

**RPCG Public Company Limited and its subsidiaries**

**Notes to interim consolidated financial statements**

**For the three-month and six-month periods ended 30 June 2023**

**1. General information**

**1.1 Basis for the preparation of interim financial statements**

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income statement, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

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

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

**1.2 Basis of consolidation**

The interim consolidated financial statements include the financial statements of RPCG Public Company Limited ("the Company") and its subsidiaries ("the subsidiaries") (collectively as "the Group") and have been prepared on the same basis as applied for the consolidated financial statements for the year ended 31 December 2022. During the current period, there were significant changes in the structure of the Group as follows:

*The change in classification of investments from investment in associate to investment in subsidiary which the Company has de facto control*

Since the Company has invested in Sammakorn Public Company Limited with 48.25% shareholding, the Company's management has exercised its judgement and determined that the Company has significant influence over Sammakorn Public Company Limited and classified the investment in Sammakorn Public Company Limited as an investment in associate since the Company's shareholding is less than a half, and the Company lacks arbitration rights in the operations of the entity. As a result, the Company did not have the power to control over the important operations of Sammakorn Public Company Limited.

However, starting from the first quarter of 2023, the Company exercised its judgement and considered appointing an additional director and a new Acting Managing Director. The person appointed to such position also serves as the Managing Director of Sammakorn Public Company Limited, effectively acting as a joint director for both companies. As a result, the Company has more representative directors on the Board of Directors of Sammakorn Public Company Limited and is considered to be more involved in the important operations of the business. The Company's management exercised its judgement to consider whether despite the Company's shareholding still being less than a half, there is an obvious reason to support the Company's de facto control over Sammakorn Public Company Limited through a control over the important operations of Sammakorn Public Company Limited. The Company therefore decided to change the classification of investment in Sammakorn Public Company Limited from an associated company to a subsidiary, effective from 1 January 2023 onwards.

### **1.3 Significant accounting policies**

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2022.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023, do not have any significant impact on the Group's financial statements.

## **2. Adjustment of the prior period's consolidated financial statements**

In the fourth quarter of 2022, the Group identified that the depreciation of right-of-use assets of its subsidiaries had been overstated since the adoption of TFRS 16 Lease in 2020. The Group made retrospective adjustments to correct the consolidated financial statements for the year ended 31 December 2022. However, the interim consolidated financial information for the three-month and six-month periods ended 30 June 2022 has not yet reflected the effect of these adjustments. The Group therefore made retrospective adjustments to the consolidated statements of income and comprehensive income for the three-month and six-month periods ended 30 June 2022, and the consolidated statements of changes in shareholders' equity and cash flows for the six-month period then ended, presented as comparative information, to reflect the effect of adjustments of the prior period's consolidated financial statements. The cumulative effect of such changes has been separately presented in the consolidated statement of changes in shareholders' equity for the six-month period ended 30 June 2022.

(Unaudited but reviewed)

The amount of the affects in the consolidated statements of income and comprehensive income for the three-month and six-month periods ended 30 June 2022, and the consolidated statement of and cash flows for the six-month period then ended as follows.

(Unit: Thousand Baht)

	For the three-month period ended 30 June 2022	For the six-month period ended 30 June 2022
<b>Consolidated income statement</b>		
Decrease in administrative expenses	(9,763)	(19,036)
Increase in income tax expense	1,952	3,807
Increase in profit for the period	7,811	15,229
<b>Basic earnings per share</b>		
Increase in profit attributable to equity holders of the Company (Baht per share)	0.0060	0.0117
<b>Consolidated statement of comprehensive income</b>		
Increase in profit for the period	7,811	15,229
Increase in total comprehensive income for the period	7,811	15,229

(Unit: Thousand Baht)

	For the six-month period ended 30 June 2022
<b>Consolidated statement of cash flows</b>	
Increase in profit before tax	19,036
Decrease in depreciation and amortisation	(19,036)

