

**RPCG Public Company Limited and its subsidiaries**

**Notes to interim consolidated financial statements**

**For the three-month and nine-month periods ended 30 September 2022**

**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 2021. However, during the current period, there were significant structure changes regarding the dissolution of a subsidiary as discussed in Note 6 to the interim consolidated financial statements.

**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 2021.

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

(Unaudited but reviewed)

**2. Trade and other receivables**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
<b>Trade receivables - related party</b>				
Aged on the basis of due dates				
Past due				
Not over 3 months	28	17	-	-
Total trade receivables - related party	28	17	-	-
<b>Trade receivables - unrelated parties</b>				
Aged on the basis of due dates				
Past due				
Not over 3 months	25,887	25,484	-	-
3 - 6 months	987	108	-	-
6 - 12 months	15	4	-	-
Over 12 months	3,287	3,353	-	-
Total	30,176	28,949	-	-
Less: Allowance for expected credit losses	(2,740)	(2,544)	-	-
Total trade receivables - unrelated parties, net	27,436	26,405	-	-
Total trade receivables - net	27,464	26,422	-	-
<b>Other receivables</b>				
Accrued income - related parties	717	1,737	5,117	6,503
Accrued income - unrelated parties	470	514	61	21
Others	4,480	5,326	1,465	2,663
Total	5,667	7,577	6,643	9,187
Less: Allowance for expected credit losses	(2,154)	(3,509)	(1,310)	(2,450)
Total other receivables - net	3,513	4,068	5,333	6,737
Total trade and other receivables - net	30,977	30,490	5,333	6,737

**3. 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. During the current period, there were no significant changes in the transfer pricing policy of transactions with related parties.

Summaries significant business transactions with related parties as follows.

	(Unit: Million Baht)			
	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b>Transactions with subsidiary</b>				
(Eliminated from the consolidated financial statements)				
Dividend income	-	-	14	-
Interest income	-	-	-	3
<b>Transactions with associates</b>				
Interest income	-	3	-	3
Land rental expenses	-	1	-	-
Office rental expenses	1	-	-	-
Other expenses	-	1	-	-

	(Unit: Million Baht)			
	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b>Transactions with subsidiaries</b>				
(Eliminated from the consolidated financial statements)				
Dividend income	-	-	15	-
Interest income	-	-	-	7
Other income - other services	-	-	1	1
<b>Transactions with associates</b>				
Dividend income	12	9	12	9
Interest income	-	7	-	7
Land rental expenses	1	1	-	-
Office rental expenses	2	-	-	-
Other expenses	1	1	-	-
<b>Transactions with related party</b>				
Interest income	1	-	1	-

(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 September	31 December	30 September	31 December
	2022	2021	2022	2021
<b>Trade receivables - related party</b>				
Associate	28	17	-	-
Total trade receivables - related party	28	17	-	-
<b>Other receivables - related parties</b>				
Subsidiaries	-	-	4,400	5,706
Associate	-	1,566	-	626
Related company	717	171	717	171
Total other receivables - related parties	717	1,737	5,117	6,503
<b>Other payables - related parties</b>				
Joint venture	-	1,000	-	-
Associate	154	387	-	-
Related company	855	2,498	855	2,498
Total other payables - related parties	1,009	3,885	855	2,498
<b>Lease liabilities - related party</b>				
Related company	16,673	18,519	-	-
Less: Portion due within one year	(2,742)	(2,594)	-	-
Lease liabilities - related party, net of current portion	13,931	15,925	-	-

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

During the nine-month period ended 30 September 2022, 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	Increase	Decrease	Balance as at
		31 December	during	during	30 September
Related by		2021	the period	the period	2022
<b>Short-term loans to related parties</b>					
Sammakorn Plc.	Associate	100,000	100,000	(200,000)	-
Petro-Instruments Corp., Ltd.	Related company	40,000	9,000	(10,000)	39,000
Total		140,000	109,000	(210,000)	39,000

(Unaudited but reviewed)

(Unit: Thousand Baht)

		Consolidated financial statements			
		Balance as at	Increase	Decrease	Balance as at
		31 December	during	during	30 September
Related by		2021	the period	the period	2022
<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		-	-	-	-

(Unit: Thousand Baht)

		Separate financial statements			
		Balance as at	Increase	Decrease	Balance as at
		31 December	during	During	30 September
Related by		2021	the period	the period	2022
<b>Short-term loans to related parties</b>					
Pure Biodiesel Co., Ltd.	Subsidiary	319,188	-	-	319,188
Sammakorn Plc.	Associate	100,000	100,000	(200,000)	-
Petro-Instruments Corp., Ltd.	Related company	40,000	9,000	(10,000)	39,000
Total		459,188	109,000	(210,000)	358,188
Less: Allowance for					
expected credit losses		(319,188)	-	-	(319,188)
Net		140,000	109,000	(210,000)	39,000

**Long-term loans to related parties**

Pure Thai Energy Co., Ltd.	Subsidiary	80,000	-	(80,000)	-
KP Energy Group Co., Ltd.	Related company	4,500	-	-	4,500
Total		84,500	-	(80,000)	4,500
Less: Allowance for					
expected credit losses		(4,500)	-	-	(4,500)
Net		80,000	-	(80,000)	-

**Short-term loan from related party**

RPCG-JV 1 Co., Ltd.	Subsidiary	299,500	-	(299,500)	-
Total		299,500	-	(299,500)	-

(Unaudited but reviewed)

### Directors and management's benefits

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

(Unit: Thousand Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Short-term employee benefits	3,591	3,234	2,469	2,427
Post-employment benefits	338	282	194	239
Total	<u>3,929</u>	<u>3,516</u>	<u>2,663</u>	<u>2,666</u>

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Short-term employee benefits	10,398	10,571	7,217	8,150
Post-employment benefits	983	991	581	716
Total	<u>11,381</u>	<u>11,562</u>	<u>7,798</u>	<u>8,866</u>

#### 4. Investment in joint venture

During the current period, SCTP Joint Venture (“Joint Venture”) called for the remaining payment in proportion to the investment in the Joint Venture. SCT Sahapan Co., Ltd., the subsidiary directly held by Pure Thai Energy Co., Ltd., paid for such investment in the proportion of 40% of the working capital, or amounting to Baht 1 million.

