

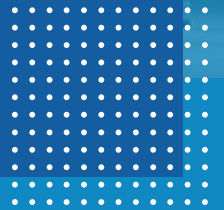


# ANNUAL REPORT

RPCG Public Company Limited

# 2022

(Form 56-1 One-Report)



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**Financial Report  
2022**

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## Message from the Chairman

The year 2022 was a challenging and difficult time for entrepreneurs due to various factors including the global economy, global geopolitical problems, oil prices, inflation, exchange rates, the cost of living is rising. There were changes in technology disruption and ESG which were major challenging factors that will have a wide impact on organizations.

Although Thai economy in the second half of the year recovered well from merchandise exports. Government measures to stimulate the economy and accepting foreign tourists, but the Company continues to monitor and assess such situations closely in order to adapt to be able to operate under changing economic conditions.

The Board of Directors kept emphasizing and focusing on reviewing and setting the Company's direction, vision, and mission, along with crucial policies to be supervised and monitored to effectively reach set goals. Moreover, our group continues to focus on sustainable development, especially in the environmental, social and governance aspect (ESG). Integration of these ESG principles into business operations will work alongside our goal.

For company business, the Company to receive revenue streams from two core businesses which are energy and property development. The Company believes that joint-investment and co-management in high potential business will be the business strategy that can provide a superior performance in the long run. In the property development business, the Company holds a 48.25% stake in Sammakorn Public Company Limited ("SAMCO"), a property development company that focuses on developing single-detached house, townhome, and condominium projects. SAMCO continues to generate sustainable performance. Currently, there are 9 projects, with 3 projects that under development. Moreover, there is also a business expansion project for additional rental areas. It is currently developing.

For Energy Business Group, Pure Thai Energy Company Limited ("PTEC"), a subsidiary of the Company, after managing gas stations under the Esso (ESSO) as oil contracts and the rights to use the trademark ESSO that caused the strength in the retail gasoline business. There are plans to expand gas stations and marketing plans to continuously meet the needs of customers, which currently have 72 gas stations under the trademark of ESSO, and a new business coffee brand through "Coffee Journey" stores. Which was a franchise of the Minor Food Group Public Company Limited, which is one of the leaders in the food business.

The Company is still looking for alternatives to investing in various businesses. That will help strengthen the Company's business, include adjusting the Company's business strategy by focusing on investments that provide good returns in the long run.

On behalf of the Board of Directors, I would like to express sincere gratitude to the shareholders, suppliers, customers, financial institutions, management team, and every employee for your kind supports, companionship, and dedication to help the Company in tough times throughout the year. Please be assured that the Board of Directors and all employees are committed to operate the business with good governance for the shareholders, suppliers, customers, and employees and to turn the business into profitability and generate yields to shareholders as we have done in the past.

## Board of Directors



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**Mr. Satja Janetumnugul**  
Chairman of the Board / Acting Managing Director



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**Mr. Tawat Ungsuprasert**  
Director



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**Mr. Supapong Krishnakan**  
Director



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**Mr. Suthud Khancharoensuk**  
Director



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**Ms. Panicha Pongsivapai**  
Independent Director  
/Member of the Audit Committee



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**Mr. Prasit Dheeraratbongkot**  
Independent Director  
/Chairman of the Audit Committee



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**Ms. Pordee Khanistanan**  
Independent Director  
/Member of the Audit Committee



## Part 1 : Business Operation and Operating Results

### 1) The Structure and Operation of the Group of Companies

#### 1.1 Policy and Business Overview

RPCG Public Company Limited (“the Company”) was established in the year 1995, has been operated in petroleum and petrochemical businesses by a group of Thai businessmen with experience in petroleum and petrochemical businesses, has been joint venture with the company Petro-Instrument Co., Ltd. to convert condensate residue (CR) to obtain quality petroleum and petrochemical products, such as high-speed diesel fuel, fuel oil, and chemicals for retail and wholesale. Condensate Residue (CR) was a by-product of the production process of PTT Global Chemical Public Company Limited (PTTGC).

Later in the year 2015, the Company has adjusted its business direction by adjusting the business structure to suit the current environment. The Company has operated business by holding shares in other companies (Holding Company), with energy business as its core business through its subsidiary, Pure Thai Energy Co., Ltd. (“PTEC”). In addition, the Company also earns income from the property development business group through an associated company, namely Sammakorn Public Company Limited (abbreviation “SAMCO”). Currently, the Company has subsidiaries and associated companies as follows:

#### Overview of Business Operation

##### Energy business

##### Subsidiaries

#### 1) Pure Thai Energy Company Limited (PTEC)

PTEC is a subsidiary which held by RPC 100% of shares, the registered capital of PTEC is Baht 140 million, divided into ordinary shares of 1,400,000 shares at par value of Baht 100 per share. All shares are fully paid-up. PTEC engages in retail distribution business of high-speed diesel, Gasohol 95, Gasohol 91, Gasohol E20, Premium Diesel, Premium Gasohol 95 and high-speed diesel B20. On November 6, 2017, Pure Thai Energy Company Limited (“PTEC”), has signed the cooperation contracts with ESSO (Thailand) Public Company Limited (“ESSO”) for oil contracts and the use of the Esso trademark rights. After this, PTEC will be service station under the Esso trademark, but still remain the business operation of gasoline service station by PTEC. As at 31 December, 2022, PTEC continue to be the operator of 72 gasoline service stations under the Esso trademark.

#### 1.1) SCT Sahaphan Co., Ltd. (SAP)

SAP is a subsidiary which is held 100% by PTEC. The registered capital of SAP is Baht 20 million by divided into 200,000 ordinary shares with a par value of Baht 100 each. The nature of the business is selling equipment, including repair and maintenance services and construction to petroleum service stations.

## 2) Pure Biodiesel Limited (PBC)

PBC is a subsidiary which is held 100% by RPC. The registered capital of PBC is Baht 280 million by divided into 2,800,000 ordinary shares with a par value of Baht 100 each. The objectives of PBC are: 1) to produce biodiesel (B100) from domestic palm oil which its production capacity of 300,000 liters per day or 100,000 tons per year for blending B100 into diesel fuel, referred to as Diesel B3 and Diesel B5 which are the renewable energies according to the government's policy, and (2) to produce glycerin with production capacity of 10,000 tons per year, for usage as a raw materials in cosmetics and medical supplies. PBC obtains a BOI Promotion Certificate by which it receives an 8-year corporate income tax exemption. Present, PBC has stopped the production for indefinite period since February 2012.

## Real estate development business

### Associated Company

#### 1. Sammakorn Public Company Limited (SAMCO)

SAMCO is an associated company in which the Company holds 48.25% of shares with a registered capital of Baht 641.80 million. It was 641.80 million ordinary shares at a par value of Baht 1 per share. It has operated real estate development business since the year 1974, mainly single-detached houses with land and condos in Bangkok and its vicinity, and the provinces. Where SAMCO is committed to developing quality real estate for good living for Thai people at a reasonable price, build a sustainable business, and is an organization that cares about the well-being of customers, employees and society.

Company's projects, all of them were pre-built projects, consisting of single-detached houses under the brand name "Sammakorn" and in the past year of 2022, two new single-detached house brands were launched, namely Mitti brand and Anapana brand. In the part of town homes were 2 and 3 floors under the brand name "Sammakorn Avenue" which were located in a community area close to facilities and transportation sources for the convenience of living life to the fullest. The Company's high-rise residential projects consists of condominium projects under the brand name "Sammakorn S9", was located near the sky train station, commercial area and new business district. Home office project under the brand name "Office Park" and low-rise residential projects in the group of Super Luxury in the heart of Bangkok under the brand name "Providence Lane". And the new project Park Heritage was launched at the end of the year 2022. And in the year 2022, a provincial project was launched, Barn Yard KhaoYai, was located in Nakhon Ratchasima Province.

As of 31 December 2022, SAMCO had 9 projects as follows: 1.Sammakorn Rangsit Klong 7 Project. 2. Sammakom Avenue Ramintra-Wongwaen Project 3. Sammakorn Avenue Chaiyaphruek Project -Wongwaen, 4.Sammakorn Avenue Suvarnabhumi Project 5.Mitti Chaiyaphruek Wongwaen Project. 6.Anapana Ladkrabang Project 7. Providen Lane Project and 8. Par Project Heritage. 9. Barn Yard Khao Yai Project.

## Other Business

### 1) RPC Management Co., Ltd. (RPCM)

RPCM is a subsidiary in which RPC holds 99.92% of shares with a registered capital of Baht 500,000 divided into 5,000 ordinary shares at a par value of Baht 100 per share, fully paid-up. Later on July 15, 2022, the extraordinary general meeting of shareholders of RPC Management Co., Ltd. passed a special resolution to reduce the registered capital by reducing the par value from Baht 100 per share to Baht 25 per share. As a result, the new registered capital is Baht 125,000 which has already registered the reduction of capital with the Ministry of Commerce on September 1, 2022, engaged in the business of managing various work systems.

### 2) Onward Venture Co., Ltd. (ONW)

ONW is a subsidiary which is held 100% by RPC. The registered capital of ONW is Baht 10 million by divided into 100,000 ordinary shares with a par value of Baht 100 each. ONW to operate retail loans (Pico Plus).

#### 2.1) Onward Move Co., Ltd. (OMC)

OMC is a subsidiary which is held 99.97% by ONW. The registered capital of OMC is Baht 1 million by divided into 10,000 ordinary shares with a par value of Baht 100 each. OMC to operate for general service business.

### 1.1.1 Vision, Objective, Main Goals

- **Vision and Mission**

**Vision:** To be a leader in energy and real estate under good management and build sustainable business alliances.

**Mission:** The Company is committed to investing in businesses that provide good returns and potential. It is a corporate governance that operates business on the foundation of integrity, have a sense of responsibility with honesty fair to business partners Business partners, employees, shareholders, society and the nation.

- **Objectives and Main Goals**

The Board of Directors has established objectives and goals of the Company by considering business that can generate values for the Company, stakeholders, and the society. Many aspects are considered, including the environment, changing factors, utilization of innovations and technologies, the needs of customers and stakeholders, readiness, skills, and competitiveness of the Company

- **Business Operation Goals**

RPCG is a holding company that invests in businesses. In addition to financial support, the company aims to grow each acquired business to its full potential and sustainably increase competitive capability through creating synergies and offering strategic direction. The Company intends to invest in businesses with clear competitive advantages. This includes companies that are market leaders in new innovations; and/or can meet rapidly evolving consumer needs. In pursuit of sustainable growth, our goals for those businesses are:

### 1.1.2 Summary of the Company's history and major developments in the past 3 years

#### 2020, which can be summarized as follows:

- In August, The Company has approved the dissolution of Super Pure Gas Company Limited ("SPG"), which is a subsidiary of the Company indirectly holds shares via Pure Thai Energy Company Limited, a subsidiary of the Company in proportion of 55 percent, because SPG has accumulated losses in business operations, SPG registered the dissolution with the Department of Business Development, Ministry of Commerce on July 13, 2020. The dissolution of SPG does not affect the business of the company at all.
- In November, the Company has approved the establishment of a subsidiary Company (RPCG-JV1 Company Limited) to support the expansion of the Company's project development.

#### 2021, which can be summarized as follows:

- In April, the Company has approved the establishment of a subsidiary Company (Onward Venture Co., Ltd.) to operate retail loans (Pico Plus).
- In June, the Supreme Court that judgment of Black Case No.Por.3016/2559 (Black Disputes No.114/2552), 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 in the amount of Baht 2,263 million and Black Case No.Por.3492/2560 (Black Disputes No.78/2555), 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 in the amount of Baht 2,862 million, which both of these case are considered final, which the Company and PTT has already paid the debt according to the decision of the Supreme Court.
- In August, SCTP which is a joint venture of SCT Sahaphan Co., Ltd., ("SAP") is a subsidiary which is held 40% by PTEC and limited working capital and investment in the amount of Baht 2 million for the operation of the Company to operate construction work.
- In December, The Company has approved the dissolution and liquidation of RPCG-JV1 Co., Ltd., ("RPCG-JV1") a subsidiary company, in which the Company holds 100 percent shares.

#### 2022, which can be summarized as follows:

- In April, The Annual General Shareholders' Meeting for 2022 that was held on 21 April, 2022, has resolved to approve the payment of interim dividend to shareholders at Baht 0.10 per share from the Company's performance in 2021, totaling Baht 130,466,412.50 or 20.77% for the year specified on the separate financial statements or 14.33% of the consolidated statements and propose in the amount of Baht 35,345,077 as legal reserve. The Company has fixed the date to determine the names of shareholders who shall be entitled to receive the dividend payment (Record Date) on 29 April 2022 and the dividend payment date on 19 May 2022.
- In May, RPCG-JV1 Co., Ltd., ("RPCG-JV1") a subsidiary company, It was fully liquidated and registered the completion of the liquidation to Department of Business Development, Ministry of Commerce. The dissolution and the liquidation of the aforesaid subsidiary do not have any impact to the Company.

- In September: Onward Venture Co., Ltd., (“ONW”), in which the Company holds 100 percent, ONW being granted licenses to operate retail loans (Pico Plus).
- In September: RPC Management Co., Ltd. (“RPCM”) a subsidiary company, RPCM has registered the share capital decrease with the Ministry of Commerce the 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.
- In November: Black Case No. 3162/2553 in which the Company filed a lawsuit against PTT for breach of the raw material purchase agreement. Board of Directors resolved to withdraw the lawsuit. Subsequently, the court ordered to withdraw the lawsuit and return the fee to the Company and disposed of the case.
- In November: Onward Move Co.,Ltd. (“OMC”) is a subsidiary which is held 99.97% by ONW to operate for general service business.
- In August: PTEC Board of Directors resolved to pay an interim dividend of Baht 10 per share, totaling Baht 14 million.

#### 1.1.3 The proceeds from an IPO according to objectives.

- None -

#### 1.1.4 The company's engagement in Prospectus and/or office authorization conditions and/or conditions to be listing of securities of the Stock Exchange of Thailand.

- None -

#### 1.1.5 Company Head Office

Company Name	RPCG Public Company Limited (“the Company”)
Type of Business	RPCG acts as the holding company, accompany with its fuel-retailing (former) business with the refined capacity of 17,000 Barrel per Day and one depot for the distribution of High Speed Diesel, 91 RON Gasoline, Gasohol 91, Gasohol 95, Gasohol E85, Chemicals and Fuel Oil including retail marketing
Head Office	86/2 Sammakorn Place, Ramkhamhaeng Road, Saphansoong, Bangkok 10240
Registered Capital	1,304,664,125 Baht
Ordinary shares	1,304,664,125 Shares
Par value	1 Baht
Paid-up Capital	1,304,664,125 Baht
Company Register No.	0107546000202
	Telephone No. 02-372-3600 Fax No. 02-372-3327
Factory	7/3 Pakorn Songkrohrad Road, Tambol Map-ta-phut, Amphur Muang-Rayong, Rayong Province 21150
	Telephone No. (038) 685-816 -9 Fax No. (038) 685-243
	Home page : <a href="http://www.rpc thai.com">http://www.rpc thai.com</a>

## 1.2 Nature of Business

### 1.2.1 Revenue Structure

As the result of the Company's oil refinery has been shut down as PTT Public Company Limited (PTT) stopped to supply the raw materials to the Company since the date February 1, 2012 onwards, which is the Company's main raw material. The Company needed to cease the oil refinery operation indefinitely because the Company had lost the main revenue business. Currently, the Company has improved business operation and restructure the business to suit the Holding Company environment, which main revenues came from energy business, which main revenues came from energy business as follows:

Business Group	Operated by	Share held by RPC (%)	2022		2021		2020	
			Million Baht	%	Million Baht	%	Million Baht	%
Energy Business	PTEC	100						
- Retail Business								
1) Revenue from sales			7,822.00	99.99	5,473.76	99.88	4,148.86	99.85
2) Incomes from service rendering			0.56	0.01	6.33	0.12	6.36	0.15
Total			7,822.56	100.00	5,480.09	100.00	4,155.22	100.00

### 1.2.2 Product Information

#### (1) Nature of Products

##### Main Product - Energy Business

Pure Thai Energy Company Limited ("PTEC") is a subsidiary which held by RPC 100% of shares, PTEC engages in retail distribution business of high-speed diesel, Gasohol 95, Gasohol 91, Gasohol E20, Premium Diesel, Premium Gasohol 95 and high-speed diesel B20. PTEC has signed the cooperation contracts with ESSO (Thailand) Public Company Limited ("ESSO") for oil contracts and the use of the Esso trademark rights. After this, PTEC will be service station under the Esso trademark, but still remain the business operation of gasoline service station by PTEC.

## Revenue Structure

The revenue structure of the Company and its subsidiaries as of December 31, 2022 are as follows:

#### Sales revenue of the Company and its subsidiaries

Products	2022		2021		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Domestic						
High-Speed Diesel	5,767.87	73.73	4,018.66	73.33	2,930.95	70.54
Gasohol	2,043.61	26.12	1,448.07	26.42	1,205.23	29.01
Other Products	10.52	0.13	7.03	0.13	12.68	0.31
Total Domestic Sale Values	7,822.00	99.99	5,473.76	99.88	4,148.86	99.85
Service Income	0.56	0.01	6.33	0.12	6.36	0.15
Grand Total	7,822.56	100.00	5,480.09	100.00	4,155.22	100.00

## Sales volumes of the Company and its subsidiaries

Products	2022		2021		2020	
	Million Liter	%	Million Liter	%	Million Liter	%
Domestic						
High-Speed Diesel	184.11	76.14	157.43	74.41	142.61	70.80
Gasohol	57.69	23.86	54.13	25.59	58.49	29.04
Other Products	0.00	0.00	0.00	0.00	0.34	0.16
<b>Total Domestic Sale Volumes</b>	<b>241.80</b>	<b>100.00</b>	<b>211.56</b>	<b>100.00</b>	<b>201.44</b>	<b>100.00</b>

### (2) Market and Competition

#### ● Marketing Strategy

Because the business of selling refined oil is a very competitive business and use higher operating capital than general businesses. Therefore, the Company has set a policy and marketing strategies for the oil retail business as follows:

#### ● Oil Retail Business

The Company has a subsidiary that operates oil retail business, Pure Thai Energy Company Limited. The Company has agreed to change a gas service station under the brand "Pure" to a gas service station under the trademark "Esso". Pure Thai Energy Co., Ltd. signed an oil sales and trademark contract with Esso Thailand Public Company Limited on November 6, 2017.

In this regard, the form of management is also a self-managed gas service station (Company Operate: CO). The Company still owns the gas service station and manages all gas service stations. As of the end of December 2022, the Company has 72 gas service stations under the Esso trademark and plans to expand gas service stations continuously

In this alliance with Esso, it will increase the potential and strength of the oil retail business and include the future business expansion of the Company as follows:

#### 1. Quality of oil products

The quality of oils sold at the Company's gas service stations is a new fuel technology, "Synergy Formula" that protects the engine up to 2 times and makes the engine cleaner by 30 percent. Increasing combustion efficiency makes the engine run smoothly, increase the acceleration. The engine is more responsive. There are also cleaning agents and create a film to coat parts in the combustion chamber with Shield Technology to help increase acceleration. Synergy Formula products that the Company sells are: Supreme Plus Gasohol 95, Super Gasohol 95, Extra Gasohol 91, Extra Gasohol E20, Supreme Plus Diesel and Diesel Synergy Formula for customers to choose as appropriate. This is to expand the customer base that uses more quality grade oils.



Moreover, from October 1, 2020, the Department of Energy Business Ministry of Energy has resolved to change the basic diesel fuel of the country from high speed diesel B7 to high speed diesel B10 instead. The Company has implemented the policy by modifying or adding high-speed diesel B10 products to be available at all gas service stations.

## **2. Image improvement and strengthen service standards**

In addition to improving the image of gas service stations and equipment to serve customers in ready-to-use condition, toilets, buildings and places for customers to be convenient, comfortable and to support the service of new groups of customers sufficiently that the Company has continuously operated. The Company has adjusted the image of Synergy. In the past year, a new gas service station was built and has designed a premise to accommodate large truck customers which are the main customers of the Esso brand diesel, and raise the standard of service through the Mystery Shopper project higher than the previous year. And there are plans to develop and improve the service to be modern to meet the lifestyle of today's customers.

## **3. Expanding the network to support transport customers**

From partnering with Esso, there is a promotion in increasing and expanding the network of gas service stations to be able to support the transportation customers. And the Company's customers (Fleet card) who want the gas service station to support the transportation routes in the customer's business operation continuously and sufficiently and have a system to support the customer's internal control.