### 3. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
<b>Trade receivables - related party</b>				
Aged on the basis of due dates				
Past due				
Not over 3 months	-	15	-	-
Total trade receivables - related party	-	15	-	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
<b>Trade receivables - unrelated parties</b>				
Aged on the basis of due dates				
Not yet due	19,478	19,578	-	-
Past due				
Not over 3 months	17,229	9,424	-	-
3 - 6 months	260	1,467	-	-
6 - 12 months	214	36	-	-
Over 12 months	3,872	3,293	-	-
Total	41,053	33,798	-	-
Less: Allowance for expected credit losses	(2,633)	(3,056)	-	-
Total trade receivables - unrelated parties, net	38,420	30,742	-	-
Total trade receivables - net	38,420	30,757	-	-
<b>Other receivables</b>				
Accrued income - related parties	741	86	6,136	6,285
Accrued income - unrelated parties	68,886	475	94	33
Others	16,525	3,965	1,504	1,465
Total	86,152	4,526	7,734	7,783
Less: Allowance for expected credit losses	(54,945)	(2,124)	(1,310)	(1,310)
Total other receivables - net	31,207	2,402	6,424	6,473
Total trade and other receivables - net	69,627	33,159	6,424	6,473

#### 4. Related party transactions

During the periods, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties. There were no significant changes in the transfer pricing policy of transactions with related parties during the current period.

During the current period, there are significant changes in the structure of the Group as discussed in the Note 1.2 to the interim consolidated financial statements.

(Unaudited but reviewed)

Summaries significant business transactions with related parties as follows.

(Unit: Million Baht)

For the three-month periods ended 30 June

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b>Transactions with subsidiaries</b>				
(Eliminated from the consolidated financial statements)				
Management fee income	-	-	1	-
Dividend income	-	-	31	-
Other income - other services	-	-	1	1
<b>Transactions with associates *</b>				
Dividend income	-	12	-	12
Land rental expenses	-	1	-	-
Other expenses	-	1	-	-
<b>Transactions with related parties</b>				
Interest income	1	1	1	1
Interest expense	1	-	-	-

\* The status of Sammakorn Public Company Limited was changed from an associate company to a subsidiary as discussed in the Note 1.2 to the interim consolidated financial statements.

(Unit: Million Baht)

For the six-month periods ended 30 June

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b>Transactions with subsidiaries</b>				
(Eliminated from the consolidated financial statements)				
Management fee income	-	-	1	-
Dividend income	-	-	52	1
Other income - other services	-	-	1	1
<b>Transactions with associates *</b>				
Dividend income	-	12	-	12
Land rental expenses	-	1	-	-
Office rental expenses	-	1	-	-
Other expenses	-	1	-	-
<b>Transactions with related parties</b>				
Interest income	1	1	1	1
Revenue from scrap sales	1	-	-	-
Interest expense	1	-	-	-

\* The status of Sammakorn Public Company Limited was changed from an associate company to a subsidiary as discussed in the Note 1.2 to the interim consolidated financial statements.

(Unaudited but reviewed)

The balances of the accounts between the Group and those related parties are as follows.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
<b>Trade and other receivables - related parties</b>				
<b>Trade receivables - related party</b>				
Associate *	-	15	-	-
Total trade receivables - related party	-	15	-	-
<b>Other receivables - related parties</b>				
Subsidiaries	-	-	5,411	6,199
Related company	741	86	725	86
Total other receivables - related parties	741	86	6,136	6,285
<b>Prepaid guarantee fee - related party</b>				
Related company	1,018	-	-	-
Total prepaid guarantee fee - related party	1,018	-	-	-
<b>Trade and other payables - related parties</b>				
<b>Trade payables - related party</b>				
Related company	4,904	-	-	-
Total trade payables - related party	4,904	-	-	-
<b>Other payables - related parties</b>				
Associate *	-	333	-	-
Related company	8,107	2,755	2,755	2,755
Total other payables - related parties	8,107	3,088	2,755	2,755
<b>Lease liabilities - related party</b>				
Associate *	-	16,004	-	-
Total lease liabilities - related party	-	16,004	-	-
Less: Portion due within one year	-	(2,783)	-	-
Lease liabilities - related party, net of current portion	-	13,221	-	-

\* The status of Sammakorn Public Company Limited was changed from an associate company to a subsidiary as discussed in the Note 1.2 to the interim consolidated financial statements.

(Unaudited but reviewed)

**Loans to related parties and loan from related party**

During the six-month period ended 30 June 2023, movements of loans to and loan from between the Group and related parties were as follows.

