
Trade and other payables	-	429,641	-	-	429,641
Lease liabilities	-	57,340	233,775	531,535	822,650
Total	-	486,981	233,775	531,535	1,252,291

(Unit: thousand Baht)

## Consolidated financial statements

	31 December 2020				Total
	On demand	Less than 1 year	1 - 5 years	> 5 years	
Trade and other payables	1,518,109*	349,789	-	-	1,867,898
Lease liabilities	-	50,914	205,063	540,439	796,416
Total	1,518,109	400,703	205,063	540,439	2,664,314

(Unit: thousand Baht)

Separate financial statements					
31 December 2021					
	Less than				
	On demand	1 year	1 - 5 years	> 5 years	Total
Trade and other payables	-	12,483	-	-	12,483
Short-term loan from related party	-	299,500	-	-	299,500
Lease liabilities	-	1,150	1,053	-	2,203
Total	-	313,133	1,053	-	314,186

(Unit: thousand Baht)

Separate financial statements					
31 December 2020					
	Less than				
	On demand	1 year	1 - 5 years	> 5 years	Total
Trade and other payables	1,518,109*	17,746	-	-	1,535,855
Total	1,518,109	17,746	-	-	1,535,855

\* Raw material payable was in the process of being considered by the Supreme Court. However, during the year 2021, the Company has already paid the debt according to the Supreme Court's judgements as described in Note 40.5 to the financial statements.

## 42.2 Fair values of financial instruments

Since the majority of the Company's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

The methods and assumptions used by the Grouping estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, accounts receivable and short-term loans receivable, accounts payable and short-term loans payable, the carrying amounts in the statement of financial position approximate their fair value.
- The fair value of debt securities is generally derived from quoted market prices or by using the yield curve announced by the Thai Bond Market Association or by other relevant bodies.

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

#### **43. Capital management**

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2021, the Group's debt-to-equity ratio was 0.61:1 (2020: 1.66:1) and the Company's was 0.17:1 (2020: 1.11:1).

#### **44. Events after the reporting period**

On 21 February 2022, the Annual General Meeting of the Shareholders of RPCG-JV 1 Company Limited (RPCG-JV 1) has a special resolution to dissolve RPCG-JV 1 and approve the payment of dividend to the shareholders at the rate of Baht 0.44 per share, totaling Baht 1.32 million, with the Company to receive Baht 1.32 million. The Company received such dividend on 22 February 2022.

On 23 February 2022, the Board of Directors Meeting of the Company resolved to propose to the Annual General Meeting of the Shareholders, held in April 2022, that a dividend payment of Baht 0.10 per share, totaling Baht 130.47 million, be paid to the shareholders.

#### **45. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 23 February 2022.