## **4. Membership System**

Increase the Company's retail promotion channel through the membership card system (Smile Card) by collecting points to redeem discounts and various prizes that will help expand the base of regular customers to increase and help the Company to make promotional programs for customers to meet their needs.

## **5. Environment and safety**

In addition, the Company increases attention to care for the environment, especially inside the gas service station and surrounding areas, so that the surrounding communities are not affected by the Company's gas service station operations as well as increases campaigns and strengthen international safety standards. This is the Company's policy to operate continuously in addition to responsibility and participation in community development.

### **(3) Distribution Channel**

The Company distributes its products through distribution channels which is distribution through the Retail Marketing operated by Pure Thai Energy Co., Ltd. through a network of gas service stations in the main target regions as well as responsible for formulating retail market strategies, retail market development and gas service station network expansion, operations, investments, agency gas service station management and supplementary business development.

The Company plans to increase the number of gas service stations to increase competitiveness. And there is a plan to improve the efficiency of the retail business by collecting and analyzing information about gas service station customers on demand and the supply of oil quantity, gas service station location, timing of oil delivery to develop services to meet the needs of customers and to cover more groups of customers. There are also rewards or incentives for outstanding gas service stations. This is measured through the continuous implementation of the Mystery Shopper project, etc.

- **Characteristics of customers and target groups**

Target customers for fuel retail business through the Company's gas service station is a group of gas users who live nearby and in the route where the gas service station is located as follows:

1. Group of transport entrepreneurs and manufacturers of goods that use vehicles to transport goods which operate in the community adjacent to the gas service station or transport goods through gas service station on a regular basis.
2. Group of farmers who use fuel for various agricultural machinery who live or farm in the vicinity of a gas service station.
3. Group of car and motorcycle users in daily life who live in a community adjacent to a gas service station.

Because the target customers use fuel for their daily life and occupation, therefore, use oil regularly.

In the past year, the Company has invested in improving the image of the gas service station in terms of equipment, systems, and locations in order to meet the standards and be ready to support the increasing sales volume from current customers and new customer groups.

- **Competitive Strategy**

From partnering with Esso Company, competitive strategy focus on service standards to meet more target groups and increase the sales of premium oil products. Improving gas service stations to accommodate clear target groups such as truck stops, adding facilities, toilets, and parking spaces, etc. Maintain and increase loyal customer base by promoting Smile Card membership and ongoing promotional programs.

In addition, the Company will develop more value-added services (Non-oil) in the areas of convenience stores, restaurants, beverages, car wash services, and sales of other products such as Mobil One engine oil.

Moreover, improving the image of all current gas service stations, the Company still has a goal of expanding new gas service stations every year by focusing on the point that can support truck customers, large transport vehicle. In addition to providing community services at the sub-district or village level, which the Company has a policy to continually to be part of that community and to promote careers and generate income for people in the area so that employees can still be close to family.

- **Price Policy**

The Company's retail oil price setting policy according to the market mechanism without causing a price war situation to compete for customers. This will be consistent with the adjustment of retail prices of major oil traders. However the Company has started selling premium grade oil to add value in branches in Bangkok and its vicinities, including various city districts and has a policy to expand more branches that sell premium grades.

- **Industrial Situation**

Fuel consumption in the year 2022 was 43,521 million liters, increase of 5,917 million liters or a 15.7 percent increase compared to the previous year. While the high speed diesel fuel consumption was at 26,663 million liters, or increase of 15.7 percent.

**Table showing the sales of fuel in the country**

Year	Total Fuel		High-speed diesel	
	Million Liter	Growth Rate	Million Liter	Growth Rate
2016	42,071	5.9%	22,652	3.3%
2017	43,148	2.6%	23,261	2.7%
2018	44,271	2.6%	23,603	1.47%
2019	45,520	2.8%	24,603	4.24%
2020	40,157	-11.8%	23,946	-2.7%
2021	37,604	-6.4%	23,042	-3.8%
2022	43,521	15.7%	26,663	15.7%

*Source: Department of Energy Business: Ministry of Energy*

#### **Characteristics of sales of refined fuel by domestic refinery operators**

The refined crude oil can be used to produce many types of fuel which can be divided into 5 important groups as follows:

- 1) Diesel: high speed diesel and slow speed diesel.
- 2) Gasoline: gasoline octane 95, gasoline octane 91, gasohol 95 (E10), gasohol 91 (E10), gasohol E20 and gasohol 95 (E85).
- 3) Jet fuel group: Jet A1 and JP 8 jet fuel.
- 4) Fuel Oil.
- 5) Kerosene group

Most of the fuel produced from crude oil refining are diesel fuel and gasoline group. Most of the fuel produced by the large oil refinery operators in the country is sold domestically, especially the diesel fuel and gasoline that the Company sold.

#### **Domestic diesel and gasoline distribution channels**

Considering the sales volume of diesel fuel and the domestic gasoline group by business type found that the sale of diesel fuel and gasoline through the gas service station business as the most common channel. And domestic gasoline in the year 2022 can be shown as follows:

Table showing domestic oil distribution channels in the year 2022

Distribution channels	H-speed diesel		Gasoline		Gasohol 91 E10		Gasohol 95 E10		Gasohol E20	
	Million Liter	%	Million Liter	%	Million Liter	%	Million Liter	%	Million Liter	%
Service station	580	69.9%	17,224	75.0%	2,367	92.4%	4,947	87.4%	1,959	97.6%
Transportation	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Industry	57	6.9%	598	2.6%	6	0.2%	9	0.2%	0	0.0%
Electricity generation	134	16.1%	1,012	4.4%	6	0.2%	14	0.2%	2	0.1%
Government/State enterprise	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Others	13	1.6%	347	1.5%	6	0.2%	13	0.2%	0	0.0%
More.10	16	2.0%	1,173	5.1%	39	1.5%	199	3.5%	14	0.7%
<b>Total</b>	<b>30</b>	<b>3.6%</b>	<b>2,597</b>	<b>11.3%</b>	<b>139</b>	<b>5.4%</b>	<b>475</b>	<b>8.4%</b>	<b>33</b>	<b>1.6%</b>

Source: Department of Energy Business: Ministry of Energy

### Price structure

The oil price structure consists of 2 parts: the wholesale price in front of the refinery and the retail price. The wholesale price in front of the refinery consists of the price in front of the refinery, excise tax, municipal tax, Fuel Fund, Conservation Promotion Fund and VAT. And the retail price consists of the wholesale price in front of the refinery, transportation costs, marketing costs and VAT.

Oil Price Structures in Bangkok as of 31 December 2022

(Unit: Baht/Liter)

	H-Diesel B10	H-Diesel B7	Gasoline	Gasohol 95 E10	Gasohol 91 E10	Gasohol E20
Ex-refinery price	26.61	26.61	21.05	21.57	21.14	22.11
Excise tax	1.34	1.34	6.50	5.85	5.85	5.20
Municipality tax	0.13	0.13	0.65	0.59	0.59	0.52
Oil Fuel Fund	3.51	3.51	8.28	1.70	1.70	0.01
Promotion of Energy Conservation Fund	0.05	0.05	0.05	0.05	0.05	0.05
<b>Ex-refinery wholesale price</b>	<b>31.64</b>	<b>31.64</b>	<b>36.53</b>	<b>29.75</b>	<b>29.32</b>	<b>27.89</b>
Value-added tax	2.22	2.22	2.56	2.08	2.05	1.95
Market margin	1.01	1.01	2.59	2.45	2.62	2.52
Value-added tax	0.07	0.07	0.18	0.17	0.18	0.18
<b>Retail Price</b>	<b>34.94</b>	<b>34.94</b>	<b>41.86</b>	<b>34.45</b>	<b>34.18</b>	<b>32.54</b>

Source: Energy Policy and Planning Office

### Domestic demand for diesel and gasoline

Domestic oil consumption tends to decrease, especially the volume of oil sales in the gas service station business. This is caused by the number of domestic car use that tends to decrease.

The table shows the production and sales volume of fuel in the country

(Unit: Million Litre)

Year	Total domestic fuel			Other fuel			High-Speed diesel		
	Produced	Sold	Percentage of surplus	Produced	Sold	Percentage of surplus	Produced	Sold	Percentage of surplus
2016	52,694	42,071	25.3%	27,009	19,419	39.1%	25,685	22,652	13.4%
2017	54,787	43,148	27.0%	27,886	19,887	40.2%	26,901	23,261	15.6%
2018	57,064	44,271	28.9%	29,398	20,669	42.2%	27,666	23,603	17.2%
2019	52,783	45,520	15.9%	28,210	20,918	34.8%	24,572	24,603	-0.31%
2020	50,889	40,157	26.7%	22,653	16,212	39.7%	28,236	23,946	17.9%
2021	49,241	37,604	30.9%	21,570	14,562	48.1%	27,671	23,042	20.1%
2022	52,749	43,521	21.2%	24,781	16,858	46.9%	27,968	26,663	4.9%

Source: Department of Energy Business: Ministry of Energy

#### Characteristics of fuel service stations in the country

The number of fuel service stations in the country tends to decrease. This is due to the demand for fuel that tends to decrease. Shown as follows:

#### Number of gas service stations compared in Thailand between 2021 and 2022

Entrepreneur name	2022	2021
PTT, PTG, BCP, ESSO, SHELL	7,462	7,152
Other brand gas service station	681	1,342
Independent traders	19,850	20,375
<b>Total</b>	<b>27,993</b>	<b>28,869</b>

Source: Department of Energy Business: Ministry of Energy

Moreover, gas service stations and gas can also be divided according to the characteristics of fuel service station entrepreneurs as follows:

- 1) Fuel or gas service station entrepreneurs are large and medium-sized fuel traders. The fuel or gas service stations that are open for service will have the trademarks of each fuel trader displayed inside the gas service stations.
- 2) Fuel or gas service station that the entrepreneur is an oil dealer or gas appointed by large and medium fuel traders. The fuel or gas dealer is therefore permitted to use the trademark of such fuel trader inside the fuel or gas service station that the dealer opens for service.
- 3) Fuel or gas service station operated by independent entrepreneur which is a small fuel or gas service station entrepreneur who is not represented by a large oil trader. Therefore, there may not be a trademark displayed in the gas service station, or may use the entrepreneur's logo displayed inside the gas service station.

However each group of entrepreneurs will focus on a different target customer group. As a result, the nature of business operations varies, for example, focusing on the opening of services on main roads with a large number of car users, or focusing on providing services in community areas to sell gasoline to car users in that community, etc.

(4) **Assets used in business operations**

The Company has operating assets divided into main Fixed Asset used by the Company and subsidiaries for business operations, including land and buildings and office equipment. The Company has investment policy to specifically invest in the businesses related to main business of the Company, aiming to invest in sufficient proportion to get the Company in management position for setting crucial business directions. This is to support and enhance core business of the Company for stability. More details can be found in the [Attachment 4](#)

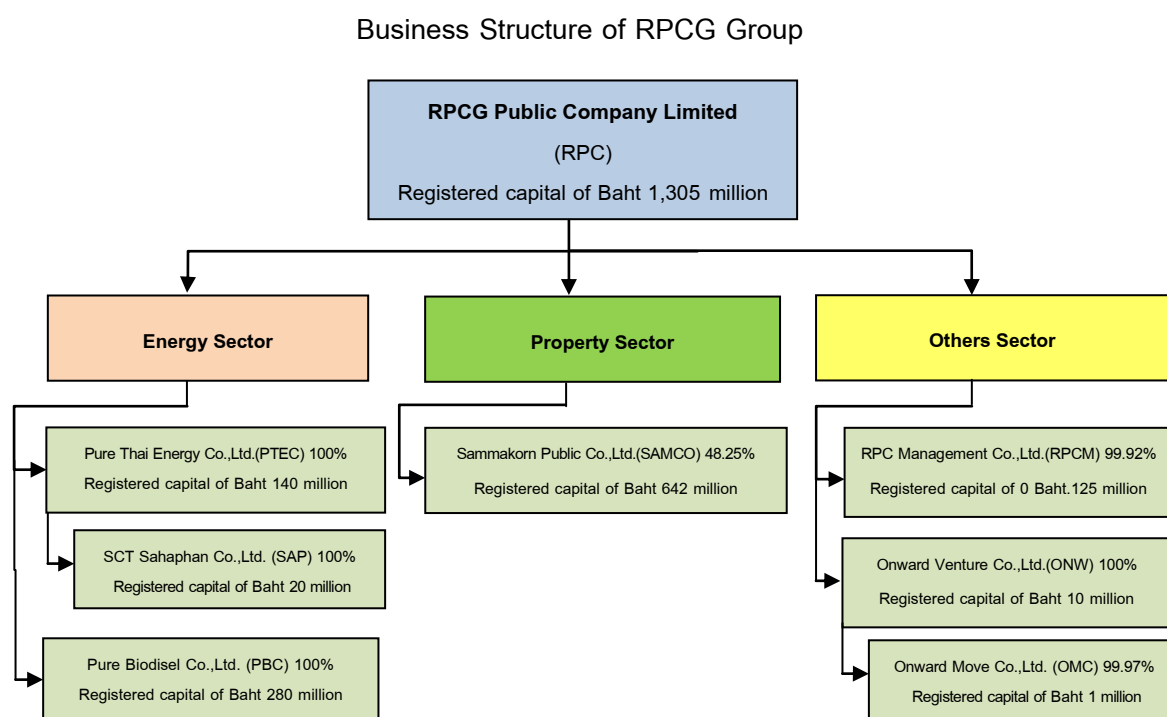
(5) **Undelivered project**

-None-

### 1.3 Shareholding structure

#### 1.3.1 Shareholding structure of the group of the company

As of December 31, 2022, the Company has registered capital of THB 1,304,664,125 and paid-up capital of THB 1,304,664,125. The holding structure are as follows:



The Company has subsidiary and associated company are as follows:

- 1) **Pure Thai Energy Company Limited (PTEC)**, engaging in the business of trading fuel oil and gas through Esso trademark station service, established on May 25, 2001 with the paid-up registered capital registered capital of Baht 140 million. The Company holds 100% of shares.

86 Sammakorn Place, 3<sup>rd</sup> Floor, Ramkhamhaeng Road, Saphansoong Bangkok 10240

Tel.: 02-515-9000

- 1.1) **SCT Sahaphan Co., Ltd. (SAP)** a subsidiary of Pure Thai Energy Company Limited, engaging in the business of selling equipment, including repair and maintenance services and construction to petroleum service stations, established on January 22, 2003 with the registered capital of Baht 20 million. The Company holds 100% of shares.

86 Sammakorn Place, Ramkhamhaeng Road, Saphansoong Bangkok 10240

Tel.: 02-515-9091

- 2) **Pure Biodisel Co., Ltd. (PBC)**, engaging in the business of produce biodiesel from domestic palm oil, established on July 27, 2004 with the registered capital of Baht 280 million. The Company holds 100% of shares. Present, PBC has stopped the production for indefinite period since February 2012.

7/4 Pakorn Songkrohrad Rd., Tambol Map-ta-phut, Amphur Muang-Rayong, Rayong Province 21150

Tel.: 038-693-223

- 3) **RPC Management Co., Ltd. (RPCM)**, engaging in the business as an oil wholesale trader for trading all kinds of fuel products, established on July 13, 2001 with the registered capital of Baht 0.125 million. The Company holds 99.92% of shares.

86/2 Sammakorn Place, Ramkhamhaeng Road, Saphansoong, Bangkok 10240

Tel.: 02-372-3600

- 4) **Onward Venture Co., Ltd.(ONW)**, engaging in the business to operate retail loans (Pico Plus), established on May 19, 2021 with the registered capital of Baht 10 million. The Company holds 100% of shares.

86/2 Sammakorn Place, Ramkhamhaeng Road, Saphansoong, Bangkok 10240

Tel.: 02-372-3600

- 4.1) **Onward Move Co., Ltd. (OMC)**, engaging in the business to operate for general service business, established on December 15, 2022 with the registered capital of Baht 1 million. The Company holds 99.97% of shares.

86/2 Sammakorn Place, Ramkhamhaeng Road, Saphansoong, Bangkok 10240

Tel.: 02-372-3600

- 5) **Sammakorn Public Company Limited (SAMCO)**, engaging in the business in property development business, established on February 3, 1994 with the registered capital of Baht 641.80 million. The Company holds 48.25% of shares.

188, Spring Tower Building, 21<sup>st</sup> Floor, Phayathai Road, Thung Phayathai, Ratchathewi BKK 10400

Tel.: 02-106-8300



**1.3.2 Persons with possible conflicts of interest who hold shares in the subsidiaries and affiliates at over 10% of the number of shares with the voting right**

-None-

**1.3.3 Relationship with the business group of the major shareholders**

-None-

**1.3.4 Shareholders**

As of April 29, 2022, the list of top ten shareholders including related persons as specified in Section 258 of the Securities Act B.E. 2535 is as follows:

	Names of Shareholders	Number of shares	% <sup>(1)</sup>
1	Petro-Instruments Corp. Ltd.	257,227,140	19.72
2	Mr. Tawat Ungsuprasert and Spouse	48,539,238	3.72
3	Mr. Apinan Horsangchai	45,600,000	3.50
4	Ms. Montana Janetumnugul	34,481,978	2.64
5	Ms. Pimuma Janetumnugul	30,642,850	2.35
6	Ms. Prinnee Janetumnugul	29,601,578	2.27
7	Thai NVDR Company Limited	28,767,397	2.20
8	Mr. Satja Janetumnugul and Spouse	22,734,592	1.74
9	Ms. Matanee Sukontarug	20,500,000	1.57
10	Mr. Krit Jaroonsrirat	16,800,000	1.29

Note : <sup>(1)</sup> Based on the paid-up capital of 1,304,664,125 shares

**1.4 Registered and paid-up capital**

As of December 31, 2022, the Company's registered capital stood at Baht 1,304,664,125 consisting of 1,034,664,125 ordinary shares at the par value of Baht 1.00 and the paid-up capital of Baht 1,304,664,235.

**1.5 Other Securities**

-None-

**1.6 Dividend Policy**

The Company has a policy to pay dividends to shareholders at the rate of not less than 50 percent of net profit after deduction of all reserves. Unless there is a necessity that it cannot be paid. The dividend payment will be considered many factors such as financial position, liquidity, business expansion and other factors that relevant in the management of the Company. The dividend payment must be approved by the shareholders as appropriate and approved by the Board of Directors.

## **2) Risk Management**

### **2.1 Risk Management Policy and Plan**

The Board of Directors and the Executives remains fully committed to efficient Risk Management with Enterprise Risk Management (ERM) in a systematic and continual manner. The Company commands a Risk Management Policy and communicates across the organization to ensure efficient management of risks. Appropriate resource allocation protects and maintains properties. Risk management policy is defined clearly. The Board of Directors has assigned the Audit Committee which is comprised of the independent committee. The committee oversees internal control system, risk management system, and corporate governance. It maintains appropriateness and effectiveness. It assures that the Company complies with regulations and related laws. It prevents conflict of interest. It maintains properties, conducts related documentations to prevent fraud or misconduct.

### **2.2 Risk factors for the Company's business operations**

#### **2.2.1 Business operations risks**

The Company considered a significant risk factor which may affect its business in order to manage its risks efficiently and effectively. So the Company has considered about Risk Management and Internal Control. The Company has increased its focus on Risk Management and Monitoring of Risk Management Process so that implementation consistent with Good Corporate Governance Policy.

Nevertheless, the Company has originates its risk evaluation process on the current global status, at this moment some other risks might not yet be mentioned due to the uncontrollable external sources which might affect the Company in the future.

#### **1) Risks from fluctuation of refined oil prices**

The Company deals directly with refined oil and various refined oil sellers, thus, the possibility of the fluctuation of refined oil prices are according to the following factors;

- Global economic and politic unrest, specifically, the members of Middle East countries; the main producers of natural gas and crude oil.
- Global and regional level of demand and supply.
- Government regulations; national level and global level
- Weather condition

Due to the fact that all mentioned factors are caused by the uncontrollable external sources, and the selling price depends on the fluctuation of refined oil prices. The effect on financial status and the operation results might also affect the selling quantity and the value of the inventories.

Nevertheless, the Company manages the situation in the positive manner by utilizing great skills from the experienced group of employees regularly analyzes the situation and keeps close attention to the refined oil prices. In addition, the specializations in managing and acquiring refined oil in fair deals as well as the good

management in price positioning in the market are achieved excellently. Furthermore, the main purpose of the refined oil inventories are assigned specifically for trading purpose for each part of the country, and the arbitrate trading in form of large quantity of refined oil inventories are not the policy of the Company. Furthermore, the Company does not have a significant effect on the fluctuation of refined oil prices due to the majority of consumers are regular buyers who purchase daily.