(Unit: Thousand Baht)

		Consolidated financial statements			
		Balance as at 31 December 2022	Increase during the period	Decrease during the period	Balance as at 30 June 2023
Related by					
<b>Short-term loans to related parties</b>					
Petro-Instruments Corp., Ltd.	Related company	39,000	15,000	-	54,000
Brain Wake Co., Ltd.	Related company	-	*5,000	-	5,000
Total		39,000	20,000	-	59,000
<b>Long-term loan to related party</b>					
KP Energy Group Co., Ltd.	Related company	4,500	-	-	4,500
Less: Allowance for expected credit losses		(4,500)	-	-	(4,500)
Net		-	-	-	-
<b>Short-term loan from related party</b>					
Asset Pro Group Co., Ltd.	Related company	-	*49,000	-	49,000
Total		-	49,000	-	49,000

\* Increased due to the inclusion of the financial statements of Sammakorn Public Company Limited and its subsidiaries in the consolidated financial statements from the date on which the Company obtained power to control, as described in Note 1.2 to the interim consolidated financial statements.

(Unit: Thousand Baht)

		Separate financial statements			
		Balance as at 31 December 2022	Increase during the period	Decrease during the period	Balance as at 30 June 2023
Related by					
<b>Short-term loans to related parties</b>					
Pure Biodiesel Co., Ltd.	Subsidiary	319,188	-	-	319,188
Onward Venture Co., Ltd.	Subsidiary	-	9,000	-	9,000
Sammakorn Plc.	Subsidiary	-	450,000	(170,000)	280,000
Petro-Instruments Corp., Ltd.	Related company	39,000	15,000	-	54,000
Total		358,188	474,000	(170,000)	662,188
Less: Allowance for expected credit losses		(319,188)	-	-	(319,188)
Net		39,000	474,000	(170,000)	343,000
<b>Long-term loans to related party</b>					
KP Energy Group Co., Ltd.	Related company	4,500	-	-	4,500
Less: Allowance for expected credit losses		(4,500)	-	-	(4,500)
Net		-	-	-	-

(Unaudited but reviewed)

### Directors and management's benefits

During the three-month and six-month periods ended 30 June 2023 and 2022, the Group had employee benefit expenses payable to its directors and management as below.

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Short-term employee benefits	8,812	3,491	2,112	2,374
Post-employment benefits	447	271	202	192
Total	<u>9,259</u>	<u>3,762</u>	<u>2,314</u>	<u>2,566</u>

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Short-term employee benefits	18,270	6,807	5,039	4,748
Post-employment benefits	955	645	402	387
Total	<u>19,225</u>	<u>7,452</u>	<u>5,441</u>	<u>5,135</u>

### Guarantee obligation with related parties

The Group has outstanding guarantee obligation with its related parties, as described in Note 14.2 to the interim consolidated financial statements.

### 5. Project development costs

(Unit: Thousand Baht)

	Consolidated	
	financial statements	
	30 June	31 December
	2023	2022
Land and construction developed	48,705	-
Land and construction under development	<u>3,086,127</u>	-
Total	3,134,832	-
Less: Provision for loss on diminution in value of project	<u>(246)</u>	-
Net	<u>3,134,586</u>	-

As at 30 June 2023, subsidiaries have mortgaged their land and constructions thereon in the projects amounting to approximately Baht 3,086 million as collateral against bank overdraft facilities and credit facilities received from financial institutions.



(Unaudited but reviewed)

**6. Other financial assets**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
<b>Debt instruments at amortised cost</b>				
Deposit in fixed-term bank account - maturing within 1 year	30,000	-	-	-
Total	30,000	-	-	-
<b>Financial assets measured at FVTPL</b>				
Investment units in mutual funds	15,023	300,245	15,023	300,245
Total	15,023	300,245	15,023	300,245
<b>Investments in equity instruments measured at FVOCI</b>				
<u>Investment in REIT</u>				
ALLY Leasehold Real Estate Investment Trust	110,501	-	-	-
Less: Decrease in the par value of the trust units	(4,374)	-	-	-
Loss on investment designated at fair value	(21,525)	-	-	-
	84,602	-	-	-
<u>Investment in equity instrument of non-listed companies</u>				
KP Energy Group Co., Ltd.	-	-	-	-
Brain Wake Co., Ltd.	33,493	-	-	-
Total	33,493	-	-	-
Total other financial assets	163,118	300,245	15,023	300,245
Current	45,023	300,245	15,023	300,245
Non-current	118,095	-	-	-
	163,118	300,245	15,023	300,245