On 1 July 2022, a meeting of this subsidiary’s Board of Directors passed a resolution to approve an additional investment in the Joint Venture in the same proportion, or amounting to Baht 1 million. The subsidiary paid for such investment on 11 July 2022.

(Unaudited but reviewed)

## 5. Investment in associate

As at 30 September 2022, fair value of investment in Sammakorn Public Company Limited, an associate that is listed company on the Stock Exchange of Thailand, was Baht 449 million (31 December 2021: Baht 585 million).

During the periods, the Company received dividend income from the associate in the separate financial statements as follows:

(Unit: Thousand Baht)

	Separate financial statements			
	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	2022	2021	2022	2021
Sammakorn Public Company Limited	-	-	12,388	9,291

## 6. Investments in subsidiaries

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

(Unit: Thousand Baht)

Company	Cost		Dividend received for the three-month periods		Dividend received for the nine-month periods	
	30 September	31 December	ended 30 September		ended 30 September	
	2022	2021	2022	2021	2022	2021
Pure Biodiesel Co., Ltd. *	279,999	279,999	-	-	-	-
Pure Thai Energy Co., Ltd.	140,000	140,000	14,000	-	14,000	-
RPC Management Co., Ltd. *	581	956	-	-	-	-
RPCG-JV 1 Co., Ltd.	-	300,000	-	-	1,320	-
Onward Venture Co., Ltd. **	10,000	10,000	-	-	-	-
Total	430,580	730,955	14,000	-	15,320	-
Less: Allowance for impairment	(104,189)	(104,189)				
Investments in subsidiaries - net	326,391	626,766				

\* Business suspended.

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

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

On 21 February 2022, the Annual General Meeting of the Shareholders of RPCG-JV 1 Company Limited has a special resolution to dissolve the company. On 1 March 2022, the subsidiary registered its dissolution with the Ministry of Commerce. Later, on 8 March 2022, the Company received cash proceeds from return of capital from the subsidiary amounting to Baht 300 million. This subsidiary registered its liquidation on 25 May 2022.

**RPC Management Co., Ltd.**

On 15 July 2022, the Extraordinary General Meeting of Shareholders of RPC Management Company Limited passed a special resolution to approve a decrease in its registered share capital from Baht 500,000 to Baht 125,000 by reducing the par value of the share from Baht 100 per share to Baht 25 per share. The reduction in registered capital had no effect on the number of shares of such subsidiary and the Company's shareholding percentage. This subsidiary registered the share capital decrease with the Ministry of Commerce on 1 September 2022. The Company received cash proceeds from return of capital from the subsidiary amounting to Baht 374,700 on 28 September 2022.

**7. Investment properties**

Movements of the investment properties for the nine-month period ended 30 September 2022 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
<b>Net book value as at 1 January 2022</b>	182,931	146,936
Transfers to right-of-use assets -		
net book value	(6,188)	-
Depreciation for the period	(1,680)	-
<b>Net book value as at 30 September 2022</b>	<u>175,063</u>	<u>146,936</u>

**8. Right-of-use assets**

Movements of right-of-use assets for the nine-month period ended 30 September 2022 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
<b>Net book value as at 1 January 2022</b>	510,085	2,075
Addition during the period	44,997	-
Transfers from investment properties -		
net book value	6,188	-
Depreciation for the period	(37,264)	(792)
Adjustment due to lease modification	(86)	(109)
<b>Net book value as at 30 September 2022</b>	<u>523,920</u>	<u>1,174</u>



## 9. Segment information

The Group is organised into business units based on its products and services. During the current period, the Group has not changed the organisation of its reportable segments. The Company and its subsidiaries are principally engaged in the energy segment and their operations are carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits or loss and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical area.

## 10. Dividend

Dividend declared during the nine-month period ended 30 September 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
		<u>130,463</u>	<u>0.10</u>

During the nine-month period ended 30 September 2021, the Company has not declared a dividend payment.

## 11. Commitments and contingent liabilities

### 11.1 Capital commitments

	(Unit: Million Baht)			
	Consolidated		Separate	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
Constructions of gas stations agreements	4	6	-	-
Solar roof power generation system agreement	2	7	2	7
Installation of computer software agreement	1	2	1	2

## 11.2 Guarantees

- a) 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		Separate	
	financial statements		financial statements	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
Letter of trade creditor guarantee	180	180	-	-
Letter of electricity use guarantee	2	2	-	-

- b) As at 30 September 2022 and 31 December 2021, 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.

## 11.3 Long-term purchase commitments

As at 30 September 2022, a 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 76 gasoline stations (31 December 2021: 74 gasoline stations). During the current period, there have been no significant changes with respect to the agreements as disclosed in Note 40.3 to the consolidated financial statements for the year 2021.

## 11.4 Uncalled portion of investment in joint venture

As at 30 September 2022, its subsidiary has no a commitment relating to the uncalled portion of investment in joint venture (31 December 2021: Baht 1 million).

## 12. 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

During the current period, there were no changes in the methods and the assumptions used to estimate the fair value of financial instruments and there were no transfers between the levels of the fair value hierarchy.

(Unaudited but reviewed)

**13. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company's Board of Directors on 11 November 2022.