## **2) Risks from government intervention in market prices**

The possibility caused by the government intervention in national refined oil price structure, especially, during the peak of the fluctuation of refined oil prices and petroleum price in global market. The intervention from the government may affect the operations, financial statuses and the Company operating results.

Although, the Company measures that there are some risk from government intervention, but market prices may not have the effect on the Company. The reason behind this is the intervention policy is only applied temporary. The government shall adjust the price to consumers and vendors for the petroleum retail price to stay at the same purchasing rate from the refinery or other suppliers including the marketing expenditures. In addition, when the tax rate, marketing expenditures and other contributed capital are unchanged the petroleum retail price will be adjusted to stay at the same rate at the refinery in order to aid the consumers and vendors during the increase of petroleum price in the global market.

## **3) Risks from man-made disasters and natural disasters**

As the Company involvement is mainly in the petroleum business, specifically, its subsidiaries as petroleum service stations all around the country. Therefore, the probability of various types of disasters is high. Although, the natural disasters such as conflagration, flood, and etc. are unavoidable and unpreventable, the Company is well aware and well prepared for any circumstances in order to prevent the cause loss of lives and damage to properties and businesses.

The Company acknowledges the prevention for these types of risk by applying for the all risks insurance which focuses primary on the production assets which can be filed the claim when the accidents or disasters occurred. Furthermore, the Company also recognizes the importance of the emergency training for its employees by conducting the training regularly in order to be prepared for the unexpected disasters as a contingency plan.

## **4) Emerging Risk**

### **Employees and Stakeholders Risks of COVID-19 Pandemic Impacts**

The Covid-19 pandemic impacts and business contingency plans by the Covid-19 pandemic spread since the end of 2019 and situation is likely to improve due to advances in vaccine development, one needs to be aware of the potential for other types of epidemic situations. From the epidemic situation of COVID-19, it can be seen that the epidemic situation and serious infectious diseases have a low chance of occurring, but once they happen, they can spread quickly around the world. Efforts to control the epidemic result in disruptions in economic activities and create concerns about uncertainty for businesses and people around the world. Such as,

the lockdown has caused businesses to temporarily halt their operations, affecting the sector's income, liquidity, and financial position. Some workers lost their income or were immediately laid off, making it difficult for some households to live.

However, the Company has closely monitored the situation in order to cope with the epidemic situation that may occur in the future, the Company has prepared a business continuity plan to prepare for continuity of operations and customer service in order to reduce the effect on business the corporate group. The epidemic control measures forced the Company to change its business strategy in a timely manner in terms of customer service. The provision of safety and occupational health equipment such as masks, hand sanitizers to RPCG Group's employees, preparation of information technology systems to enable employees to work outside the head office or work from home, screening of outsiders before entering RPCG Group's operation area and strictly follows the epidemic control measures of the authorities to create safety and confidence for customers.

#### **Risk from promulgation of Personal Information Protection Act**

Personal Data Protection Act B.E.2562 is a legal framework which protects personal data of individuals and allows businesses to realize economic values from personal data which will come into full effect on 1 June 2022. Due to the operation of the company has related to personal data of many groups of stakeholders such as customer, supplier, and employee which may be cause of risk if the compliance is not accord with the regulations correctly.

#### **The company's risk management**

The company is well aware of business operation in accordance with the regulations correctly, for example Privacy policy notice and asking for permission to use personal data, responding by right of data processor, appointment of Data Protection Officer (DPO) to comply with applicable laws and regulations including communicate to employees in accordance with legal personal data protection, including determining various measures regarding the purpose and conditions for using the information, notifying and requesting consent, collection, use and disclosure of information to be as required by law.

### **2.2.2 Risk Factors for Securities Holders' Investment**

Risk of uncertainty in the ability to pay dividends depends on many factors, such as the operating results of the Company and its subsidiaries, capital reserves for investment plans in new companies or business, etc. In addition, the Company's share price may fluctuate due to a variety of factors beyond the Company's control, such as economic conditions, crises, unusual situations or changes in accordance with policies, rules regulations or conditions which significantly effects the business operations of the Company. Such factors may cause the Company's share price to fall below the investor's buy price and/or above the investor sell-off price. Therefore, investors may be at risk from the uncertainty of the return that investors will receive. The Company has continuously monitored the situation closely in order to manage risks and formulate a risk management plan to reduce the impact on RPCG Group's business.

### **2.2.3 Risk of investing in foreign securities (In case the issuer is a foreign company)**

- None -

### 3) Business Sustainability Management

#### 3.1 Policies and Goals in Sustainability Management

The Company is committed to operating its business with the responsibility for various impact caused and according to that intention, the Board of Directors at the meeting No. 3/2022 ,August 15, 2022, enacted “Sustainability Management Policy” To be the basic requirements for managing the organization to be in the same direction consisting of senior executives and Independence Director by assigning to all departments Responsible for each component of the system according to the process It outlines the operational procedures, mechanisms and processes for governance across the organization.

It covers economic, social and environmental aspects to achieve balance under the guidelines for sustainable development of the Stock Exchange of Thailand and to support business operations to grow continuously and sustainably. All executive management and employees of RPCG group are anticipated to follow the policy in same direction. The Company has established the policy and guidelines for sustainable development with an emphasis on economic, social, and environmental dimensions under the good governance principles to promote sustainable growth of business and ensure conformity with the corporate vision and mission as follows:

- **Economic Sustainability**

- Conduct the business focusing on the principles of good corporate governance, and relevant laws and rules to create transparency, reliability, and fairness to all stakeholders.
- Emphasize on compliance with business ethic and anti-corruption.
- Manage risks and risk crisis proactively in all business processes to minimize the loss of failure to achieve the goals and maximize the business opportunities for the Company.
- Place importance on effective management of value chain, we deal with our partners with fairness and openness focusing on fair and transparent treatment of business partners.
- Conducting corporate strategy that focusing on innovation and business opportunity to enhance continually growth

- **Environmental Sustainability**

- Focus on appropriate management of resources and environmental maintenance with an emphasis on reducing resource consumption to reduce the environmental impacts and trend into business rehabilitation and has guidelines for rehabilitation to compensate for the impact that may occur from the business operation.
- Raise awareness of environmental conservation to the management and employees at all levels to promote the operations under the environmental maintenance plan. This includes the adjustment of resource consumption to ensure the highest efficiency and benefits.

- **Social Sustainability**

- Focus on conducting business with fair and equal importance to society, communities and stakeholders for a better quality of life. Support and care for all employees equitably, we listen to their voice and ideas. As well as regularly promoting, supporting, and raising awareness of responsibility to community and society.
- Committed to operating in good faith, not taking advantage or causing trouble to society by providing a channel for stakeholders and related persons to express their opinions about the Company's operations and file a complaint in case of unfair treatment from the Company's actions.

### 3.2 Managing impact on stakeholders in the business value chain

#### 3.2.1 Business value chain

The Company pays attention to the needs of customers and the lifestyle of people in the society along with the environmental conservation from the product development process that meets the most benefits and takes care of the environment. This must focus from sourcing the environmentally friendly raw materials, respect for human rights, and concern on the impact on the environment, safety, and the quality of products and services to deliver sustainable quality of life and environment.

#### Stakeholder Engagements

The Company recognizes the importance of all stakeholder groups whether internal stakeholders such as employees of the Company and subsidiaries, or external stakeholders such as shareholders, customer, partners and creditors, competitors, communities social and environment. The Company engages its stakeholder groups in various channels, with the frequency and communication mechanisms based on the most effective communication channels. The Company has also provided communication channels on its website or other means for any stakeholder to express their opinion or complaint and contact the Board of Directors directly, without going through the Management. The Board will continue to treat such information seriously and with utmost confidentiality.

#### 3.2.2 Business value chain stakeholder analysis

Currently, the Company's Stakeholders can be categorized into 7 groups by assessing their expectations, which are presented below:

Expectations of stakeholders	Responds to stakeholder expectations	Communication channels
Shareholders		
<ul style="list-style-type: none"> <li>● Respect shareholders' rights.</li> <li>● Investment in companies or potential new businesses.</li> <li>● Consistent dividend payments.</li> <li>● Sustainable business growth.</li> </ul>	<ul style="list-style-type: none"> <li>● Sharing information equally, with accuracy, completion, clarity, efficiency, and being up to date.</li> <li>● Seek opportunities and study the possibility of investing in new companies and/or businesses.</li> <li>● Inform operational plans and performance</li> </ul>	<ul style="list-style-type: none"> <li>● Annual General Meeting of Shareholders</li> <li>● Disclosure news and information through the SET's news system and the Company's website.</li> <li>● Activities to meet investors, analysts and the media.</li> <li>● Information Channel listen to opinions and complaints via the Company's website and Investor Relations Department.</li> </ul>

Expectations of stakeholders	Responds to stakeholder expectations	Communication channels
<b>Employees</b>		
<ul style="list-style-type: none"> <li>● Implement the safe workplace according to the international standards.</li> <li>● Training for potential development.</li> <li>● Compensation and benefits.</li> </ul>	<ul style="list-style-type: none"> <li>● Educate employees on safety in the workplace.</li> <li>● Support and improve their knowledge and skill by providing skills trainings.</li> <li>● Employees' health care and hygiene such as annual health checks.</li> </ul>	<ul style="list-style-type: none"> <li>● Engagement Activities.</li> <li>● Implemented employee potential development plan continuously</li> <li>● Set up Staff Welfare Committee</li> </ul>
<b>Customers</b>		
<ul style="list-style-type: none"> <li>● Fair and reasonable prices.</li> <li>● Delivery of quality products and services in accordance with terms of contract.</li> <li>● On-time trouble shooting</li> </ul>	<ul style="list-style-type: none"> <li>● Creation or development to deliver products and services that meet the customers' needs.</li> <li>● Continuous meeting with customers.</li> <li>● Survey of customer satisfaction.</li> </ul>	<ul style="list-style-type: none"> <li>● Meeting or visiting customers.</li> <li>● Customer relationship activities.</li> <li>● Channel to communicate information and listen to opinions, suggestions, complaints via phone, and Contact Center.</li> </ul>
<b>Partners</b>		
<ul style="list-style-type: none"> <li>● Fairness and equal opportunity in procurement process.</li> <li>● Fair prices.</li> <li>● Growing business together.</li> </ul>	<ul style="list-style-type: none"> <li>● Set criteria for the appraisal and selection of supplier for fair competition.</li> <li>● Define quality, products and services.</li> <li>● Exchanging information and knowledge in various fields to improve the quality of products or services including building business cooperation.</li> </ul>	<ul style="list-style-type: none"> <li>● Regular meetings for information exchange and create good relationship.</li> <li>● Organize activities to create good relationship.</li> <li>● Complied with terms and conditions of contracts.</li> </ul>
<b>Competitors</b>		
<ul style="list-style-type: none"> <li>● Compete under the law and with ethics.</li> </ul>	<ul style="list-style-type: none"> <li>● Treat competitors fairly and transparently.</li> <li>● Not destroying the reputation of commercial competitors.</li> </ul>	<ul style="list-style-type: none"> <li>● Regularly monitored changes of competitors.</li> </ul>
<b>Creditors</b>		
<ul style="list-style-type: none"> <li>● Fair treatment of creditors.</li> <li>● On-time repayment.</li> </ul>	<ul style="list-style-type: none"> <li>● Not taking advantage and being responsible for creditors.</li> <li>● Comply with the agreements and applicable laws regarding debt repayment.</li> </ul>	<ul style="list-style-type: none"> <li>● Communication, discuss and answer questions Listen to opinions and suggestions</li> <li>● Contract and payment terms</li> </ul>
<b>Communities, Social and Environment</b>		
<ul style="list-style-type: none"> <li>● Pollution prevention for communities.</li> <li>● Enhancement on the quality of life to promote the preservation of local traditions and culture.</li> <li>● Business operation with good governance principles to pay attention to the environmental, health, and safety impact</li> </ul>	<ul style="list-style-type: none"> <li>● Launch community projects for better relationship with local people.</li> <li>● Participate in community activities regularly.</li> <li>● Promote local recruitment.</li> </ul>	<ul style="list-style-type: none"> <li>● Community relations activities.</li> <li>● Regularly visit communities and leader communities.</li> <li>● Complaint centers.</li> </ul>

### 3.3 Sustainability management in environmental dimensions

#### 3.3.1 Policy and practice of environmental and energy

The company business does not affect the environment directly. However, the importance of environmental conservation and conservation and preservation of natural resources by cultivating awareness among employees by providing knowledge through communication and campaigning for employees to know how to environmental management such as water saving, electricity saving, efficient use of resources, waste and waste separation in order to contribute to environmental responsibility. Including campaigning to promote and support environmental conservation and make the best use of natural resources.



1. In business process, the Company focuses on effective use of resources and technology in the process of service provision, taking into account safety and friendliness to environment.
2. Adopt digital technology for meetings to reduce printing and paper consumption.
3. The Company effectively utilizes resources by launched effective waste sourcing procedure in the office. There is the effective waste sourcing system while employees' awareness in energy saving is implanted and all related parties are also invited to participate in energy saving producer.
4. Supporting and using environmentally conscious products, by selecting products and products which friendly with environmental or packaging that can be refillable. To reduce the impact that may arise from the production of various packaging, etc.
5. The campaign to save electricity and water use within the organization is closed when not in use.

The company has provided the policy of training, knowledge and communication and practice in environmental stewardship to employees at all levels, including for raise awareness among all employees to be involved in environmental protection both inside and outside the organization.

### 3.3.2 Operating results related to environmental

The Company realizes the importance of prevention and is responsible for the impacts that may arise from its operations both inside and outside the workplace. Moreover, the company is in the process of collecting information that will lead to set goal for the most efficient usage of resources and protect the ecosystems and biodiversity.

## 3.4 Sustainability management in social dimensions

### 3.4.1 Policy and practice of social

The Company and its subsidiary realize the importance and responsibility that they have to society and community continuously, focus on building good relationship and taking into account the impact that may have on stakeholders inside and outside the organization. The attitude and corporate culture are cultivated in order for employees to have social responsibility that coexists. It is regarded as the main mission to create projects and activities that are beneficial to the development of society and community. The Company supervises the business operations of RPCG Group in accordance with the laws, rules, regulations and human rights principles in accordance with international principles, as well as taking into account of the guidelines on responsibility to stakeholders as set out in Corporate Governance Policy and Code of Business Ethics of RPCG Group. Guidelines towards stakeholders which contributes to the sustainable growth of RPCG Group's business, summarized as follows:

- **Employees:** Employees are considered the most valuable asset of the company. The company therefore recognizes and gives great importance to fair treatment for labor and respect for human dignity, based on equality. Not employing labors younger than the age permitted by law, either for permanent work or employment contract.

- **Customers:** The Company is determined to provide customers with maximum benefit in terms of quality and price, to develop and maintain the sustainable relationship with customer, to commitment to the customers.
- **Partners:** Operate business on fair basis without exploitation, respect and strictly comply with the determined conditions.
- **Communities, Social and Environment:** By creating benefits for the community and society by reducing negative impacts and creating positive impacts from RPCG Group's business operations. Furthermore, employees are encouraged to participate in making contributions to society both directly and indirectly through various forms such as employee volunteer activities, giving items or donations, etc.

### 3.4.2 Operating results related to social

The social sustainability performance of RPCG Group is as follows:

- 1) **Employees:** The Company realizes the importance of knowledge development and empowerment of employees in the organization to offer them with higher professional skills and work efficiency. The training is divided into internal training, external training, on-site guidance and training, and self-learning. In caring for all employees during the COVID-19 pandemic, apart from preparing the working system and method to work from home as the social distancing measure.

Employment, compensation and welfare of employees, the Company has a policy to provide compensation, welfare and various benefits appropriately in accordance with the results of the evaluation of the performance of the employees and the results of the company's operations. In addition, the appointment and transfer of employees, reward or merit consideration and penalties for employees, RPCG Group will act with equality, honesty, based on knowledge, abilities and suitability of employees, comply with the relevant laws, regulations, Articles of Association of the Company and human rights. As of 31 December 2022, the total number of employees of the Company and its subsidiaries is 835 people, comprising 327 male employees and 508 female employees, including having employed 7 disabled persons in accordance with the number and conditions prescribed by law.

The Company provides welfare for employees of RPCG Group such Contribution to social security fund. Contribution to provident fund, the Company establishes provident fund to be employee welfares and to encourage long-term saving of employees. An employee who registers to be a member of the provident fund will allocate payment into the provident fund by 5-10 percent of his/her monthly salary, depending on willingness and the Company will deliver the contributing payment into the provident fund at the rate of 5–10 percent of the salary according to the employee's years of service. Employees who have completed 1 years of employment period or more than 1 year will receive contributions and benefits of the contributions paid by the Company when leaving work and annual medical check-up, health insurance and life insurance.

- 2) **Customers:** RPCG Group, it focuses on building, managing and maintaining good relationship between RPCG Group and customers service periods, before, during and after purchasing or receiving services by providing accurate and complete information RPCG Group's products and services enough to make a decision along with listening, collecting and bringing in needs, problems, behaviors, expectations, satisfactions and positive and negative opinions of our customers about RPCG Group's products and services which RPCG Group receives from communication channels and receiving complaints both offline and online such as telephone calls to sales staffs or customer service.

- 3) **Partners:** The Company has run business with creditors and business partners on the basis of fairness and integrity. Any operations shall not damage the Company's reputation or violate the law. Furthermore, equality in business operations and mutual benefits shall be taken into consideration. The selection of business partners must be impartial because the Company considers that business partners are an important factor in the creation of value for customers. Therefore, the Company strictly adheres to the contract specifications and requirements that affect creditors and business partners.
- 4) **Communities, Social and Environment:** The Company focuses on creating shared values by creating mutual benefits and values between the Company and other stakeholders to create a balance of sustainable development both economic, community and environment. In addition to conducting business with social responsibility by complying with laws, regulations and quality standards related to business in order to prevent the activities or business operations of RPCG Group from having an impact on the community and society, the Company aims to bring RPCG Group's resources and expertise with the participation of its employees to contribute to the development of the community and society by focusing on outcomes that bring about positive changes in the community in society through various forms of support, such as employee volunteer activities, donated things and money.

#### 4) Management Discussion and Analysis: MD&A

##### 4.1 Operations Analysis and financial position

###### Overview of past performance and financial position

RPCG Public Company Limited was established in the year 1995, engaged in the trading of oil and petrochemical products. In the year 2012, the Company stopped operating the refinery business. This was because PTT Public Company Limited terminated the contract for sale of condensate residue (CR), which was the main raw material of the Company. Later in the year 2015, the Company improved its operations and restructured its business to suit the current environment to become a holding company by jointly investing in the energy and property development business group. The main income was from the energy business and the Company stopped operating the oil refinery business in Rayong permanently.

###### Operating results and profitability

###### Revenue

###### Revenue of the Company and subsidiaries

Products	2022		2021		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Domestic						
High-Speed Diesel	5,767.87	73.73	4,018.66	73.33	2,930.95	70.54
Gasohol	2,043.61	26.12	1,448.07	26.42	1,205.23	29.01
Other Products	10.52	0.13	7.03	0.13	12.68	0.31
<b>Total Domestic Sale Values</b>	<b>7,822.00</b>	<b>99.99</b>	<b>5,473.76</b>	<b>99.88</b>	<b>4,148.86</b>	<b>99.85</b>
Service Income	0.56	0.01	6.33	0.12	6.36	0.15
<b>Grand Total</b>	<b>7,822.56</b>	<b>100.00</b>	<b>5,480.09</b>	<b>100.00</b>	<b>4,155.22</b>	<b>100.00</b>

For the year 2020, 2021 and 2022, the Company had sales and service income equal to Baht 4,155.22 million, Baht 5,480.09 million and Baht 7,822.56 million, respectively. Most of the revenue is from selling oil through gas service stations of Pure Thai Energy Company Limited (PTEC), which is the Company's core company and SCT Sahaphan Co., Ltd. (SCT), amounting to Baht 7,822.56 million, an increase of Baht 2,342.47 million or 43 percent compared to the year 2021 amount of Baht 5,480.09 million, that affected by higher oil prices. Moreover, the Company sales volume increased by 14 percent from the previous year due to the expansion of gas service station branches increased from the previous year that was mainly from the sale of diesel products.