**7. Investment in associate****7.1 Details of associate**

Company's name	Nature of business	Country of incorporation	Shareholding percentage	(Unit: Thousand Baht)					
				Consolidated		Separate			
				financial statements		financial statements			
				Carrying amounts		Carrying amounts			
				based on equity method		based on cost method			
30 June 2023	31 December 2022	30 June 2023	31 December 2022	30 June 2023	31 December 2022				
			(%)						
Sammakorn Plc.	Real estate development	Thailand	-	48.25	-	1,247,939	-	785,802	
Total					-	1,247,939	-	785,802	

(Unaudited but reviewed)

During the current period, the Company changed the classification of investment in Sammakorn Public Company Limited from an associate company to a subsidiary since the Company had de facto control over such company as discussed in the Note 1.2 to the interim consolidated financial statements.

## 7.2 Share of comprehensive income and dividend received

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.

(Unit: Thousand Baht)

Company's name	Consolidated financial statements				Separate financial statements	
	Share of profit from investment in associate for the three-month periods ended 30 June		Share of other comprehensive income from investment in associate for the three-month periods ended 30 June		Dividend received for the three-month periods ended 30 June	
	2023	2022	2023	2022	2023	2022
Sammakorn Plc.	-	11,511	-	-	-	12,388
Total	-	11,511	-	-	-	12,388

(Unit: Thousand Baht)

Company's name	Consolidated financial statements				Separate financial statements	
	Share of profit from investment in associate for the six-month periods ended 30 June		Share of other comprehensive income from investment in associate for the six-month periods ended 30 June		Dividend received for the six-month periods ended 30 June	
	2023	2022	2023	2022	2023	2022
Sammakorn Plc.	-	11,827	-	(444)	-	12,388
Total	-	11,827	-	(444)	-	12,388

## 7.3 Fair value of investment in listed associate

As at 31 December 2022, fair value of investment in Sammakorn Public Company Limited, an associate that is listed company on the Stock Exchange of Thailand, was Baht 440 million.

(Unaudited but reviewed)

## 8. Investments in subsidiaries

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

(Unit: Thousand Baht)

Company	Paid-up capital		Shareholding percentage		Cost		Dividend received for the three-month periods		Dividend received for the six-month periods	
	30 June	31 December	30 June	31 December	30 June	31 December	ended 30 June		ended 30 June	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
			(%)	(%)						
Pure Biodiesel Co., Ltd. *	280,000	280,000	100	100	279,999	279,999	-	-	-	-
Pure Thai Energy Co., Ltd.	140,000	140,000	100	100	140,000	140,000	-	-	21,000	-
RPC Management Co., Ltd. *	125	125	100	100	581	581	-	-	-	-
RPCG-JV 1 Co., Ltd.	-	-	-	-	-	-	-	-	-	1,320
Onward Venture Co., Ltd. **	15,000	10,000	80	100	12,000	10,000	-	-	-	-
Sammakorn Plc. ***	641,800	-	48	-	785,802	-	30,970	-	30,970	-
Total					1,218,382	430,580	30,970	-	51,970	1,320
Less: Allowance for impairment					(120,218)	(116,679)				
Investments in subsidiaries - net					1,098,164	313,901				

\* Business suspended.

\*\* Business has not yet commenced its operation.

\*\*\* The status of the entity was changed from an associate company to a subsidiary as discussed in the Note 1.2 to the interim consolidated financial statements.

In the second quarter of 2023, Sammakorn Public Company Limited paid a dividend of Baht 0.10 per share, a total of Baht 64.2 million of which Baht 31.0 million and Baht 33.2 million were paid to the Company and non-controlling interests, respectively.

(Unaudited but reviewed)

The changes of the classification of investment in associate to investment in subsidiary

During the current period, the Company changed the classification of investment in Sammakorn Public Company Limited from an associate company to a subsidiary since the Company had de facto control over such company as discussed in the Note 1.2 to the interim consolidated financial statements. The Company therefore included the financial statements of Sammakorn Public Company Limited and its subsidiaries in the preparation of the consolidated financial statements from the date on which the Company obtained control over the subsidiary.

The values of assets acquired, liabilities assumed, and non-controlling interests of Sammakorn Public Company Limited and its subsidiaries as at the control date were summarised below:

	Amount (Thousand Baht)
Cash and cash equivalents	96,557
Other current financial assets	69,012
Trade and other receivables	31,875
Project development costs	2,360,406
Advances for land acquisition	159,889
Other current assets	32,960
Pledged deposits at banks	124,164
Other non-current financial assets	116,944
Land held for development	1,550,205
Investment properties	861,090
Property, plant and equipment	57,324
Other non-current assets	215,316
Short-term loans from financial institutions	(35,000)
Trade and other payables	(226,526)
Deposits and advances received from customers	(92,628)
Current portion of long-term loans	(1,173,238)
Current portion of rental income received in advance	(34,327)
Current portion of lease liabilities	(13,650)
Other current liabilities	(91,688)
Long-term loans, net of current portion	(369,333)
Rental income received in advance, net of current portion	(888,873)
Lease liabilities, net of current portion	(84,949)
Other non-current liabilities	(79,128)
Net assets of subsidiary	2,586,402
Less: Non-controlling interests in proportion to ownership of the net assets of the subsidiary	(1,338,463)
Net assets of the subsidiary in proportion holds by the Company (48.25%)	1,247,939

(Unaudited but reviewed)

At present, the Group is in the process of measuring the fair value of the identifiable assets acquired, liabilities assumed, and non-controlling interests of the subsidiaries as at the control date. Generally, this measurement involves the identification and measurement of intangible assets and some tangible assets to be completed within 12 months from the control date as specified in TFRS 3 Business Combinations, which may differ from the fair value after the appraisal is completed.

Subsidiaries included in the consolidated financial statements of Sammakorn Public Company Limited as at the control date are as follows.

Company's name	Nature of business	Country of incorporation	Percentage of shareholding (%)
Pure Sammakorn Development Co., Ltd.	Developing land in Bangkok and its environs into community malls	Thailand	100
PRO Cube Venture Co., Ltd.	Real estate management and other related services	Thailand	100
Sammakorn Plus Co., Ltd.	Real estate development	Thailand	51
Sammakorn-JV1 Co., Ltd.	Real estate development	Thailand	65
Sammakorn-JV2 Co., Ltd.	Real estate development	Thailand	100
Sammakorn-JV3 Co., Ltd.	Real estate development	Thailand	100
Sammakorn F&B Co., Ltd.	Food and beverage restaurant	Thailand	100

### **Changes in investments in subsidiaries during the current period**

#### **Onward Venture Company Limited**

On 15 August 2022, the Board of Directors Meeting of the Company passed a resolution to seek partners to invest in shares of Onward Venture Company Limited in the proportion that does not exceed 20% of its registered share capital. The selling price is equal to the par value. Later, on 14 February 2023, the Company sold shares of Onward Venture Company Limited to two partners amounting to Baht 1.1 million (11,000 ordinary shares at a par value of Baht 100 each) and Baht 0.9 million (9,000 ordinary shares at a par value of Baht 100 each), respectively. The sale reduced the shareholding of the Company from 100% to 80%.

On 28 February 2023, the Extraordinary General Meeting of the Shareholders of Onward Venture Company Limited passed a resolution approving the increase in registered share capital from Baht 10 million (100,000 ordinary shares at a par value of Baht 100 each) to Bath 20 million (200,000 ordinary shares at a par value of Baht 100 each) and called up the share payment 50% of the registered share capital increased, amounting to Baht 4 million. The Company made the share payment on 3 March 2023 and Onward Venture Company Limited registered the share capital increase with the Ministry of Commerce on 10 March 2023.