#### Incomes from service rendering and other income

	2022		2021		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Incomes from service rendering	1	3	6	1	6	5
<b>Total Income from service rendering</b>	<b>1</b>	<b>3</b>	<b>6</b>	<b>1</b>	<b>6</b>	<b>5</b>
Rental income	15	42	13	1	20	18
Interest income	4	11	10	1	13	11
Other income	16	44	4	0	5	4
Compensation for damages	-	-	-	-	71	62
Compensation for damages judgment income	-	-	900	97	-	-
<b>Total Other income</b>	<b>35</b>	<b>97</b>	<b>927</b>	<b>99</b>	<b>109</b>	<b>95</b>
<b>Total Incomes from service rendering and Other income</b>	<b>36</b>	<b>100</b>	<b>933</b>	<b>100</b>	<b>115</b>	<b>100</b>

For the year 2020, 2021 and 2022, the Company has revenue from services and other income equal to Baht 115 million, Baht 933 million and Baht 36 million respectively, consisting of income from the services of land rental, building rental and equipment rental, interest income and other income. The Company has received compensation for damages and received compensation for damages according to the judgment

#### Cost of Sales

In 2020, 2021 and 2022, the Company has cost of sales of Baht 3,812 million, Baht 5,148 million and 7,400 million Baht or equivalent to a 89%, 80% and 94% of total revenue, respectively.

In 2022, the Company has cost of sales had increased by Baht 2,252 million or 44%, compare to Baht 5,148 million from the year 2021, which increased by varying income from oil sales.

#### Selling and Administrative Expenses

In 2020, 2021 and 2022, the Company has selling and administrative expenses of Baht 359 million, Baht 359 million and Baht 405 million, respectively.

In 2022, the Company has selling and administrative expenses of 405 million Baht, increased by Baht 46 million or equivalent to a 13%, compared to Baht 359 million of the previous year. The increase was due to selling expense, employee expense, rental of gas stations.

#### Share of profit from investments in joint venture and associate

In 2020, 2021 and 2022, the Company was acknowledge the profit from investments in joint venture and associate was Baht 19 million, Baht 20 million and Baht 56 million and having got a corporate income tax of Baht 8 million, Baht 166 million and Baht 10 million, respectively.

#### Finance Cost

In 2020, 2021 and 2022, the Company had finance cost of Baht 33 million, Baht 33 million and Baht 35 million respectively, and in 2020, 2021 and 2022, Finance cost included the interest expenses on liabilities from gas service station lease agreements of Baht 30 million, Bath 32 million and Baht 33 million, respectively.

#### Profit attributable to equity holders of the Company

In 2020, the Company had profit equity holders of the Company of Baht 63 million, decreased by Baht 318 million compared to the previous year net profit of Baht 381 million. The main reason is due to the Company has gain on sales of investment in the amount of Baht 368 million in the year 2019.

In 2021, the Company had profit equity holders of the Company of Baht 724 million, increased by Baht 655 million compared to the previous year net profit of Baht 69 million. The Company had a gross profit decreased Baht 11 million. Although, there was an increase in operating profit of Baht 13 million, but the Company had an increase in sales and administrative expenses of Baht 5 million. The recognition of profit sharing from investments in joint venture and associate increased by Baht 1 million.

In 2022, the Company had profit equity holders of the Company of Baht 64 million, decreased by Baht 660 million compared to the previous year net profit of Baht 724 million. The main reason is due to the Company has received compensation for damages according to the judgment in the amount of Baht 899.87 million in the previous year.

#### Assets Management Capability

##### Assets

In 2020, 2021 and 2022, the Company had total assets of Baht 4,670 million, Baht 4,028 million and Baht 4,131 million respectively.

In 2022, the Company had total assets increased Baht 103 million or 3%.

#### Liquidity and Capital Adequacy

##### Liabilities

In 2020, 2021 and 2022, the Company had liabilities of Baht 2,897 million, Baht 1,506 million and Baht 1,677 million, respectively.

In 2022, the Company's total liabilities increase of Baht 171 million or 11%, mainly due to an increase in trade accounts payable and increase in income tax expense.

### Shareholders' Equity

In 2020, 2021 and 2022, the Company had total shareholders' equity of Baht 1,773 million, Baht 2,522 million and Baht 2,454 million, respectively. In 2022, the Company had shareholders' equity decreased Baht 68 million.

### Cash Flows

In 2020, the Company had net cash flow of Baht 13 million, Net cash used in operating activities of Baht 111 million, Net cash from investing activities of Baht 67 million and Net cash from financing activities of Baht 31 million.

In 2021, the Company had net cash flow of Baht 82 million, Net cash used in operating activities of Baht 585 million, Net cash from investing activities of Baht 692 million and Net cash from financing activities of Baht 25 million.

In 2022, the Company had net cash flow of Baht 70 million, Net cash used in operating activities of Baht 225 million, Net cash from investing activities of Baht 0.5 million and Net cash from financing activities of Baht 155 million.

### Liquidity Ratio

In 2020, 2021 and 2022, the Company had liquidity ratio of 0.75 times 1.38 times and 1.11 times, respectively.

### Debt to Equity Ratio

In 2020, 2021 and 2022, the Company had Debt to Equity ratio of 1.63 times 0.60 times and 0.68 times, respectively.

## **4.2 Key drivers which could affect future operations and financial status**

The world economy tends to slow down when there is high inflation, Exchange rate fluctuations affect from world economic and world political, increasing in energy and raw material prices from Russia and Ukraine conflict. The coronavirus disease 2019 (COVID-19) pandemic has brought about changing circumstances in the business operations, by which the Corporate Group has performed an assessment on factors affecting future operations and expects that such impact will be long lasting. Accordingly, the Corporate Group has reviewed its targets and business plan to be in line with such situation.

## **4.3 Key Financial Information**

### **4.3.1 Financial Statement**

Summary of the auditor's report The auditor's report for the year ended December 31, 2022 was audited by Ms.Kosum Cha-em from EY Office Limited ("EY") made an unconditional expressed an unconditional opinion on the audit report and added a paragraph of information and the event focused on the restatement of the consolidated financial statements and showed financial status performance and cash flow. It was materially correct as it should be in accordance with financial reporting standards.

# Summary on Statement of Financial position of the Company

(Unit : Baht)

Statement of financial position	Consolidated financial statements		
	2022	2021 (Restated)	2020 (Restated)
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	268,827,076	198,863,697	117,361,957
Other current financial assets	300,244,979	252,226,756	1,143,556,769
Trade and other receivables	33,158,844	30,490,229	25,262,759
Receivable compensation for damages	-	-	97,730,463
Inventories	103,884,518	72,870,300	64,015,934
Short-term loans to related parties	39,000,000	140,000,000	-
Short-term loans to unrelated party	12,100,000	12,100,000	-
Current portion of long-term loans to			
unrelated party	-	386,759	538,250
Other current assets	15,470,657	11,189,257	18,002,409
<b>Total current assets</b>	<b>772,686,074</b>	<b>718,126,998</b>	<b>1,466,468,541</b>
<b>Non-current assets</b>			
Pledged deposits at banks	126,551,000	141,451,000	141,451,000
Long-term loans to unrelated party	-	-	386,759
Investment in joint venture	4,312,583	1,009,554	-
Investment in associate	1,247,938,999	1,208,180,912	1,190,085,713
Investment properties	177,365,093	186,043,902	146,936,000
Property, plant and equipment	1,172,989,891	1,156,183,235	1,082,225,764
Right-of-use assets	576,952,540	573,375,269	600,174,313
Intangible assets	20,391,517	7,379,430	5,774,152
Deferred tax assets	17,434,327	13,817,847	12,819,033
Other non-current assets	14,275,256	22,430,511	23,683,747
<b>Total non-current assets</b>	<b>3,358,211,206</b>	<b>3,309,871,660</b>	<b>3,203,536,481</b>
<b>Total assets</b>	<b>4,130,897,280</b>	<b>4,027,998,658</b>	<b>4,670,005,022</b>



(Unit : Baht)

Statement of financial position	Consolidated financial statements		
	2022	2021 (Restated)	2020 (Restated)
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Trade and other payables	592,640,626	429,640,727	1,867,897,946
Short-term loans from unrelated parties	100,000	100,000	100,000
Current portion of lease liabilities	27,842,573	25,030,903	20,164,798
Current portion of advances received for renovation of gasoline stations	52,676,076	49,928,412	47,321,749
Income tax payable	11,152,410	366,040	-
Other current liabilities	14,397,369	14,113,392	12,976,907
<b>Total current liabilities</b>	<b>698,809,054</b>	<b>519,179,474</b>	<b>1,948,461,400</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities	55,998,932	55,998,932	51,578,932
Lease liabilities - net of current portion	494,906,060	484,487,654	458,317,420
Provision for long-term employee benefits	19,701,270	20,424,791	18,308,799
Advances received for renovation of gasoline stations	407,384,235	425,170,892	419,638,258
Provision for decommissioning costs	439,539	423,488	408,024
<b>Total non-current liabilities</b>	<b>978,430,036</b>	<b>986,505,757</b>	<b>948,251,433</b>
<b>Total liabilities</b>	<b>1,677,239,090</b>	<b>1,505,685,231</b>	<b>2,896,712,833</b>
<b>Shareholders' equity</b>			
Registered	1,304,664,125	1,304,664,125	1,304,664,125
Issued and paid-up	1,304,664,125	1,304,664,125	1,304,664,125
Retained earnings			
Appropriated to legal reserve - Company	35,345,077	-	-
Unappropriated retained earnings (deficit)	896,990,227	998,806,181	274,515,876
Other components of shareholders' equity	216,658,761	218,843,121	194,112,188
<b>Equity attributable to owners of the parent</b>	<b>2,453,658,190</b>	<b>2,522,313,427</b>	<b>1,773,292,189</b>
<b>Total shareholders' equity</b>	<b>2,453,658,190</b>	<b>2,522,313,427</b>	<b>1,773,292,189</b>
<b>Total liabilities and shareholders' equity</b>	<b>4,130,897,280</b>	<b>4,027,998,658</b>	<b>4,670,005,022</b>

(Unit : Baht)

Income Statement	Consolidated financial statements		
	2022	2021 (Restated)	2020 (Restated)
<b>Revenues</b>			
Sales	7,822,003,183	5,473,763,194	4,148,859,123
Service income	559,060	6,327,940	6,362,572
Other income	35,067,870	26,874,729	109,229,762
Income from compensation for damages according to the court	-	899,874,040	-
<b>Total revenues</b>	<b>7,857,630,113</b>	<b>6,406,839,903</b>	<b>4,264,451,457</b>
<b>Expenses</b>			
Cost of sales	7,399,511,263	5,147,604,837	3,812,330,888
Cost of services	387,017	1,417,961	439,200
Selling expenses	109,364,204	93,909,978	90,415,870
Administrative expenses	287,714,814	269,439,562	268,165,317
Reversal of loss on impairment of buildings and equipment	7,422,621	(4,111,672)	-
<b>Total expenses</b>	<b>7,804,399,919</b>	<b>5,508,260,666</b>	<b>4,171,351,275</b>
Profit from operating activities	53,230,194	898,579,237	93,100,182
Share of profit from investments in joint venture and associate	55,633,424	20,344,781	18,926,463
Finance cost	(34,552,184)	(33,120,170)	(33,149,627)
Profit before income tax	74,311,434	885,803,848	78,877,018
Income tax expense	(10,318,919)	(166,376,527)	(7,856,204)
<b>Profit for the year from continuing operation</b>	<b>63,992,515</b>	<b>719,427,321</b>	<b>71,020,814</b>
<b>Discontinued operation</b>			
Profit (loss) for the year from discontinued operation	-	4,862,984	(8,125,199)
<b>Profit for the year</b>	<b>63,992,515</b>	<b>724,290,305</b>	<b>62,895,615</b>
<b>Profit (loss) attributable to:</b>			
Equity holders of the Company	63,992,515	724,290,305	69,118,952
Non-controlling interests of the subsidiary	-	-	(6,223,337)
<b>Profit for the year</b>	<b>63,992,515</b>	<b>724,290,305</b>	<b>62,895,615</b>

(Unit : Baht)

Statement of cash flows	Consolidated financial statements		
	2022	2021 (Restated)	2020 (Restated)
<b>Cash flows from operating activities</b>			
Profit before tax from continuing operation	74,311,434	885,803,848	78,877,018
Profit (loss) before tax from discontinued operation	-	4,862,984	(8,125,199)
<b>Profit before tax</b>	<b>74,311,434</b>	<b>890,666,832</b>	<b>70,751,819</b>
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:			
Depreciation and amortisation	121,103,973	119,535,880	115,545,172
Amortisation of advances received for renovation of gasoline stations	(52,285,843)	(48,293,503)	(42,540,275)
Allowance for expected credit losses	266,709	2,303,856	910,704
Reversal of reduction of cost of inventories to net realisable value	68,505	(6,390,786)	(2,900,860)
(Gain) loss on sales of investment unit in mutual funds	(1,355,152)	(1,881,317)	2,659,637
(Gain) loss on the change in value of investment unit in mutual funds	(18,223)	1,083,874	(639,956)
Loss on sales of buildings and equipment	5,295,446	3,505,907	11,618,529
Reversal of loss on impairment of buildings and equipment	7,422,621	(10,361,503)	(117,779)
Gain on write-off of right-of-use assets	-	(16,425)	-
Loss on write-off of intangible assets	16	-	80
Increase (decrease) Provisions for long-term employee benefits	(682,399)	2,135,992	2,011,496
Provision for decommissioning costs	16,051	15,464	14,899
Compensation for damages and interest income	-	-	(71,018,882)
Income from compensation for damages according to the court judgements	-	(899,874,040)	-
Interest income	(4,231,243)	(9,565,659)	(12,820,257)
Interest expense	1,061,744	1,060,053	2,814,553
Interest expense from lease liabilities	33,490,440	32,060,117	30,335,074
(Gain) loss on lease modification	-	408,618	(298,474)
Share of profit from investments in joint venture and associate	(55,633,424)	(20,344,781)	(18,926,463)
Profit from operating activities before changes in operating assets and liabilities	128,830,655	56,048,579	87,399,017
<b>Operating assets (increase) decrease</b>			
Trade and other receivables	(2,983,189)	(7,584,062)	8,343,383
Inventories	(31,082,723)	(2,463,580)	7,456,692
Other current assets	(4,281,400)	6,813,152	1,031,105
Other non-current assets	8,959,345	(10,605,736)	(968,119)
<b>Operating liabilities increase (decrease)</b>			
Trade and other payables	162,999,899	78,851,518	30,404,336
Cash paid for employee benefits	(41,122)	(20,000)	(54,000)
Other current liabilities	283,977	1,136,485	(1,401,790)
<b>Cash flows from operating activities</b>	<b>262,685,442</b>	<b>122,176,356</b>	<b>132,210,624</b>
Cash received from compensation for damages and interest income	-	97,730,463	-
Cash paid for compensation for damages according to the court judgements	-	(618,234,697)	-
Cash paid for interest expense	(1,061,744)	(1,060,053)	(2,814,553)
Cash paid for interest expense from lease liabilities	(32,690,514)	(30,138,442)	(18,837,695)
Cash received from income tax refunded	298,209	20,564,309	4,944,693
Cash paid for income tax	(4,251,328)	(175,714,638)	(4,610,272)
<b>Net cash flows from (used in) operating activities</b>	<b>224,980,065</b>	<b>(584,676,702)</b>	<b>110,892,797</b>

(Unit : Baht)

Statement of cash flows	Consolidated financial statements		
	2022	2021 (Restated)	2020 (Restated)
<b>Cash flows from investing activities</b>			
Decrease in pledged deposits at banks	14,900,000	-	10,000,000
Interest received	4,279,108	9,618,395	11,500,000
Dividend received from associate	12,387,948	9,290,961	13,198,416
Dividend received from subsidiaries	-	-	27,872,884
Cash paid for purchases of investment units in mutual funds	(840,000,000)	(1,568,000,000)	(1,657,200,000)
Proceeds from sales of investment units in mutual funds	793,355,152	2,460,127,456	936,689,260
(Increase) decrease in short-term loans to related parties	101,000,000	(140,000,000)	200,000,000
Increase in short-term loans to unrelated party	-	(12,100,000)	-
Decrease in long-term loans to unrelated party	386,759	538,250	491,844
Cash paid for investments in joint venture	(2,000,000)	-	-
Proceed from note receivables	-	-	600,000,000
Cash paid for investment properties	-	(960,000)	(146,936,000)
Acquisitions of buildings and equipment	(101,500,176)	(115,420,523)	(161,143,444)
Acquisitions of intangible assets	(13,928,661)	(2,229,395)	(3,397,694)
Proceeds from sales of buildings and equipment	1,624,755	127,598	584,908
Cash paid for right-of-use assets	(8,245,000)	(5,720,000)	(7,323,663)
Cash received from advances received for renovation of gasoline stations	37,246,850	56,432,800	108,480,000
<b>Net cash flows from (used in) investing activities</b>	<b>(493,265)</b>	<b>691,705,542</b>	<b>(67,183,489)</b>
<b>Cash flows from financing activities</b>			
Decrease in short-term loans from unrelated parties	-	-	(200,000)
Cash paid for lease liabilities	(24,060,029)	(25,527,100)	(23,511,008)
Dividend	(130,463,392)	-	-
Decrease in non-controlling interests of the subsidiary from dissolution of the subsidiary	-	-	(6,887,759)
<b>Net cash flows used in financing activities</b>	<b>(154,523,421)</b>	<b>(25,527,100)</b>	<b>(30,598,767)</b>
<b>Net increase in cash and cash equivalents</b>	<b>69,963,379</b>	<b>81,501,740</b>	<b>13,110,541</b>
Cash and cash equivalents at beginning of year	198,863,697	117,361,957	104,251,416
Cash and cash equivalents at end of year	268,827,076	198,863,697	117,361,957
<b>Non-cash transactions</b>			
Transfer of non-current assets to receivable compensation for damages	-	-	26,711,581
Transfer of right-of-use assets to investment properties	-	35,340,132	-
Transfer of investment properties to right-of-use assets	6,212,981	-	-
Increase in right-of-use assets and lease liabilities from additional lease agreements	38,127,330	48,813,506	34,239,387
Accrued investment in joint venture	-	1,000,000	-
Decrease in right-of-use assets and lease liabilities from lease modification	(86,038)	-	-
Increase in investment properties	-	5,436,065	-
Actuarial profit	-	-	83,001
Surplus on revaluation of assets	-	22,100,000	-
Share of other comprehensive income of associate	(2,184,360)	7,050,933	(15,047,354)

## Financial Highlights

Financial Ratios	Unit	31 Dec. 2022	31 Dec. 2021 (Restated)	31 Dec. 2020 (Restated)
Current Ratio	X	1.11	1.38	0.75
Inventory Turnover Ratio	X	83.73	75.21	57.51
Collection Period	Day	1	2	3
Net Profit Margin	%	1	13	2
Gross Profit Margin	%	5.40	5.96	8.11
Return on Equity	%	2.61	28.72	3.55
Return on Assets	%	1.55	17.98	1.35
Net Profit per Share	Baht	0.05	0.56	0.05
Book Value per Share	Baht	1.88	1.93	1.36
Debt to Equity Ratio	X	0.68	0.60	1.63
Long-term Debt to Equity Ratio	X	0.40	0.39	0.53

## Financial Position and Operating Results

(Unit : Million Baht)

Financial Items	31 Dec. 2022	31 Dec. 2021 (Restated)	31 Dec. 2020 (Restated)
Total assets	4,131	4,028	4,670
Total liabilities	1,677	1,506	2,897
Total Shareholders' equity	2,454	2,522	1,773
Revenue from sales	7,822	5,474	4,149
Total revenue	7,858	6,407	4,264
Gross Profit	422	326	337
Profit before deducting interest, depreciation and tax	174	1,018	209
Profit attributable to equity holders of the Company	64	724	69
Profit attributable to equity holders of the Company per share (Baht)	0.05	0.56	0.05

## 5) General Information and Other Information

### 5.1 General Information

Regulator	<p>The Securities and Exchange Commission</p> <p>333/3 Vibhavadi Rangsit Road, Chomphon, Chatuchak Bangkok 10900</p> <p>Telephone 02-695-9999 Fax 02-695-9660</p>
Regulator	<p>The Stock Exchange of Thailand</p> <p>93 The Stock Exchange of Thailand Building, Rachadapisek Road, Dindaeng Bangkok 10400</p> <p>Telephone 02-009-9726-50 Fax 02-009-9807-8</p>
Securities Registration	<p>Thailand Security Depository Co., Ltd.</p> <p>93 Ratchadapisek Road, Dindaeng, Bangkok 10400</p> <p>Telephone No. 02-009-9000 Fax No. 02-009-9991</p>
Auditor (year 2022)	<p>EY Office Limited</p> <p>33<sup>rd</sup> Floor, Lake Rajada Office Complex 193/136-137</p> <p>Rajadapisek Road, Klongtoey, Bangkok 10110</p> <p>Telephone No. 02-264-0777 Fax No. 02-264-0790</p>

### 5.2 Other Information

-None-

### 5.3 Legal Dispute

As of 31 December 2022, the Company has no legal disputes; including no legal disputes that affect business of the Company that cannot be assessed in numbers and no lawsuits that are not caused by the normal business operations of the Company.