(Unaudited but reviewed)

Sammakorn-JV4 Company Limited (held by Sammakorn Public Company Limited)

On 21 February 2023, the Board of Director's Meeting of Sammakorn Public Company Limited No. 1/2023 passed a resolution approving the incorporation of a new company under the name of Sammakorn-JV4 Company Limited (subsidiary) to accommodate the expansion of real estate development business. This subsidiary was registered with the Ministry of Commerce on 20 March 2023, with a registered capital of Baht 1 million. Sammakorn Public Company Limited acquired 9,998 ordinary shares with a par value of Baht 100 each, accounting for 100 percent of the total shares, and paid such share capital.

Sammakorn-JV3 Company Limited (held by Sammakorn Public Company Limited)

On 21 February 2023, the Extraordinary General Meeting of the Shareholders of Sammakorn-JV3 Company Limited (subsidiary) approved an increase in the registered share capital from Baht 1 million to Baht 100 million, by issuing additional 990,000 ordinary shares with a par value of Baht 100 each. Sammakorn Public Company Limited fully paid such share capital and its subsidiary registered the increase of share capital with the Ministry of Commerce on 22 March 2023.

**9. Land held for development**

Movements of the land held for development for the six-month period ended 30 June 2023 are summarised as follows.

	(Unit: Thousand Baht)
	Consolidated financial statements
<b>Net book value as at 1 January 2023</b>	-
Increased due to the changes in classification of investment in associate to subsidiary *	1,550,205
Increase during the period	182,953
Transfer from investment properties	77,042
Transfer to project development cost	(860,173)
<b>Net book value as at 30 June 2023</b>	<b>950,027</b>

\* Increased due to inclusion of the financial statements of Sammakorn Public Company Limited and its subsidiaries in the consolidated financial statements from the date on which the Company obtained power to control, as described in Note 1.2 to the interim consolidated financial statements.

As at 30 June 2023, the subsidiaries have mortgaged their land held for development amounting to approximately Baht 608 million as collateral against bank overdraft facilities and credit facilities which the subsidiaries received from financial institutions.

(Unaudited but reviewed)

## 10. Investment properties

Movements of the investment properties for the six-month period ended 30 June 2023 are summarised as follows.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
<b>Net book value as at 1 January 2023</b>	177,365	146,936
Increased due to the changes in classification of investment in associate to subsidiary *	861,090	-
Increase during the period	5,830	-
Transfer of asset category - net book value	(95,534)	-
Depreciation for the period	(12,817)	-
<b>Net book value as at 30 June 2023</b>	<b>935,934</b>	<b>146,936</b>

\* Increased due to inclusion of the financial statements of Sammakorn Public Company Limited and its subsidiaries in the consolidated financial statements from the date on which the Company obtained power to control, as described in Note 1.2 to the interim consolidated financial statements.

As at 30 June 2023, the subsidiaries have mortgaged their investment properties amounting to approximately Baht 152 million as collateral against bank overdraft facilities, short-term and long-term loans which the subsidiaries obtained from financial institutions.

## 11. Long-term loans

The balances of long-term loans account as at 30 June 2023 and 31 December 2022 are summarised as follows.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	30 June	31 December
	2023	2022
Long-term loans	1,609,523	-
Less: Current portion of long-term loans	(1,161,638)	-
Long-term loans - net of current portion	<b>447,885</b>	<b>-</b>

(Unaudited but reviewed)

Movements of the long-term loans account during the six-month period ended 30 June 2023 are summarised as follows.

	(Unit: Thousand Baht)
	Consolidated financial statements
	<u>                    </u>
<b>Balance as at 1 January 2023</b>	-
Increased due to the changes in classification of investment in associate to subsidiary *	1,542,571
Add: Additional borrowings	381,445
Less: Repayment	<u>(314,493)</u>
<b>Balance as at 30 June 2023</b>	<u><u>1,609,523</u></u>

\* Increased due to inclusion of the financial statements of Sammakorn Public Company Limited and its subsidiaries in the consolidated financial statements from the date on which the Company obtained power to control, as described in Note 1.2 to the interim consolidated financial statements.

The subsidiaries have mortgaged its investment properties, and land and construction in its projects and secured by the pledge of their land leasehold rights as collateral for their long-term loans.

The majority of loan agreements of the subsidiaries contain covenants such as maintaining certain debt-to-equity ratio.



(Unaudited but reviewed)

**12. Segment information**

The Group is organised into business units based on its products and services. During the current period, the Group has changed the structure of its segment information as reported from the latest financial statements since changed in classification of investments in Sammakorn Public Company Limited from associate to subsidiary as discussed in the Note 1.2 to the interim consolidated financial statements. The Group therefore included the segment information of such company in the consolidated financial statements from the date on which the Company obtained power to control.

The following tables present revenues and profit (loss) information regarding the Group's operating segments for the three-month and six-month periods ended 30 June 2023 and 2022.

(Unit: Million Baht)

	For the three-month periods ended 30 June												Consolidated financial statements	
	Energy segment		Real estate development segment		Rental segment		Service segment		Restaurant and bakery segment		Elimination of intersegment revenues			
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022		
	(Restated)													
Revenues from external customers	2,144	2,065	472	-	32	5	25	-	5	-	-	-	2,678	2,070
Inter-segment revenues	-	-	-	-	7	-	4	-	-	-	(11)	-	-	-
Total revenues	<u>2,144</u>	<u>2,065</u>	<u>472</u>	<u>-</u>	<u>39</u>	<u>5</u>	<u>29</u>	<u>-</u>	<u>5</u>	<u>-</u>	<u>(11)</u>	<u>-</u>	<u>2,678</u>	<u>2,070</u>
Segment profit (loss)	109	125	120	-	23	4	(3)	-	(1)	-			248	129
<b>Unallocated income and expenses</b>														
Dividend income													2	-
Interest income													2	1
Other income													10	1
Selling and distribution expenses													(78)	(27)
Administrative expenses													(124)	(74)
Reversal of allowance for impairment of buildings and equipment (loss)													(2)	6
Share of profit from investments in joint venture and associate													-	12
Finance cost													(13)	(9)
Income tax expense													(10)	(7)
Profit for the period													<u>35</u>	<u>32</u>

(Unaudited but reviewed)

(Unit: Million Baht)

For the six-month periods ended 30 June

	Energy segment		Real estate development segment		Rental segment		Service segment		Restaurant and bakery segment		Elimination of intersegment revenues		Consolidated financial statements		
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	
															(Restated)
Revenues from external customers	4,332	3,569	806	-	60	9	49	-	11	-	-	-	5,258	3,578	
Inter-segment revenues	-	-	-	-	14	-	7	-	-	-	(21)	-	-	-	
Total revenues	4,332	3,569	806	-	74	9	56	-	11	-	(21)	-	5,258	3,578	
Segment profit (loss)	226	194	202	-	43	8	(5)	-	(2)	-			464	202	
<b>Unallocated income and expenses</b>															
Dividend income													4	-	
Interest income													2	2	
Other income													16	3	
Selling and distribution expenses													(147)	(50)	
Administrative expenses													(247)	(134)	
Reversal of allowance for impairment of buildings and equipment (loss)													(3)	6	
Share of profit from investments in joint venture and associate													-	12	
Finance cost													(25)	(17)	
Income tax expense													(18)	(6)	
Profit for the period													46	18	

(Unaudited but reviewed)

### 13. Dividend

Dividend declared during the six-month period ended 30 June 2022 consisted of the follow:

Dividend	Approved by	Total dividend (Thousand Baht)	Dividend per share (Baht)
Final dividend for 2021	Annual General Meeting of the Company's shareholders on 21 April 2022	130,463	0.10
		130,463	0.10

During the six-month period ended 30 June 2023, the Company has not declared a dividend payment.

### 14. Commitments and contingent liabilities

#### 14.1 Capital commitments and lease commitments

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
<b>Capital commitments</b>				
Constructions of gas stations agreements	6	15	-	-
Survey, design, and construction agreements	201	-	-	-
Land purchase and sale agreement	95	-	-	-
<b>Lease commitments</b>				
Short-term lease and lease of low-value assets	9	3	-	-

#### 14.2 Guarantees

a) As at 30 June 2023 and 31 December 2022, the outstanding bank guarantees issued by banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business were summarised as follows.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
Letter of trade creditor guarantee	180	180	-	-
Letter of electricity use guarantee	5	2	-	-
Guarantee utility system	763	-	-	-

(Unaudited but reviewed)

- b) As at 30 June 2023 and 31 December 2022, Pure Thai Energy Company Limited 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.
- c) As at 30 June 2023, Sammakorn Public Company Limited entered into an agreement with its subsidiary to guarantee bank credit facility of its subsidiary totaling Baht 1,375 million. The guarantee is effective as long as the underlying obligations have not been discharged by the subsidiary.