## **Section 2 : Corporate Governance**

### **6) Corporate Governance Policy**

The Company realizes and puts emphasis on implementation of management system which is effective, transparent and accountability to enhance confidence of all parties concerned and for sustainable growth of business by performing the works ethically and complying with all relevant laws. Hence the Company has defined corporate governance policy to elevate the existing operations, so that they can have clearly and systematically standards. Such policy has been put into practice and must be observed by the Company's employees at all levels to strengthen the truly corporate governance culture. There is also policy or operation to maintain fundamental rights of the shareholders that they should be fairly obtained pursuant to the laws or more than that for maximum profit of the Company, the shareholders and the stakeholders in the long run and on sustainable basis. In addition, the Company has publicized the corporate governance policy in its website and also makes available to the directors, the executives and all employees for their acknowledgement and realization on importance of corporate governance on promotion of sustainable growth of the Company.

#### **6.1 CORPORATE GOVERNANCE POLICY AND PRACTICE**

##### **6.1.1 Policy and Practice Related of the Board of Directors**

- **Nomination of the directors and the executives**

The Nomination and Remuneration Committee shall have duty to nominate the qualified persons to hold position of the Board of Directors, the Chief Executive Officer and the Managing Director upon vacancy of such position or to replace the director who is retired on rotation. The consideration criteria shall focus on persons who have skills and experiences necessary for business operations of the Company both current and future. Director Pool of IOD or other related entities or Professional Search Firm (if any) will be used as reference list for qualified candidates which will be used to define required qualifications to create diversification of Board of Directors Structure, not limited to sex, age and education.

Besides, the Company allowed the shareholders to propose director's name in advance. Nomination and Remuneration Committee will consider proposed candidate according to the specified criteria and propose to Board of Director to agree before approving by shareholders' meeting.

To select and appoint the Chief Executive Officer and Managing Director, Nomination and Remuneration Committee will select the candidates who meet the specified qualifications and propose to Board of Directors to approve the appointment with majority votes. The selection and appointment of director shall be based on method specified in articles of associations of the Company. Nomination and Remuneration Committee will select qualified candidate and propose to Board of Directors to agree and the candidate who has been appointed is required to have an approval from the shareholders' meeting. Resolution of the shareholders' meeting shall be made by a majority of votes of the shareholders who present and have the voting rights.

- **Directors and the Executives' remuneration**

**Directors:** The shareholders' meeting is authorised to approve all types of remuneration for directors. The Board of Directors assigns the Nomination and Remuneration Committee to take charge of formulating policies and criteria on remuneration for directors. To present directors' remuneration to the shareholders' meeting, the Board of Directors will look into the pay structure and remuneration against business strategies and long-term goals. Also forming part of the consideration are experience, duties, accountability, and responsibility as well as the benefit expected of each director. The practice is comparable to peer industrial companies. Compensation must be attractive enough for directors to take the organization towards both short-term and long-term goals

**Executives:** Regarding compensation for executives, the Board of Directors has a policy on determining the suitable remuneration structure for motivating the Chief Executive Officer, Senior Executives, and all others to work towards the objectives and goals and achieve the long-term benefit for the organization. The Board of Directors assigns the Nomination and Remuneration Committee to define pay criteria against performance assessment for the Managing Director before seeking approval from the Board of Directors.

- **Independence of directors from management**

The Board of Directors is made up of executive directors and non-executive directors at a ratio where proper balance of power can be upheld. Most directors are non-executive directors, who are free to express their views on business management. The number and qualifications of independent directors are defined by SEC and SET. The Board of Directors will ensure that all independent directors can work with one another on panels with efficiency and with freedom to express their opinions.

- **Development of directors**

The Board of Directors ensures that each director commands knowledge and understanding of their roles and responsibilities as well as the nature of business and applicable laws. Also under the responsibility of the Board of Directors is the provision of support for all directors to regularly develop their knowledge and skills, such as the trainings organized by Thai Institute of Directors (IOD), the SET, other organizations and etc.

- **Assessment of Board performance**

The Board of Directors has in place a policy on performance assessment of the Board of Directors, sub-committees, and each director at least once a year to allow all directors to jointly deliberate work results and problems encountered. Results of the assessment will benefit further performance development.

- **Policies and operation guideline relating to shareholders and stakeholders**

The Company emphasizes the basic rights of the shareholders and stakeholders, both as the shareholders are both investors and the Company's owners. The Company has a policy to promote the right exercising by the shareholders, as the following details:

1. Right to receive accurate, complete, sufficient and prompt information
2. Right to attend the shareholders of meetings, express opinions and raise questions in the meetings in accordance with the meeting agenda



3. Right to nominate or dismiss directors
4. Right to approve the auditor and propose audit fee
5. Right to propose meeting agenda, that need additional review, in the shareholders' meetings
6. Other rights as stated by laws and the Company's regulations

#### ● Roles of Stakeholders

The Company is attentive to the right of the beneficiaries in all groups, be they the internal beneficiaries like staffs and the Company's and its subsidiaries' executives, or the external beneficiaries like competitors, creditor, the governmental authority and other related agents. The company actually conducts its operation in compliance with the provisions of law and other relevant regulations in order to maintain the appropriate care of these beneficiaries. In 2022, the Company ensured that all stakeholders were properly treated each stakeholder as follows:

Shareholders	The Company values the rights of shareholders and rights stipulated by the law, such as the right to attend the shareholders' meetings; the right to vote at the meeting; the right to freely express opinions at the shareholders' meetings; the Company also gives shareholders the right, as the owners of the Company, to make suggested and comments on the Company's affairs to the independent.
Employees	The Company truly believes that its employees are the most valuable assets and also support employees to improve their knowledge and skill by providing skills trainings, knowledge sharing workshops and leaning opportunities to all employees for their self-development and career growth with the Company. The Employee Performance Assessment system integrates the employees' values with the corporate objective to ensure that the business success is their mutual benefits.
Customers	The Company is determined to provide customers with maximum benefit in terms of quality and price, to develop and maintain the sustainable relationship with customer, to commitment to the customers.
Partners	The Company is operates its business by upholds promises and committed to fair and equal treatment of its suppliers and business partners to establish mutual trust.
Competitors	The Company is legally competing with the competitors by adhering to the business fairness under the trade competition act. , and not take any action that violates the intellectual property or copyright of competitors, not use dishonest methods to discredit a competitor or no trade secret violations.
Creditors	The Company honestly and strictly adheres to loan agreement, pay attention to the importance of the creditors and strive to keep good relationship with them on the best interest of the Company.
Communities, Social and Environment	The Company perceives the corporate responsibility for the environment in the society and community and for natural resources conservation. The Company supports activities that promote quality of life and create happiness for communities, society and environment.

- **Equitable Treatment of Shareholders**

The Company has a policy to treat all the shareholders equally. That is, a shareholder can vote independently to elect the board of directors, partake in resolution making, opining, and enquiring the meeting as per the meeting's agenda and proposed issue. Every shareholder has the right and equity to receive correct, well-rounded, and updated information, of which he/she can also check for its verity. The company has a policy to provide more alternatives for the shareholders by permitting an independent director to be entrusted by a shareholder, in the event the latter cannot attend the meeting. All are treated fairly and equally as following guidelines:

1. All shareholders have the rights and equality of receiving information, expressing opinions and asking questions, in accordance with the meeting agenda and the issues proposed in the meeting.
2. Shareholders are able to obtain the meeting details and agendas from the Company's website prior to the meeting date. To promote the rights of the shareholders, the Company posts an announcement encouraging the shareholders to nominate a person to take the role of a director and suggest additional meeting agendas for the Annual General Meetings of shareholders. In addition, the shareholders are also encouraged to express their ideas about clear operation guidelines.
3. The Company has the policy and operation guidelines about the use of inside information prevent directors, management and employees from wrongly using inside information or preventing inside trading. The securities trading is suspended for one month before the financial statement and inside information are released to the public.
4. Directors and management are required to report the details about their stakeholding so that the Board of Directors can consider any transactions that may involve in conflicts of interest and that may impact overall decision making for the Company's benefits. Directors and management involving in any transactions done with the company shall not take part in decision making in such transactions.
5. Directors and management are required to report the details about their holding and trading of securities to the Company's secretary office, which will submit such report to the SEC, depending on the case, within the duration specified by the laws and related regulations.

- **Prevention of inside information exploitation**

The Corporate Governance Policy prohibits directors, executives, and staff as well as all others involved from using or revealing business information that is not intended for the public for personal gain or for securities trading. Inside information is not to be released to outsiders or any stakeholders before disclosure to the public through SET. To ensure strict compliance, the Company has established disciplinary actions for violators.

- **Prevention of conflict of interest**

In the past years, the company's directors and management have been considering about the eradication of the interests' conflict with prudence, honesty, and independence under the frame of decent morality. This effort is to achieve the overall benefits of the company, transparency, and protection of personal interest through exploitation. The Company's directors, executives and all employees are not allowed to engage in any business that competes with the Company or execute any business transaction which involves themselves or related person/juristic person that may lead to conflict of interest and not to seek benefits for themselves and related parties by using inside information that has not been disclosed to the public. In case that connected transaction or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the exchange's regulations, and are reasonable and for the highest benefit of the Company.

- **Anti-Corruption**

The Company is aware of the importance of Anti-Corruption and emphasizes the management of business ethics; fairness, transparency and accountability; specifically in related processes or risk of corruption in all forms, either directly or indirectly according to good corporate governance in order to enhance stakeholders' trust and indoctrinate good awareness and establish good value for directors, managements and employees in all level of the Company for their acknowledgment and practice.

#### **Anti-Corruption Policy**

Directors, executives, and employees must perform their duties with honesty and without involving in all forms of corruption, whether it is direct or indirect. Uphold and abide by the policies and Code of Conduct strictly.

#### **Related Practices**

- ❑ **Receiving or giving gifts, favors, other privileges**

The operation of the Company includes auction or projects, procurement, coordination or activities related to the business of the Company with both public and private sectors. It must be treated with fairness, transparency and verification. Comply with the law, regulation and policy, the Company is aware of receiving or giving gifts, favors or benefits. These could pose a risk of corruption.

- ❑ **Donation or support to public or private sectors**

Donation or support to public or private sectors must be conducted with transparency and not contrary to morality, ethics, legally and adhere to the policies and procedures of such matters very seriously. This must be approved by the original affiliation before proceeding.

However, the donation or support to public or private sectors aforementioned, must not cause conflict of both personal and corporate interests. Not used as an excuse for corruption. Approval of donation or support to public or private sectors must follow the rules strictly. A report is prepared, together with documents for approval donation or support to public or private sectors, and propose to the management for consideration.

#### ❑ Political participation

The Company operates as a politically neutral. No aid or political support to political parties or politicians in all its forms. It also does not encourage any director, executive, or employee to participate in any political activity on behalf of the Company. The Company is entitled to personal freedom under the law to participate in political activities. And it is not impersonating an employee, or any assets of the Company to take on political support or act in any manner which contributes to the misconception that the Company engages in or support any political.

So the expression and political opinion in the office or corporate premises of the Company are considered against the regulation of the Company.

#### ❑ Complaints, found clues corruption

If corruption is found, it must be informed to the supervisor or through channels which are set up for complaints, clues, corruption or abuses. The Company has measures to protect the complainant, informant as required. Details are provided by the policy on notification of clues and protection of notifier. The Company provides channel to report clues and complaints through the **Company secretary**: By post to: RPCG Public Company Limited No. 86/2 Sammakorn Place, Ramkhamhaeng Road, Saphansoong, Bangkok 10240

#### ❑ Risk assessment of corruption

The internal audit department is responsible for assessing the risks of corruption. By assessing, analysis, monitoring and control of risk at acceptable levels and report to the Audit Committee about the monitoring of the implementation of the policy against corruption.

#### ❑ Raising awareness against corruption

The Company conducts internal communication to ensure that directors, executives and employees understand and recognize the importance of anti-corruption. Include policies and practices that are relevant through staff meetings, seminars and the Company media. Available to employees who perform duties related to the stakeholders of the Company to inform them.

#### ❑ Penalties for offenses

Penalties for offenses shall be in accordance with the Company regulations and / or applicable laws.

## 6.2 CODE OF CONDUCT

The Board of Directors is committed to good corporate governance, and thus has established the Code of Conduct as the operating framework and guideline for all directors, executives, employees, ensuring effectiveness and transparency, inspiring confidence and acceptance among all stakeholders, leading to sustainable value creation for the businesses.

The guidelines in Code of Business Ethics cover Legal compliance, Anti-Corruption, Stakeholding and conflicts of interest, Supervising the use of inside information and trading the Company's securities, Disclosure and confidentiality of information, Protection of personal information, Human rights, Protection and non-

infringement of intellectual property, Receiving complaints, whistleblowing channels and protection of the rights of whistleblowers, Responsibility to stakeholders.

In addition, the Company requires monitoring of compliance with Corporate Governance Policy and Code of Business Ethics through internal audit processes. Any neglect or violation will be subject to disciplinary action and/or law, as the case may be, and in case of seeing practices that may be contrary to business ethics Have employees report to supervisors. or the Compliance Department or internal audit department or the Managing Director, as the case may be, through channels for complaints or whistleblowing provided by the Company. Neglecting or violating Code of Business Conduct will be subject to disciplinary action and/or law. In the event that a practice that may be contrary to Code of Business Conduct is found, employees must report to supervisors or Compliance Department or Internal Audit Department or President through complaint channels or whistleblowing provided by the Company.

### **6.3 SIGNIFICANT CHANGES AND DEVELOPMENTS IN POLICIES, PRACTICES AND CORPORATE GOVERNANCE SYSTEMS**

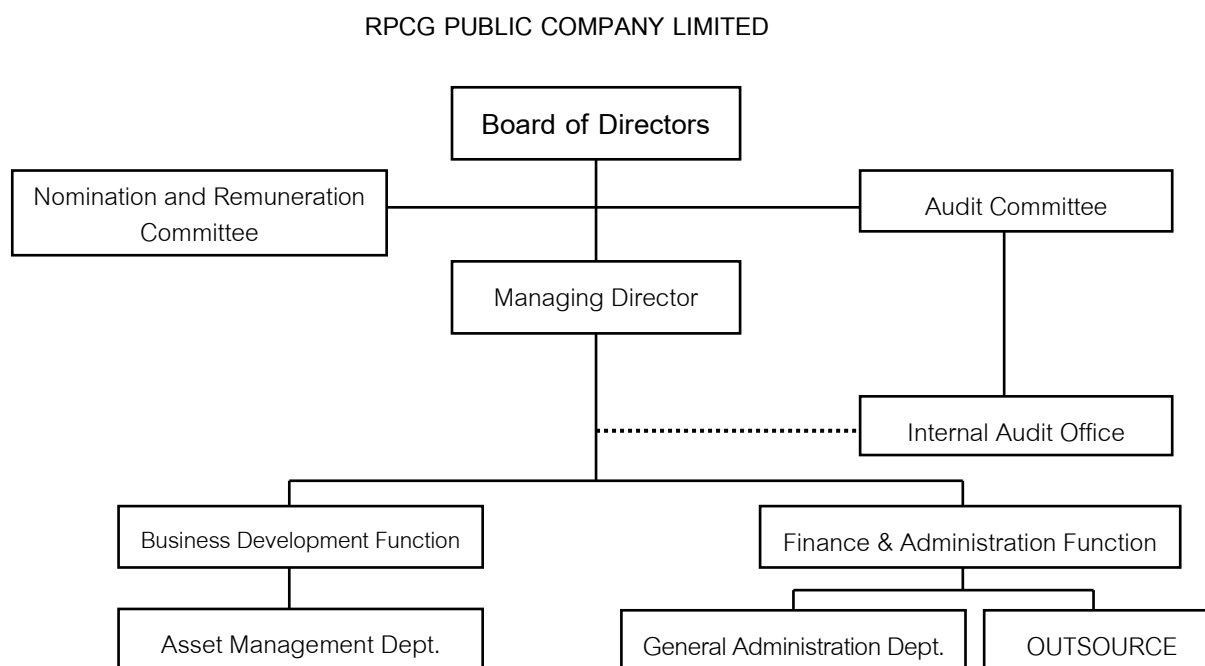
The Company outlined the corporate governance policy and the code of ethical business for directors, management, and employees to practice. The Company also saw that the companies under the group also applied the policy and guideline appropriately and adequately for the Company's business, based on faithfulness, honesty, transparency, fairness, and relevant laws. The Company reviewed policy, code of ethical business, and charter of committees every year in order to remain updated amid the changing situations and circumstances.

The Board of Directors has the improvement of Corporate Governance Policy, Code of Business Ethics and Anti-Corruption Policy according to comply with the laws and good corporate governance criteria of relevant regulatory agencies and as a working guideline for executives and employees of RPCG Group. Furthermore, the Company also arranges a training to educate employees on operation in compliance with the anti-corruption policy. This training is aimed at communicating with the directors, the management and the employees and ensuring that they acknowledge the set policy and operation guideline. In addition, the Company also arranges channels for contact through the Company's online media in case any corruption case is observed; however, no corruption was whistle blown.

## 7). Corporate Governance Structure and Details of Board of Directors, Sub-Committee, Executives, Employees and Others

### 7.1 CORPORATE GOVERNANCE STRUCTURE

The Organization Structure as at December 31, 2022



### 7.2 BOARD OF DIRECTORS INFORMATION

#### 7.2.1 Composition of the Board of Directors

The Board comprises fully qualified directors as specified. In 2022, the directors represented diverse skills, expertise knowledge, experience, sex and age, which benefited the business. The Board also had an appropriate proportion of independent directors as stipulated by law consisting of 7 directors, a sufficient number to supervise the Company's operations.

As of 31 December 2022, the Board of Directors are in total of 7 persons, comprising of:

- Independent Directors in total of 3 persons (43% of total 7 directors) which are in line with regulations of the SEC that prescribe listed companies of have independent directors of at least 1 out of 3 of the total directors and no less than 3 persons. In addition, Independent Directors can provide opinions to operations under prescribed policies with independency and without dominance or limitations within the meeting of the Board of Directors. Such 3 Independent Directors serve as Member of Audit Committee of the Company.

- Non-Executive Directors in total of 7 persons (43% of total 7 directors) in which Non-Executive Directors have work experience related to main businesses of RPCG Group or management of large-sized company, or other experience beneficial to management of the Company.
- Executive Director in total 1 person who is the Acting Managing Director (14% of total 7 directors).

### 7.2.2 Board of Directors Information

The Board of Directors comprises experts in various fields with expertise and experience. At least one non-executive director must have the knowledge, understanding of the Company's business, leadership, vision, independence in decision-making. He/She is a person who devotes his/her time to perform his/her duties with responsibility for the best interests of the Company, shareholders and all stakeholders.

As of December 31, 2022, the Board of Directors consisted of the following seven members:

Name		Position
1. Mr. Satja	Janetumnugul	Chairman of the Board / Acting Managing Director
2. Mr. Tawat	Ungsuprasert	Director
3. Mr. Supapong	Krishnakan	Director
4. Mr. Suthud	Khancharoensuk	Director
5. Mr. Prasit	Dheeraratbongkot	Independent Director / Chairman of the Audit Committee
6. Ms. Panicha	Pongsivapai	Independent Director / Member of the Audit Committee
7. Ms. Pordee	Khanistanan	Independent Director / Member of the Audit Committee

*Mrs. Supanee Tanchaisrinakorn : the Company Secretary*

Directors authorized to sign on behalf of the Company are Mr.Satja Janetumnugul , Mr.Supapong Krishnakan, Mr.Tawat Ungsuprasert, Mr.Suthud Khancharoensuk; two of these four directors jointly sign and stamped with the Company's seal.