#### 14.3 Long-term purchase commitments

As at 30 June 2023, Pure Thai Energy Company Limited has signed up to gasoline trading agreements with Esso (Thailand) Public Company Limited and was granted the right to use the “Esso” trademark at 79 gasoline stations (31 December 2022: 77 gasoline stations). During the current period, there have been no significant changes with respect to the agreements as disclosed in Note 42.3 to the consolidated financial statements for the year 2022.

#### 14.4 Service commitments

As at 30 June 2023, the Group has entered into several service agreements related to cleaning services, security services, advertising, office rental, management and commission expenses. The terms of the agreements are generally between 1 and 5 years.

Future minimum payments required under these service agreements were as follows.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
Within 1 year	84	1	1	1
Over 1 and up to 5 years	2	-	-	-

#### 14.5 Commitment in relation to investment in subsidiary

As at 30 June 2023, the Company has a commitment relating to the uncalled portion of investment in subsidiary in the amount of Baht 4 million (31 December 2022: nil).

#### 14.6 Other commitments

- a) In 2021, the Company filed a lawsuit against an unrelated company for breach of the lease agreement. In addition, such company filed a lawsuit against the Company as the second defendant regarding the revocation of the land transfer under the land purchase agreement and a claim for a certain amount of damages, contingent upon the plaintiff's inability to utilise the leased land for the duration remaining within the lease term.

During the current period, the Civil Court has adjudicated that such company is liable to pay the rental payments to the Company in accordance with the lawsuit filed by the Company as the plaintiff as described above. However, on 24 May 2023, the Company and the unrelated company entered into a compromise agreement within the precincts of the Court, pertaining to the ongoing litigation wherein the Company had been sued. The Company agrees to pay such company a net amount of Baht 13 million by 31 August 2023. The ownership of the buildings on such land shall revert to the Company pursuant to various conditions specified in the compromise agreement. However, there is still uncertainty in complying with the conditions in the agreement. Therefore, as at 30 June 2023, the Company has not recorded contingent assets and provisions in the financial statements.

- b) There were 11 houses which the subsidiary had sold in 2006 for which the home buyers had obtained mortgage loans from a commercial bank to fund their purchases. Since the houses are located outside the area covered by a land development license, the bank requires that the subsidiary provided it with undertakings to buy the houses back from the home buyers in the event they default on payment of their debts or their access is blocked. The buyback price is the higher of the market value of the house and the home buyer's outstanding debt to the bank. As at 30 June 2023, the home buyers' outstanding debts totaled Baht 4.1 million.
- c) A subsidiary may have a commitment derived from being one of defendants in a lawsuit. The subsidiary's legal advisor and management believed that the subsidiary will not incur any losses arising from this litigation; therefore, no provision for contingent liabilities has been recorded in the account.

**15. Financial instruments**Fair value of financial instrument

Since the majority of the Group'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.

Fair value hierarchy

As at 30 June 2023 and 31 December 2022, the Group had the assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statements							
	As at 30 June 2023				As at 31 December 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>								
Financial assets measured at FVTPL								
- Investment in investment units in mutual funds	-	15	-	15	-	300	-	300
Financial assets measured at FVOCI								
- Investment in REIT	-	85	-	85	-	-	-	-
- Investment in equity instrument of non-listed companies	-	-	33	33	-	-	-	-
Property, plant and equipment	-	518	-	518	-	526	-	526

(Unit: Million Baht)

	Separate financial statements							
	As at 30 June 2023				As at 31 December 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>								
Financial assets measured at FVTPL								
- Investment in investment units in mutual funds	-	15	-	15	-	300	-	300
Property, plant and equipment	-	357	-	357	-	357	-	357

During the current period, there were no transfers between the levels of the fair value hierarchy.

**16. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company's Board of Directors on 15 August 2023.