### 7.2.3 Scope of authority, duties and responsibilities of the Board of Directors as follows:

- 1) Perform duties and responsibilities cautiously and honestly in accordance with the law, the Company's objectives and regulations as well as the resolutions of the Board of Directors and resolutions of the shareholders' meeting.
- 2) Establish policies, directions, goals, plans and operating budgets of the Company as well as to supervise the management to perform in accordance with the established policies with efficiency and effectiveness.
- 3) Consider the nomination of Directors to replace the Directors who retired by rotation as well as considering the remuneration of Directors who proposed by the Nomination and Remuneration Committee to present to the shareholders' meeting for approval.

- 4) Consider appointing a Director to replace the vacant Director position for other reasons in addition to retiring by rotation. Unless the remaining term of the Director is less than 2 months. And the person who takes the position of the Director replaces, will be in the position of Director only for the remaining term of the Director he replaces.
- 5) Consider appointing Sub-Committees which include, but not limit to Audit Committee Nomination and Remuneration Committee, to administer of the management system, internal control system, Nomination and remuneration system including to help perform the duties according to the responsibility of the Board of Directors to be in accordance with the established policy.
- 6) Consider appointing Managing Director and the Company secretary as well as consider the remuneration.
- 7) Consider and amend the names of Directors who have the authority to bind the Company.
- 8) Arrange for the preparation of a statement of financial position and the income statement account at the end of the Company's fiscal year. And sign to certify the said financial statements to present to the annual general meeting of shareholders for approval.
- 9) Consider selection and appointment of auditors. And consider appropriate remuneration proposed by the Audit Committee before presenting to the shareholders' meeting at the annual general meeting to consider and approve.
- 10) Appoint any other person to operate the business of the Company under the control of the Board of Directors or may delegate so that the said person has the authority and/or within the time as the Board of Directors deem appropriate. The Board of Directors may cancel, withdraw, change or amend the said authority.
- 11) Consider approving the acquisition or disposition of the Company's assets. Unless the said transaction requires approval from the shareholders' meeting. In this regard, the said approval must be in accordance with the relevant notifications, rules and/or regulations of the Stock Exchange of Thailand.
- 12) Consider approving the connected transactions. Unless in the event that the said transactions require approval from the shareholders' meeting. The said approval must be in accordance with the announcements, rules and/or regulations related to the Stock Exchange of Thailand.
- 13) Consider approving interim dividend payment to shareholders when seeing that the Company has good enough performance. And report the said dividend payment to the shareholders' meeting for acknowledgment in the next shareholders' meeting. The Board of Directors. The Board of Directors' charter.
- 14) Consider making decisions on important matters such as policies and business plans for large investment projects, executive authority and any other items that require by law. Including may seek advice from outside independent consultants or professional experts, if it is necessary and appropriate.



- 15) Supervise the management to have an appropriate and efficient risk management system.
- 16) Determine the authority and level of approval for transactions and the operations relating to the work of the Company to the group or individual as appropriate. And to comply with the relevant laws by preparing a manual of operational authority.
- 17) Provide a system that supports effective anti-corruption to ensure that the management recognizes the importance and implements of it, until it becomes the organizational culture.
- 18) Provide appropriate communication channels with shareholders and supervise disclosure of information to ensure accuracy, clarity, transparency, credibility, up-to-date and standardized.
- 19) The Committee must evaluate the performance by themselves. And evaluate the performance as a whole in order to review the results, problems and obstacles each year. And then develop to improve work performance.
- 20) Responsible to shareholders on a regular basis. Operate by protecting the interests of shareholders. Material information is disclosed to investors accurately and completely, standardized and transparent. Including arranging for an annual general meeting of shareholders within 4 months from the end of the Company's fiscal year or another extraordinary general meeting of shareholders when deemed appropriate.
- 21) Arrange for a meeting of the Board of Directors at least 4 times a year or within every 3 months to consider issues that are important to the operation of the Company.
- 22) Prepare annual reports and report on the Board of Directors' responsibilities in preparing the financial reports together with the auditor's report, in the annual report which covers important issues of the Company in the past year to present to the shareholders' meeting and distribute to the public in general.
- 23) Develop and encourage the Company Directors and Executives to attend training courses related to the duties and responsibilities of the Directors and Executives.
- 24) Consider reviewing and improving the Board of Directors' charter to be suitable for the operations.

### 7.3 SUB-COMMITTEES INFORMATION

The Board of Directors can appoint sub-committees on specific matters as needed through the nomination of the Nomination and Remuneration Committee for important matters are carefully scrutinized on specific important issues before presenting their opinions to the Board of Directors for further consideration for the best interest of the Company.

The Company had two subcommittees at the committee level, namely Audit Committee, Nomination and Remuneration Committee, with details as follows:

### 7.3.1 Audit Committee

As of December 31, 2022 the Audit Committee consisted of three independent directors as follows:

Name	Position
1. Mr. Prasit Dheeraratbongkot	Chairman of the Audit Committee
2. Ms. Panicha Pongsivapai	Member of the Audit Committee
3. Ms. Pordee Khanistanan	Member of the Audit Committee

*Mrs. Supanee Tanchaisrinakorn : Secretary to the Audit Committee:*

Mr. Prasit Dhedraratbongkot was the member who commanded adequate expertise and experience to review the credibility of financial statements of the Company.

In 2022, the Audit Committee held 6 meetings, including a meeting with the auditor and Internal Audit and a private session without management.

#### Scope of authority, duties and responsibilities of the Audit Committee as follows:

- 1) Review for the Company and its subsidiaries. The financial statements are disclosed and reported in accordance with the accounting standards that required by law accurately and adequately.
- 2) Review for the Company and its subsidiaries. There are an internal control system and an internal audit system that are suitable and effective as well as to approve the appointment, dismissal, termination of employment of any other department that responsible for internal auditing.
- 3) Review for the Company and its subsidiaries to comply with Securities and Exchange laws, SET requirement and laws related to the Company's business. Including the policy of good corporate governance and business ethics appropriately and effectively.
- 4) Consider selection nominate an independent person to act as the Auditor of the Company and its subsidiaries. And to propose the said person's remuneration. Including attending a meeting with the auditor without the presence of the management at least once a year.
- 5) Consider connected transactions or transactions that may have conflicts of interest in accordance with the law and regulations of the Stock Exchange of Thailand to ensure that the said transactions are reasonable and in the best interests of the Company.
- 6) Prepare a report of the Audit Committee to be disclosed in the Company's annual report. The said report must be signed by the Chairman of the Audit Committee and in accordance with the criteria set by the Stock Exchange of Thailand.
- 7) Review and report the audit results of the Company and its subsidiaries to the Board of Directors to ensure that the risk management framework and the Company process have been evaluated efficiency and effectiveness regularly and suggest improvements always up-to-date.
- 8) Review the accuracy and effectiveness of information technology related to financial reporting and internal control. Review the risk management system.

- 9) Review the internal audit plan of the Company in accordance with generally accepted methods and standards.
- 10) Consider reviewing, improving and revising the charter of the Audit Committee at least once a year. Or as needed to be up-to-date and suitable for the environment of the Company. And present to the Board of Directors for approval.
- 11) Audit Committee may seek independent opinions from any other professional advisor, when deem necessary at the Company's expense with the approval of the Board of Directors. However, the new hiring process is in accordance with the Company's regulations.
- 12) Any other reports that shareholders and general investors should be acknowledged under the scope of duties and responsibilities assigned by the Board of Directors.
- 13) Report to the Board of Directors regularly for the Board of Directors to acknowledge the activities of the Audit Committee.
- 14) In the performance of duties, if it is found or there is a suspicion that there is a transaction that causes a conflict of interest or corruption, or something is wrong or significant deficiencies in the internal control system or violation of Securities and Exchange Law, requirements of the Stock Exchange of Thailand or laws related to the Company's business. This may have a significant impact on the financial position and performance of the Company and its subsidiaries. It has to report to the Board of Directors for improvements within the time that the Audit Committee deem appropriate.
- 15) Perform other duties within the scope of authority and responsibilities established in the charter or as the Board of Directors assigned with the approval of the Audit Committee.

### 7.3.2 Nomination and Remuneration Committee

As of December 31, 2022, the Nomination and Remuneration Committee consisted of four members as follows:

Name		Position
1. Mr. Prasit	Dheeraratbongkot	Chairman of the Committee
2. Mr. Suthud	Khancharoensuk	Member of the Committee
3. Ms. Panicha	Pongsivapai	Member of the Committee
4. Ms. Pordee	Khanistanan	Member of the Committee

Scope of authority, duties and responsibilities of the Nomination Committee and consider compensation as follows:

- 1) Establish policies and criteria for recruiting the Company Directors, Sub-Committee and Managing Director.

- 2) Consider recruiting the Company Directors, Sub-Committee and Managing Director to propose to the Board of Directors for approval and/or to propose to the shareholders' meeting for approval as the case may be whom is a person with knowledge, experience, and specific abilities that are beneficial to the Company.
- 3) Consider the qualifications of the Managing Director position that are suitable for the Company's business management in order to achieve the predetermined vision by covering education, experience, knowledge, expertise and take important and relevant business environment factors such as conditions and trends of economic and industry as well as business competition are also taken into considering. It also has a duty to propose remuneration to suitable person to be Managing Director.
- 4) Establish policies and criteria for determining compensation of Directors, Sub-Committees and Managing Director for proposing to the Board of Directors to consider approving and/or proposing for approval at the shareholders' meeting, depending on the case.
- 5) Determine necessary and appropriate compensation in terms of form monetary and non-monetary to motivate and retain the Company Directors, Sub-Committee and Managing Director.
- 6) Determine criteria and methods for performance appraisals of the Company Directors, Sub-Committee and Managing Director.
- 7) Consider reviewing the recruitment criteria policy and determine the remuneration and remuneration payment system suitable for the duties responsibility as well as corresponding with the Company's performance and market conditions in consideration the benefits that will be created for the Company are important.
- 8) Perform any other duties as assigned by the Board of Directors of the Company.

## 7.4 MANAGEMENT INFORMATION

### 7.4.1 Names and Positions of Management

The Company has a policy to recruit knowledgeable, capable and experienced executives with good working records and ethics, who can contribute well to the Company. The nomination of such persons must pass through consideration by the Nomination and Remuneration Committee and approval by the Board of Directors.

As of December 31, 2022 the Company had six Executives as follows:

Name		Position
1. Mr. Satja	Janetumnugul	Acting Managing Director
2. Mrs. Supanee	Tanchaisrinakorn	General Manager - Finance & Administration Function
3. Ms. Kallaya	Klaithong	General Manager - Business Development Function

## Scope of authority, Duties and Responsibilities of the Managing Director

The Managing Director has the authority and responsibilities to conduct business in accordance with the Board of Directors' assignment and shall follow strictly and ethically the Company's business plan or budget that has been approved by the Board of Directors. The Managing Director shall also act diligently to protect the Company's and the shareholders' best interests. The authority and responsibilities of the Managing Director are described as follows:

- 1) Oversee and supervise the Company's routine operation.
  - 2) Oversee the process of recruitment, appointment, promotion, and salary adjustment, based primarily on the pre-approval of the related authority in each department.
  - 3) Consider and approve the purchase of fixed assets with the amount not exceeding Baht 10 million. The approval must be complied with the Stock Exchange of Thailand's regulation on the acquisition and disposal of assets of the listed companies or related party transactions or regulations of related authorities.
  - 4) Prepare and propose the Company's policy, business plan, and budget to the Board of Directors for approval and report the progress thereof to the Board of Directors on the quarterly basis.
  - 5) Execute the policy, business plan, and budget, which have been approved by the Board of Directors.
- The above authority of the Managing Director shall not be valid if, in exercising such authority, the Managing Director may receive benefits or have potential conflict of interest with the Company.

### 7.4.2 Executive Directors and Executives' Remuneration Policy

The Board of Directors assigned the Nomination and Remuneration Committee to consider and set the Managing Director's compensation criteria and performance evaluation to propose to the Board of Directors for approval and also considers and comments on policies, format and compensation for senior executives, employees in key positions and the workforce of the Company.

Executives compensation is based on the evaluation of performance according to duties and responsibilities of executives and their efficiency, the Company's overall performance, and benchmarking studies on compensation payment with other listed companies of the same business nature against the Company's previous practices to ensure and appropriate compensation structure suiting responsibilities and induce executives to achieve goals.

### 7.4.3 Total Remuneration for Executive Directors and Executives

- **Financial remuneration**

In 2021, the fee for 7 directors totaled Baht 5.6 million, paid for the meeting allowances in congruence with the Company's performance and dividend payment to the Shareholders.

The fee for 3 Managements totaled Baht 10.85 million, paid for salary and bonus in congruence with the Company's performance.

In 2022, the fee for 7 directors totaled Baht 1.55 million, paid for the meeting allowances in congruence with the Company's performance and dividend payment to the Shareholders.

The fee for 3 Managements totaled Baht 7.05 million, paid for salary and bonus in congruence with the Company's performance.

- **Other forms of remuneration**

- In 2021, the Company's provident fund contribution for 3 Management (excluding Independent Directors) was Baht 0.44 million.
- In 2022, the Company's provident fund contribution for 3 Management (excluding Independent Directors) was Baht 0.46 million.

## 7.5 PERSONNEL

### 1. Number of Employees

As of December 31, 2021 and December 31, 2022, the Company and its subsidiaries had 753 and 826 employees respectively. This does not include Directors, the Executive Committee, or Executives. The Company still maintains a proportion of each department to suit the business operations which can be divided in accordance with the following departments:

Organization Structure As of 31 December 2021		Organization Structure As of 31 December 2022	
<u>Function</u>	<u>Quantities</u>	<u>Function</u>	<u>Quantities</u>
- Business & Finance	2	- Business & Finance	2
- Business Development	5	- Business Development	5
<u>Subsidiaries</u>	<u>Quantities</u>	<u>Subsidiaries</u>	<u>Quantities</u>
- PTEC	746	- PTEC	819
<b>Total</b>	<b>753</b>	<b>Total</b>	<b>826</b>

### 2. Remuneration

#### Financial Remuneration

Total remuneration to the Company's employees including salaries, overtime, fringe benefits, bonuses and provident fund contribution for the year 2021 and 2022 were Baht 150.42 million and Baht 173.11 million respectively and benefits on termination of employment.

## 7.6 OTHER IMPORTANT INFORMATION

### 7.6.1 List of Persons Assigned

- **Company Secretary**

The Board of Directors have a resolution to appoint Mrs. Supanee Tanchaisrinakorn, General Manager - Finance & Administration Function as the Company Secretary as of August 13, 2014 in order to perform in

relation to the meetings of the Shareholders Meetings, the meeting of the Board of Directors and the Sub-Committees as well as to support the corporate governance in accordance with the standard of corporate governance. Mrs.Supanee Tanchaisrinakorn profile is presented in [Attachment 1](#). As such, the Company Secretary must have the qualifications and responsibility as follows:

#### **Qualifications**

- 1) Must possess basic knowledge of the principles of laws and regulations of regulatory agencies related to the public limited companies laws and the securities and exchange laws.
- 2) Must have knowledge and understanding of the principles of good corporate governance and the good practices in corporate governance.
- 3) Must have knowledge in the various businesses of the Company and good communication skills, which re supplementary qualifications that assist the Company Secretary in efficiently carrying out her duties.

The Company Secretary's scope of duties responsibilities on behalf of the Company or its Board of Directors are as follows:

- 1) To prepare and maintain the following documents:
  - a. Registration of Directors
  - b. Notice of the Board of Directors Meeting, Minutes of the Board of Directors Meeting and the Company's annual report
  - c. Notice of the Shareholder's Meeting and Minutes of the Annual General Meeting of Shareholders
- 2) Keeping the reports of conflict of interests which reported by Directors or Executives
- 3) To performance any other actions as prescribed by the Capital Market Supervisory Board.

In the event that Company Secretary retires or is unable to perform his or her duties, the Board of Directors shall appoint the new Company Secretary within 90 days from the date which the Company Secretary retired or was unable to perform his or her duties. The Board of Directors shall authorize one of any of directors to act on behalf based on temporary basis for such period of time.

#### ● **Person Assigned Direct Responsibility for Supervising Accounting**

The Company appointed Mrs.Supanee Tanchaisrinakorn, General Manager - Finance & Administration Function as the person assigned the highest responsibility in finance and accounting, which is qualified according to the qualification specified in the announcement of the Department of Business Development. Mrs.Supanee Tanchaisrinakorn profile is presented in [Attachment 1](#)

#### ● **Head of Internal Audit**

External Internal Auditor was Mr.Supachate Kunaluckkul (KPMG Phoomchai Business Advisory Ltd.), review and evaluate internal control system, and plan internal audit plan by reporting directly to the Audit Committee. Profile is presented in [Attachment 3](#)

### 7.6.2 Head of Investor Relations

The Company established an Investor Relations Unit to be a center for answering inquiries and disclosing the Company information. Shareholders, investors and the general public can contact Investor Relations Unit Tel. 0 2372 3600 or E-mail: [ir@rpcthai.com](mailto:ir@rpcthai.com)

### 7.6.3 Remuneration of Auditor

#### Auditor's Fee

##### (1) Audit Fee

The Annual General Shareholder Meeting of 2022, appointed EY Office Limited with Ms.Kosum Cha-em C.P.A. Registration No.6011 or Ms.Vissuta Jariyathanakorn C.P.A. Registration No.3853 or Mr.Termphong Opanaphan C.P.A. Registration No.4501, as auditor of the Company for the year 2022. In the year 2022, the Company paid an audit fee of Baht 800,000 and its subsidiaries used auditors from EY Office Limited and other offices in the amount of Baht 1,142,000.

##### (2) The audit fee excludes non-audit fee of Baht 51,000

EY Office Limited is an auditor approved by the Office of the Securities and Exchange Commission and was appointed by the Annual General Meeting of Shareholders for the year 2022, is an auditor that is independent in auditing and providing opinions on the Company's financial statements, is reputable and has no relationship or no interest whatsoever with the Company, subsidiaries, directors, executives, major shareholders or any related person. Therefore, it is independent in auditing and providing opinions on the Company's financial statements.

## 8). Corporate Governance Report

### 8.1 Summary of the Board of Director's Performance

The Company's Board of Directors realizes the roles and responsibility in directing the overall operation as well as monitor management's performance. They perform their work with knowledge, expertise, transparency, caution and accountability to bring the maximum benefits to the Company and shareholders. In the past year, the Board of Directors performed duties as directors. For example, they determined policies and strategies for the management, which can help enhance the Company's business, such as organizational restructuring, determining marketing strategies and outlining guidelines for internal control system as well as risk management and etc.



### 8.1.1 Selection, Development and Performance appraisal of Directors

#### Independent Directors

The Nomination and Remuneration Committee determined the criteria and regulation for selecting persons to be independent directors, based on qualifications according to the Public Limited Company Act, the Securities Act, the notification of the SEC and the SET, the notifications of the Capital Market Advisory Board as well as other related regulations. The Committee also considers other qualifications, such as experience and knowledge. The Company has a policy to appoint independent directors at least one thirds of the total directors.

#### Qualification of Independent Directors

The Audit Committee of the Company is independent as defined by the independent directors as follows:

- 1) Holding shares not exceeding on per cent of the total number of voting rights of the company, its parent company, a subsidiary, an affiliate or a juristic person with a potential conflict of interest.
- 2) Not being an executive director, employee, staff member or advisor who receives salary, or a person having control over the company, its parent company, a subsidiary, an affiliate, a same-level subsidiary or a juristic person with a potential conflict of interest.
- 3) Not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children, executives, major shareholders, controlling persons, or persons to be nominated as an executive or controlling persons of the company or any of its subsidiaries.
- 4) Not having a business relationship with the Company, its parent company, a subsidiary, an affiliate or a juristic person with a potential conflict of interest in the manner which may interfere with his/her independent judgment, and not being a major shareholder, non-independent directors or executives of any person having business relationship with the Company, its parent company, a subsidiary, an affiliate or a juristic person with a potential conflict of interest.
- 5) Not being an auditor of the Company, its parent company, a subsidiary, an affiliate or a juristic person with a potential conflict of interest and not being a major shareholder, the director did not perform as independent director, executive or partner of an audit firm which employs auditors of the Company, its parent company, a subsidiary, an affiliate or a juristic person with a potential conflict of interest.
- 6) Not being having been any type of professional advisor, including legal advisor or financial advisor, who receives an annual service fee exceeding Baht 2 million per year from the Company, its parent company, a subsidiary, an affiliate or a juristic person with a potential conflict of interest and not being a major shareholder non-independent director, executive or partner of the professional advisor.
- 7) Not being a director who has been appointed as representative of the company's director, major shareholder, or shareholder who are related to the company's major shareholder.
- 8) Not having any characteristics which make him/her incapable of expressing independent opinions with regard to the Company's business affairs.

- 9) Not being a directors assigned by the board of directors to take part in the business decision-making of the Company, its parent company, a subsidiary, an affiliate, a same-level subsidiary or a juristic person with a potential conflict of interest and not being a director of the listed company, its parent company, a subsidiary, an affiliate or same-level subsidiary.
- 10) Having duties as prescribed in the notification of the Stock Exchange of Thailand on the qualifications and scope of work of Audit Committee.

### **The Appointment of Directors and Management**

The Company sets up the Nomination and Remuneration Committee to be responsible for the appointment of directors and management. In this regard, an individual who is eligible to be appointed as director and management of the Company must possess the qualifications as specified in the Public Company Act B.E. 2535, Section 68 and the Company's requirement, and shall not be disqualified per the SEC announcement dated December 12, 2008 on request for approval and Approval to offer new shares. The appointment process is as follows:

#### **Appointment of the Board of Directors**

The Board of Directors must comprise at least 5 members but not exceed 15 members. The directors shall be elected by the shareholders in the shareholder's meeting. At least half of the directors must have permanent residence in Thailand. According to the Company's Articles of Associations, the shareholder's meetings shall elect the directors per the following principles and methods:

- (1) One shareholder has one vote for one share held.
- (2) Each shareholder can use all of his/her eligible votes to elect only one or many director(s) but cannot split his/her votes erratically.
- (3) An individual in receipt of the highest number of votes and those in order of descent shall be elected as Directors as per the required number. In case that two or more individuals receive an equal number of votes which exceed the available positions, the Chairman of the meeting shall make the final decision.

At every Annual General Shareholder's Meeting, one-third of the directors shall resign. In case that the number of directors cannot be equally divided into three parts, the number nearest to one-third shall resign. Those outgoing directors may be re-elected.

The authorized signatory comprises the joint signatures from any two directors and stamped with the Company's seal.

### **Appointment of the Audit Committee**

The Board of Directors appoints at least 3 persons who are qualified per the SET's announcements to be the members of the Audit Committee with three-year term.

#### **The subcommittee**

The board of directors has appointed the subcommittee board to support on corporate governance, as follows:

- The Audit committee with a 3-year term in office. The committee's body consists of 3 persons, all are the independent directors.
- The Nomination and Remuneration Committee with a 3-year term in office. The committee's body consists of 4 persons, all are not the Executive Board and committee's chairman must be the Independent director.

### **Evaluation of the performance of the Board of Directors**

The Company has provided evaluation of its own performance of the entire Board of Directors by applying the assessment form of the Stock Exchange of Thailand are qualification, roles and responsibilities, meeting, performances of the Board of Directors, relationship with Management and self-improvement of the Board of Directors and Executive development to be adapted to suit the nature and structure of the Board of Directors in which the assessment forms will be reviewed annually in order to be used as a framework for monitoring the performance of the Board of Directors. The assessment results will be further considered for the suitability of the Board composition.

The evaluation criteria will be calculated as a percentage from the full scores in each item as follows:

- More than 90% = excellent
- More than 80% = very good
- More than 70% = good
- More than 60% = Fair
- Less than 60% = should be improved

In summary, the evaluation result of the Board of Directors' performance evaluation form consists of 4 topics which are the structure and qualifications of the board, Board meetings, roles and responsibilities of the Board, and other matters such as relations with the Management Team and self-development of the directors. The summary of the evaluation of the entire Board of Directors in the 4 topics as a whole indicates that most of the operations were good, with an average score of 80.00%.

## Directors Training

The Board of Directors continues to try and enhance their value by participation in activities, courses and events which add to their knowledge base in the continually changing business environment to ensure that they are updated and possess full knowledge. All the Company's Directors have attended important training courses that are available such as the Director Certification Program (DCP) or the Director Accreditation Program (DAP) held by the Thai Institute of Directors Association (IOD).

Details of Directors attended training courses for Directors

Name	Mr.Satja Janetumgul	Mr.Supapong Krishnakan	Mr.Tawat Ungsuprasert	Mr.Suthud Khanchaensuk	Mr.Prasit Dheeraratbongkut	Ms.Panicha Pongsivapai	Ms.Pordee Khanistanan
	Mr.Satja Janetumgul	Mr.Supapong Krishnakan	Mr.Tawat Ungsuprasert	Mr.Suthud Khanchaensuk	Mr.Prasit Dheeraratbongkut	Ms.Panicha Pongsivapai	Ms.Pordee Khanistanan
COURSES:							
DAP : Directors Accreditation Program	20/2004	15/2004	DAP	15/2004	-	-	-
DCP : Directors Certification Program	-	-	-	-	DCP62	234/2017	315/2022
Director Diploma Examination	-	-	-	-	-	58/2017	-
AACP : Advance Audit Committee Program	-	-	-	-	-	26/2017	-
BMD : Boards That Make a Difference	-	-	-	-	-	8/2018	-
Board Performance Evaluation	-	-	-	2/2007	-	-	-
BNCP : Board Nomination & Compensation Program	-	-	-	-	-	13/2022	-

## New Director Orientations

The Company organizes newly appointed director orientations pursuant to the director development plan developed by the Nomination and Remuneration Committee so that the new directors have knowledge and understanding of the Company's historical background, including providing relevant information, e.g., the Annual Report (Form 56-1 One Report) and notify them of good practice as a director of the Company.

### 8.1.2 Meeting Attendance and Remuneration of Individual Directors

#### ■ The Board of Director's meeting

The Company has a policy to send the inviting letters for a meeting with accompanying documents to the directors' consideration at least 7 days earlier, in order to reach the minimum period determined by the law. In 2022, the board of directors had 4 meetings. The meetings are normally pre-scheduled for the entire year and informed to the entire Board. The Board of Directors shall meet with a pre-determined schedule or a

special meeting that may be called by the Chairman if it necessary. To consider the significant matter, each Board meeting requires a quorum not less than half (1/2) of the total directors to participate. Each meeting will be recorded and the approved documents will be gathered for reference or future review or investigation.

Name	Position	Meetings in the 2022			
		Board of Director	Audit Committee	Nomination & Remuneration Committee	Shareholders Meeting
1. Mr.Satja Janetumnugul	Chairman of the Board	4/4	-	-	1/1
2. Mr.Tawat Ungsuprasert	Director	4/4	-	-	1/1
3. Mr.Supapong Krishnakan	Director	4/4	-	-	
4. Mr.Suthud Khancharoensuk	Director / Member of the Nomination & Remuneration Committee	4/4	-	1/1	1/1
5. Mr.Prasit Dheeraratbongot	Independent Director Chairman of the Audit Committee Chairman of the Nomination & Remuneration Committee	4/4	6/6	1/1	1/1
6. Ms.Panicha Pongsivapai	Independent Director Member of the Audit Committee Member of the Nomination & Remuneration Committee	4/4	6/6	1/1	1/1
7. Ms.Pordee Khanistanan	Independent Director Member of the Audit Committee Member of the Nomination & Remuneration Committee	4/4	6/6	1/1	1/1

#### ■ Remuneration of the Directors

The Nomination and Remuneration Committee is responsible for determining policies and rates of remuneration for directors in order to propose to the Company's Board of Directors for consideration and further propose to the Annual General Meeting of Shareholders for approval every year. In addition, the Company has set the remuneration for directors at a reasonable rate comparable to other listed companies in the same industry and the business of similar size, in reference to the SET's Survey of Directors and Executive of Listed Companies, in order to motivate and retain directors who have qualifications that the Company need.

The details of remuneration for individual directors in 2022 are as follows:

Unit : Baht

Name		Position	Board of Directors	Audit Committee	Nomination & Remuneration Committee
1. Mr.Satja	Janetumnugul	Chairman of the Board	140,000	-	-
2. Mr.Tawat	Ungsuprasert	Director	120,000	-	-
3. Mr.Supapong	Krishnakan	Director	120,000	-	-
4. Mr.Suthud	Khancharoensuk	Director Member of the Nomination & Remuneration Committee	120,000	-	30,000
5. Mr.Prasit	Dheeraratbongot	Independent Director Chairman of the Audit Committee Chairman of the Nomination & Remuneration Committee	120,000	210,000	35,000
6. Ms.Panicha	Pongsivapai	Independent Director Member of the Audit Committee Member of the Nomination & Remuneration Committee	120,000	180,000	30,000
7. Ms.Pordee	Khanistanan	Independent Director Member of the Audit Committee Member of the Nomination & Remuneration Committee	120,000	180,000	30,000
TOTAL			860,000	570,000	125,000

### 8.1.3 Governance of the Subsidiary and Associated Company

The Board of Directors has oversight mechanism that can control the direction of management and responsible of subsidiaries and associated companies to maintain the benefits of the Company's investment as follows:

1. Individuals are sent to represent the Company to be a director, an executive or authorized individual in such company in proportion to the shareholding. And it is approved by the Board of Directors.
2. The scope of authority and responsibility of directors and executives representing the Company are determined by the authority of each company.
3. There is the mechanism of governance has resulted in the disclosure of the financial position and results of operations, transactions between the Company and the connected persons, acquisition or disposition of assets or any other important transaction of such company is completely accurate. And also comply the criteria related to the disclosure of information and transactions similarly to the above-mentioned criteria of the Company.

4. Determine the appropriate and sufficient internal control system in its subsidiaries by testing the internal control system and monitoring by the Internal Audit Committee of the Company.

#### 8.1.4 Monitoring of the Compliance with Corporate Governance Policies and Practices

##### 1) Prevention of Conflicts of Interest

The Company encourages executives and employees to apply Good Corporate Governance Policy and guidelines which is set out in corporate Governance Policy, Code of Business Ethics, Anti-Corruption Policy for all management and directors to follow so that they can avoid and actions that may lead to conflicts or interest; and occasions that they may take some opportunities or information received from the management and employees to seek their personal benefits; and separate business operation to compete with the competitors. All review process and disclosure of stakeholding matters as well as any connected transactions or transactions that may lead to conflicts of interest must comply with the relevant laws and regulations announced by the SET. Connected persons are required to report details of connected transactions to be reviewed to the Company and they shall not be allowed to take part in decision making or approval such connected transactions. In approving such connected transactions, approvers must take account of the pricing and terms and conditions similar to other transactions done with third parties. In case of suspicious transactions or under the situation that may lead to conflicts of interest, written reports of such transactions shall be made to disclose the details to supervisors based on the chain of command. The reports are required to be submitted to the Company's Secretary, the internal control unit immediately before entering the review procedure whether or not such transactions involve entail conflicts of interest in the group.

The management and supervisors are required to ensure that all employees under their supervisory strictly follow the aforementioned operation guideline as well as other relevant regulations. In case any violation actions are found, further investigation and review of disciplinary punishment shall be proceeded.

##### 2) Exploitation of Internal Information

The Company imposes the policy to control internal information and prevent all employees from disclosing it to external parties or using such information for their own benefits. There is sufficient and appropriate procedure to control the use of insider information and there is a written guideline for control and protection of the internal information. This guideline is communicated to all personnel to follow. The Company prohibits any persons related to internal information from trading the Company's securities within one month before the Company's financial information is disclosed.

- Securities held in the name of Directors and Executives

Report of RPC's share held by Directors and Executives for the year 2022

Name	Amount of Ordinary Shares			
	As of 31 December 2021	Change during the year 2022	As of 31 December 2022	
			Amount	Shareholding (%)
<u>Directors</u>				
1. Mr.Satja Janetumnugul and Spouse	22,734,592	-	22,734,592	1.74
2. Mr.Supapong Krishnakan	1,791,092	-	1,791,092	0.14
3. Mr.Tawat Ungsuprasert and Spouse	48,539,238	-	48,539,238	3.72
4. Mr.Suthud Khancharoensuk and Spouse	10,833,356	-	10,833,356	0.83
5. Mr.Prasit Dheeraratbongkot	-	-	-	-
6. Ms.Panicha Pongsivapai	-	-	-	-
7. Ms.Pordee Khanistanan	-	-	-	-
<u>Executives</u>				
8. Mrs.Supanee Tanchaisrinakorn	-	-	-	-
9. Ms.Kallaya Klaithong	-	-	-	-

- Disclosure and Transparency

The Board of Directors realizes the importance of information disclosure and has set up policies to ensure that all information disclosed is accurate, complete and transparent. Such information includes financial and non-financial information about the Company that is in line with the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand that may affect the share price as well as the decisions of the Company's investors and stakeholders.

Therefore, the Company has disseminated important and adequate information including Annual Report 2022 (Form 56-1 One Report) to shareholders, investors and the general public via the SET Community Portal. In addition, operational performance and credit rating are posted on the Company's website. The Company also prepares a good corporate governance report annually in both Thai and English versions and discloses them in its annual report.

The Board of Directors takes responsibility for the consolidated financial statements of the Company and its subsidiaries as well as financial information disclosed in its annual report. The Report on the Board of Directors' responsibility towards the Company's financial statements is disclosed in the annual report together with the report of the independent auditor. Financial statements are prepared in accordance with generally accepted accounting principles in Thailand, by utilizing appropriate accounting policies and applied consistently. Moreover, sufficient important information is disclosed in the notes to the financial statements.



The Audit Committee reviews the quality of financial reporting and the adequacy of the internal control system and ensures that sufficient significant information is disclosed in the notes to the financial statements. The views of the Audit Committee on such matters are presented to the Board and to the shareholders' meeting, respectively.

The Company also discloses information on the Board of Directors and sub committees i.e. their roles and responsibilities, number of meetings, attendance of each director, opinions in line with the committee's duties, remuneration for directors and management policy, type and amount of remuneration paid to directors of the Company and where those directors also sit on subsidiaries' Boards.

### 3) Anti-Corruption

The Company recognizes the importance of anti-corruption and intends to operate business with good morals and under good corporate governance framework as well as adhere to the Code of Business Ethics. Also, the Company takes responsible for the society, environment and all stakeholders by conducting transparent and fair business which can be auditable. To make certain that the Company has policy specifying appropriate responsibility, guidelines and rules for its business operation to prevent all types of corruption in all of the Company's activities and that the Company's decision and business operation involving with the risk of corruption have been thoroughly considered and conducted, the Company has arranged for the written Anti-Corruption Policy to be clear guidelines for doing business and developing to sustainable organization.

The Company's Internal Audit Department is responsible for review and assessment of operations in each department to be in line with laws, policies, and regulations of RPCG Group in order to reduce corruption problems. The internal audit results will be reported to the Audit Committee and the Board of Directors for acknowledgment. The Company also provides multiple channels to accept whistleblowing or suspiciousness related to corruption from stakeholders of both internal and external and clearly prescribes procedures to manage complaints and protection measures for whistleblower.

### 4) Whistleblowing

The Company has established channels for raising concerns or receiving complaints from the employees or the Company's stakeholders. The employees can send the complaints letter with indicating "Private and Strictly Confidential" to the Chairman of the Audit Committee, for the Company's stakeholders can directly send to the Chairman of the Audit Committee or via the Company's E-mail [ir@rpcthai.com](mailto:ir@rpcthai.com) or The Company's address No. 86/2 Sammakorn Place, Ramkhamhaeng Road, Saphansoong, Bangkok 10240. The complaints will be investigated according to the Company's procedures and reported to the Board of Directors. All evidence and documents related to the complaints and names of the complainants will be kept confidential.

In 2022, the Company did not receive any clues or complaints about illegal actions, corruption or violating Corporate Governance Policy and Code of Business Ethics of the Company from any stakeholder.

## 8.2 Report on performance of Audit Committee in the past year

### 8.2.1 Report of the number of the meetings and attendance of each member of the Audit Committee

Name	Position	Number of the Audit Committee Meeting in 2022		
		Number of Meetings	Number of Attendance	Portion (%)
1. Mr.Prasit Dheeraratbongkot	Chairman of Audit Committee	6	6	100
2. Ms.Panicha Pongsivapai	Member of Audit Committee	6	6	100
3. Ms.Pordee Khanistanan	Member of Audit Committee	6	6	100

### 8.2.2 Clarification of the performance of the Audit Committee

#### Audit Committee

During the year 2022, the Audit Committee convened a total of six meetings to monitor the Company's operation, review the internal control and internal audit as well as assess the effectiveness and efficiency of the internal control unit and the result of Audit Committee's performance appears in "Audit Committee Report" which appeared in [Attachment 6](#).

## 8.3 Clarification of the performance of sub-committees

### 8.3.1 Report of the number of the meetings and attendance of each member of the Nomination and Remuneration Committee

Name	Position	Number of the Committee Meeting in 2022		
		Number of Meetings	Number of Attendance	Portion (%)
1. Mr.Prasit Dheeraratbongkot	Chairman of the Committee	1	1	100
2. Mr.Suthud Khancharoensuk	Member of the Committee	1	1	100
3. Ms.Panicha Pongsivapai	Member of the Committee	1	1	100
4. Ms.Pordee Khanistanan	Member of the Committee	1	1	100

### 8.3.2 Clarification of the performance of the Nomination & Remuneration Committee

All committee members gave priority to meeting attendance and contribution of opinions and information proven beneficial for fair and appropriate compensation to relevant parties where they adequately exercised knowledge, prudence and independence when expressing opinions and giving recommendations for the best interest of the Company in accordance with the good corporate governance guidelines.

Under the charter of the Committee, its roles and responsibilities include recommendation of qualified candidate as directors along with review of compensation practices and criteria for board members, subcommittee members, and the Managing Director in accordance with the corporate governance guidelines.

In 2022, the Committee convened 1 time to consider the following significant agenda items; Totality of board composition; Board's nomination process; Nomination and appointment of directors in replacement of those who resign and retire by rotation; Compensation practices and criteria for directors and management.

## **9). Internal Control and Connected Transactions**

### **9.1 Internal Control**

The Board of Directors and the Executives give priority to continuous internal control system. It covers finance, operation, and compliance with law, regulations, and rules. It is crucial to ensure to reduce business risks. The Company provides appropriate, efficient, and effective risk management. Appropriate resource allocation protects and maintains properties. The Board of Directors has assigned the Audit Committee which is comprised of the independent committee. The committee oversees internal control system, risk management system, and corporate governance. It maintains appropriateness and effectiveness. It assures that the Company complies with regulations and related laws. It prevents conflict of interest. It maintains properties, conducts related documentations to prevent fraud or misconduct.

The Board of Directors has established Internal Audit Department which has independency for performing duties and has line of report direct to Audit Committee, to be responsible for providing advisory and assessing internal control system to ensure there is appropriate and regular compliance, as well as examining work of departments to be in line with regulations of the Company, which divided into five sections of the internal control, as follows:

#### **1. Organization and Environment**

The Company has formulated its business goal and objectives on a clear, possible, and measurable basis. In this regard, it has modified the organizational structure to facilitate job efficiency and flexibility, as well as to correspond with incessantly changing business environments. Hence, the Company has set regulations and penalty rules to prevent the management and employees from engaging in a conflict of interest with the Company. In addition, the policy and operational rules regarding financial transactions, selling, purchasing, and managing were also framed on the basis of fairness to all parties concerned.

#### **2. Risk management**

The Company's executives has assigns a person in charge of risk in each work unit, sets a plan and a measure for risk management, evaluates potentially threatening risk factors, formulates a measure for risk reduction, and follows up on risk management procedures of every work unit. The risk management committee will subsequently report its performance to the Audit Committee to be continually forwarded to the Board of Directors. Moreover, the Company has organized training on this matter to employees.

### **3. Controlling of the management**

The Company has distinctly delineated the scope of authority and responsibility of both the management team and the employees of all levels. The approval scope of each management level is clearly and appropriately determined, and the operations of subsidiaries and affiliated companies are continuously and constantly supervised to comply with the existing legal requirements.

### **4. Information and communication system**

The Company has utilized the ERP information technology system to efficiently manage purchasing, selling, accounting system, inventory, and permanent assets, so that the IT database be made efficient and handy for the executive's decision making. Moreover, additional developments have been brought in to advance the existing IT system, e.g. the systems for gas station management, close-circuit TV, and video conferencing. These developments aim prominently to facilitate work coordination and supervision, to cover extensive IT usage among employees, and to increase efficiency of communication channels between the Company and its subsidiaries and affiliated firms.

### **5. Monitoring activities system**

The Board of Directors has conducted a thorough consideration and monitoring on the performance of the Management team. If any deviation from the preset goal is detected, the Board of Directors will have the Executives correct it immediately. In this regard, the Internal Control Committee will report directly to the Audit Committee in due time, especially when those deviations are critical. A report on correction process and progression should also be filed.

#### **9.1.1 The adequacy and appropriateness of the Company's internal control system**

At the Board of Directors' Meeting No.1/2023 held on 24 February 2023, all three Audit Committee members attended the meeting. The Board of Directors assessed the adequacy of the internal control system for the fiscal year 2022 in accordance with the assessment form as prescribed by the SEC. Results from internal audits and inquiries from the management, the Board of Directors did not find any significant flaws in the internal control system. Therefore, the Board of Directors had the common opinion that the Company had adequate internal control system appropriate for the current operating conditions with sufficient personnel to perform the operation of systems effectively as well as having the monitoring system of the operational performance of the subsidiaries to protect the properties from being misused by the directors or the executives unrightfully or without power, as well as transactions with individuals who may have conflicts and related individuals.

#### **9.1.2 The implementation of the internal control of the Company**

In 2022, the Company found no significant flaws in the Company's internal control system that might affect its primary objectives.

#### **9.1.3 The Audit Committee's Opinion in addition to the Opinion of the Board of Directors**

In 2022, the Audit Committee and the Board of Directors commented and recommended developing and improving the consistent operating process.

#### **9.1.4 The Audit Committee's Opinion ensured that had supervised the Internal Auditor to be fully qualified in education, experiences, training courses suitable for the duty**

The Audit Committee selected internal auditor is fully qualified and able to perform the duty as an internal auditor. According to the Company's policy prescribed, the Company will engage the independent internal auditor qualified and directly experienced in the company's major business. KPMG Phoomchai Business Advisory Limited as the internal audit department of the Company, the internal audit unit which is independent from management report directly to the Audit Committee in the operation to be efficient and effective with constant monitoring and corrective action on important issues. For various departments of the Company and subsidiaries have appropriate internal control systems and independent as possible, as well as having monitoring and control system to oversee business operations of subsidiaries that can protect assets from usage by directors and executives wrongfully or without authority and found no relevant details that need adjustments to be in line with generally accepted.

#### **9.1.5 Appointment, Termination and transfuse of the Internal Auditor**

Note that to consider appointing, removing and transferring the head of the internal audit department is subject to approval (or acknowledgement) of the Audit Committee. The profile of the head of internal audit is shown in [Attachment 3](#).

## 9.2 Connected Transactions

The Company regularly provided the summary report of related party transactions presented to the Audit Committee Meeting every quarter by summarizing the related party transactions with certain individuals and corporations with whom it may have conflicts of interest and summarizing the relationship status of the parties involved in such transactions as follows:

Summary of connected transactions between the Company, subsidiaries and related companies or persons with potential conflicts of interest in 2020-2022 are as follows:

Name / Nature of Business	Relationship	Connected Transactions	Transaction Type	Transaction Amount (THB million)			The Audit Committee's Opinion
				2020	2021	2022	
Petro-Instruments Corp.,Ltd., which operates business of distribution of electronic equipment.	Mr.Satja Janetumnugul, Director and holding 1.1865% and Mr.Suthud Khancharoensuk, Director and holding 0.0001%, are directors of PICO and holding 18%	the Company paid for other service, lease fees and vehicle service	■ Purchase of goods/ Services	0.18	3.88	0.03	The list is appropriate. It is in accordance with normal trading conditions and market prices which is beneficial to the business operations of the Company.
			■ Acquisition of assets	-	12.35	6.65	
			■ Other payables				
			- Opening balance	0.02	0.01	2.50	
			- Increasing during the year	0.18	3.88	0.03	
			- Decreasing during the year	(0.19)	(1.39)	(1.67)	
			- Ending year balance	0.01	2.50	0.86	
		the Company received interest income	■ Accrued Expenses	0.18	-	1.90	
			■ Interest income	-	0.39	1.39	
			■ Accrued interest income				
			- Opening balance	-	-	0.17	
			- Increasing during the year	-	0.39	1.39	
			- Decreasing during the year	-	(0.22)	(1.47)	
			- Ending year balance	-	0.17	0.09	
			■ Purchase of goods/ Services	0.22	0.22	0.34	
			■ Other payables				
			- Opening balance	0.01	-	-	
			- Increasing during the year	0.22	0.22	0.34	
			- Decreasing during the year	(0.23)	(0.22)	(0.34)	
			- Ending year balance	-	-	-	
Pure Sammakorn Development Co.,Ltd./ engaged in the business of real estate development for rent.	Mr.Satja Janetumnugul Director is a director of Sammakorn PCL., and Sammakorn PCL., which hold shares 100%	the Company paid for rental fee for office and other expenses	■ Purchase of goods/ Services	0.22	0.22	0.34	The list is appropriate. It is in accordance with normal trading conditions and market prices which is beneficial to the business operations of the Company.
			■ Other payables				
			- Opening balance	0.01	-	-	
			- Increasing during the year	0.22	0.22	0.34	
			- Decreasing during the year	(0.23)	(0.22)	(0.34)	
			- Ending year balance	-	-	-	

Name / Nature of Business	Relationship	Connected Transactions	Transaction Type	Transaction Amount (THB million)			The Audit Committee's Opinion
				2020	2021	2022	
		Pure Thai Energy Co., Ltd. (subsidiary) paid for land lease, , rental fee for office and other expenses	<ul style="list-style-type: none"> <li>■ Purchase of goods/ Services</li> <li>■ Other payables</li> <li>- Opening balance</li> <li>- Increasing during the year</li> <li>- Decreasing during the year</li> <li>- Ending year balance</li> </ul>	0.72 - 0.72 (0.72) -	0.74 - 0.74 (0.74) -	0.88 - 0.88 (0.88) -	The list is appropriate. It is in accordance with normal trading conditions and market prices which is beneficial to the business operations of the Company.
Sammakorn Public Company Limited (associate), engaged in the business of real estate development for sale.	Mr.Satja Janetumnugul Director, is a Director of Sammakorn PCL. and the Company is major shareholder of Sammakorn PCL. holding 48.25%	the Company received interest income	<ul style="list-style-type: none"> <li>■ Interest income</li> <li>■ Accrued interest income</li> <li>- Opening balance</li> <li>- Increasing during the year</li> <li>- Decreasing during the year</li> <li>- Ending year balance</li> </ul>	11.18 1.15 11.18 (12.33) -	6.80 - 6.80 (6.17) 0.63	0.53 0.63 0.53 (1.16) -	The list is appropriate. It is in accordance with normal trading conditions and market prices which is beneficial to the business operations of the Company.
		the Company received dividend income	<ul style="list-style-type: none"> <li>■ Dividend income</li> <li>■ Accrued dividend income</li> <li>- Opening balance</li> <li>- Increasing during the year</li> <li>- Decreasing during the year</li> <li>- Ending year balance</li> </ul>	27.87 - 27.87 (27.87) -	9.29 - 9.29 (9.29) -	12.39 - 12.39 (12.39) -	
		Pure Thai Energy Co., Ltd. (subsidiary) sells fuel	<ul style="list-style-type: none"> <li>■ Income from sales</li> <li>■ Trade account receivable</li> <li>- Opening balance</li> <li>- Increasing during the year</li> <li>- Decreasing during the year</li> <li>- Ending year balance</li> </ul>	0.18 0.03 0.18 (0.19) 0.02	0.22 0.02 0.22 (0.22) 0.02	0.26 0.02 0.26 (0.26) 0.02	The list is appropriate. It is in accordance with normal trading conditions and market prices which is beneficial to the business operations of the Company.
		Pure Thai Energy Co., Ltd. (subsidiary) joint venture paid, rental fee for office and other expenses	<ul style="list-style-type: none"> <li>■ Purchase of goods / Services</li> <li>■ Other payables</li> <li>- Opening balance</li> <li>- Increasing during the year</li> <li>- Decreasing during the year</li> <li>- Ending year balance</li> </ul>	1.10 0.09 1.10 (1.10) 0.09	1.88 0.09 1.88 (1.58) 0.39	3.93 0.39 3.93 (4.05) 0.27	The list is appropriate. It is in accordance with normal trading conditions and market prices which is beneficial to the business operations of the Company.

Name / Nature of Business	Relationship	Connected Transactions	Transaction Type	Transaction Amount (THB million)			The Audit Committee's Opinion
				2020	2021	2022	
		SCT Sahaphan Co.,Ltd., paid for service	<ul style="list-style-type: none"> <li>▪ Service income</li> <li>▪ Other receivables</li> <li>- Opening balance</li> <li>- Increasing during the year</li> <li>- Decreasing during the year</li> <li>- Ending year balance</li> </ul>	-	0.94	0.06	The list is appropriate. It is in accordance with normal trading conditions and market prices which is beneficial to the business operations of the Company.
				-	-	0.94	
				-	0.94	0.06	
				-	-	(1.00)	
				-	0.94	-	



- **Necessity and Appropriate Reason of Transaction**

The connected transaction made was necessary and reasonable to create the highest benefit to the Company. The Audit Committee concluded that such was in accordance with business and the general ordinary course of received and paid consideration by and from the Company was fair.

- **Policy or tendency to conduct connected transactions in future**

As for connected transaction that may be occurred in the future, the Board of Directors shall comply with the laws on Securities and Stock Exchange, and Regulations, Announcement, Order, or Regulations of Stock Exchange of Thailand, and including compliance with the regulations on disclosure of information of connected transaction and acquiring or disposing of material assets of the Company or the Subsidiary However, if there will be connected transaction of the Company or its subsidiary occurred to person or stakeholder who may have conflict of benefit, or may have conflict of interest in the future, the Company shall have the Audit Committee give the opinion on necessity and appropriateness for such transactions. In case the Audit Committee is not skillful in considering the connected transaction that may be occurred, the Company shall arrange for an Independent expert or auditor of the Company to give opinion on such connected transaction in order to bring such information to support for the decision making of the Board of Directors or shareholders as the case may be. However, the Company shall disclose connected transaction in the note of the financial statement audited by the Auditor of the Company.

## Section 3: Financial Statements

### **The Board of Directors' Responsibility for Financial Statement's Report**

The Board of Directors is responsible for the financial statement and information of RPCG Public Company Limited and its subsidiaries as appeared in the annual report. The financial statements was prepared in accordance with Thai Financial Reporting Standards using appropriate accounting policies with consistent practices. The judgment thereof was exercised cautiously with the best applicable estimates and adequate disclosure of important information in the financial statements remarks.

The Board of Directors has provided and maintained the efficient internal control system, to assure that the accounting records be thorough, accurate, and adequate to keep all assets, and to be notified of possible weaknesses to assure that the financial statements are free of material misstatements.

In this aspect, the Board of Directors has authorized the Audit Committee comprising non-executive committees to supervise the quality of financial statement, and the internal control system. Their opinion thereof appears in the report of Audit Committee.

The Board of Directors perceived that the Company's overall internal control system is in the acceptable and reliable level as appearing in the financial statements of the Company and its subsidiaries as of 31 December 2022.



Mr. Satja Janetumnugul  
Chairman of the Board of Directors

# **RPCG Public Company Limited and Its Subsidiaries**

Financial Statements for the year ended  
31 December 2022  
and  
Independent Auditor's Report

## **Independent Auditor's Report**

To the Shareholders of RPCG Public Company Limited

### **Opinion**

I have audited the accompanying consolidated financial statements of RPCG Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of RPCG Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of RPCG Public Company Limited and its subsidiaries and of RPCG Public Company Limited as at 31 December 2022, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### **Basis for Opinion**

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Emphasis of Matter**

I draw attention to Note 4 to the consolidated financial statements. The Group made an adjustment of prior year's consolidated financial statements, regarding the calculation of depreciation for right-of-use assets of subsidiary companies. The Group made retrospective adjustments to the consolidated financial statements for the year ended 31 December 2021, presented for comparative information, to reflect the effect of adjustments of prior year's consolidated financial statements. The Group also presented the consolidated statement of financial position as at 1 January 2021, presented for comparative information, to reflect the adjustments mentioned. My opinion is not modified in respect of this matter.

## **Key Audit Matter**

Key audit matter is the matter that, in my professional judgement, was of most significance in my audit of the financial statements of the current period. This matter was addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to this matter. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matter below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matter and how audit procedures respond for such matter is described below.

### **Revenue recognition**

The Group is principally engaged in the energy business. The main revenue is derived from the retail sale of gasoline at the point of sale at gasoline stations, with a significant number of gasoline stations. Revenue from retail sale of gasoline represents a significant amount in the financial statements since it has a significant value compared to the Group's total revenue, including a significant number of transactions. There is therefore has a risk relating to the value and timing of such revenue recognition.

I have examined the revenue recognition by

- Gained an understanding of the Group's internal controls with respect to the revenue from the retail sale of gasoline and cash receipt cycles by making an enquiry of the responsible person.
- Assessed and tested the Group's internal controls with respect to the revenue from the retail sale of gasoline and cash receipt cycles by, on a sampling basis, selecting representative samples to test the operation of the designed controls.
- Conducted correlation analysis between revenue, trade receivables and cash, and, on a sampling basis, examined supporting documents for sales and cash receipt transactions occurred during the year.
- Performed analytical procedures on disaggregated data to detect possible irregularities in sale transactions throughout the period, especially on accounting entries made through journal vouchers.



### **Other Information**

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fairly presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matter. I describe this matter in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.



Kosum Cha-em

Certified Public Accountant (Thailand) No. 6011

EY Office Limited

Bangkok: 24 February 2023



RPCG Public Company Limited and its subsidiaries

Statement of financial position

(Unit: Baht)

	Note	Consolidated financial statements			Separate financial statements	
		As at	As at	As at	As at	As at
		31 December 2022	31 December 2021	1 January 2021	31 December 2022	31 December 2021
			(Restated)			
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents	7	268,827,076	198,863,697	117,361,957	10,262,827	9,762,083
Other current financial assets	8	300,244,979	252,226,756	1,143,556,769	300,244,979	252,226,756
Trade and other receivables	9, 10	33,158,844	30,490,229	25,262,759	6,472,505	6,737,175
Receivable compensation for damages		-	-	97,730,463	-	-
Inventories	11	103,884,518	72,870,300	64,015,934	-	-
Short-term loans to related parties	10	39,000,000	140,000,000	-	39,000,000	140,000,000
Short-term loans to unrelated party	12	12,100,000	12,100,000	-	-	-
Current portion of long-term loans to unrelated party	13	-	386,759	538,250	-	-
Other current assets	14	15,470,657	11,189,257	18,002,409	6,559,372	2,577,117
<b>Total current assets</b>		<b>772,686,074</b>	<b>718,126,998</b>	<b>1,466,468,541</b>	<b>362,539,683</b>	<b>411,303,131</b>
<b>Non-current assets</b>						
Pledged deposits at banks	15	126,551,000	141,451,000	141,451,000	49,240,000	49,240,000
Long-term loans to related parties	10	-	-	-	-	80,000,000
Long-term loans to unrelated party	13	-	-	386,759	-	-
Other non-current financial assets	16	-	-	-	-	-
Investment in joint venture	17	4,312,583	1,009,554	-	-	-
Investment in associate	18	1,247,938,999	1,208,180,912	1,190,085,713	785,801,800	785,801,800
Investments in subsidiaries	19	-	-	-	313,901,233	626,765,640
Investment properties	20	177,365,093	186,043,902	146,936,000	146,936,000	146,936,000
Property, plant and equipment	21	1,172,989,891	1,156,183,235	1,082,225,764	379,906,346	377,857,156
Right-of-use assets	28	576,952,540	573,375,269	600,174,313	920,419	2,074,877
Intangible assets	22	20,391,517	7,379,430	5,774,152	3,435,241	37
Deferred tax assets	35	17,434,327	13,817,847	12,819,033	-	-
Other non-current assets	23	14,275,256	22,430,511	23,683,747	9,148,562	18,482,650
<b>Total non-current assets</b>		<b>3,358,211,206</b>	<b>3,309,871,660</b>	<b>3,203,536,481</b>	<b>1,689,289,601</b>	<b>2,087,158,160</b>
<b>Total assets</b>		<b>4,130,897,280</b>	<b>4,027,998,658</b>	<b>4,670,005,022</b>	<b>2,051,829,284</b>	<b>2,498,461,291</b>

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

RPCG Public Company Limited and its subsidiaries

Statement of financial position (continued)

(Unit: Baht)

	Note	Consolidated financial statements			Separate financial statements	
		As at	As at	As at	As at	As at
		31 December 2022	31 December 2021	1 January 2021	31 December 2022	31 December 2021
			(Restated)			
<b>Liabilities and shareholders' equity</b>						
<b>Current liabilities</b>						
Trade and other payables	10, 24	592,640,626	429,640,727	1,867,897,946	5,375,429	12,482,636
Short-term loan from related party	10	-	-	-	-	299,500,000
Short-term loans from unrelated parties	25	100,000	100,000	100,000	-	-
Current portion of lease liabilities	28	27,842,573	25,030,903	20,164,798	1,047,424	1,137,931
Current portion of advances received for renovation of gasoline stations	26	52,676,076	49,928,412	47,321,749	-	-
Income tax payable		11,152,410	366,040	-	-	-
Other current liabilities	27	14,397,369	14,113,392	12,976,907	297,206	646,694
<b>Total current liabilities</b>		<b>698,809,054</b>	<b>519,179,474</b>	<b>1,948,461,400</b>	<b>6,720,059</b>	<b>313,767,261</b>
<b>Non-current liabilities</b>						
Deferred tax liabilities	35	55,998,932	55,998,932	51,578,932	42,218,295	42,218,295
Lease liabilities - net of current portion	28	494,906,060	484,487,654	458,317,420	-	1,052,450
Provision for long-term employee benefits	29	19,701,270	20,424,791	18,308,799	4,540,527	4,243,191
Advances received for renovation of gasoline stations	26	407,384,235	425,170,892	419,638,258	-	-
Provision for decommissioning costs		439,539	423,488	408,024	-	-
<b>Total non-current liabilities</b>		<b>978,430,036</b>	<b>986,505,757</b>	<b>948,251,433</b>	<b>46,758,822</b>	<b>47,513,936</b>
<b>Total liabilities</b>		<b>1,677,239,090</b>	<b>1,505,685,231</b>	<b>2,896,712,833</b>	<b>53,478,881</b>	<b>361,281,197</b>

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

RPCG Public Company Limited and its subsidiaries

Statement of financial position (continued)

(Unit: Baht)

	Note	Consolidated financial statements			Separate financial statements	
		As at	As at	As at	As at	As at
		31 December 2022	31 December 2021	1 January 2021	31 December 2022	31 December 2021
			(Restated)			
<b>Shareholders' equity</b>						
Share capital						
Registered						
1,304,664,125 ordinary shares of Baht 1 each		1,304,664,125	1,304,664,125	1,304,664,125	1,304,664,125	1,304,664,125
Issued and paid-up						
1,304,664,125 ordinary shares of Baht 1 each		1,304,664,125	1,304,664,125	1,304,664,125	1,304,664,125	1,304,664,125
Retained earnings						
Appropriated - statutory reserve	30	35,345,077	-	-	35,345,077	-
Unappropriated		896,990,227	998,806,181	274,515,876	489,468,022	663,642,790
Other components of shareholders' equity		216,658,761	218,843,121	194,112,188	168,873,179	168,873,179
<b>Total shareholders' equity</b>		<b>2,453,658,190</b>	<b>2,522,313,427</b>	<b>1,773,292,189</b>	<b>1,998,350,403</b>	<b>2,137,180,094</b>
<b>Total liabilities and shareholders' equity</b>		<b>4,130,897,280</b>	<b>4,027,998,658</b>	<b>4,670,005,022</b>	<b>2,051,829,284</b>	<b>2,498,461,291</b>

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

Directors

RPCG Public Company Limited and its subsidiaries

Income statement

For the year ended 31 December 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
			(Restated)		
Continuing operation					
Revenues					
Sales		7,822,003,183	5,473,763,194	-	-
Service income		559,060	6,327,940	-	
Dividend income	18, 19	-	-	27,707,907	9,290,961
Interest income		4,231,243	9,565,659	2,361,708	12,966,247
Other income	32	30,836,627	17,309,070	18,430,859	6,829,089
Income from compensation for damages according to the court judgements	42.4	-	899,874,040	-	899,874,040
Total revenues		7,857,630,113	6,406,839,903	48,500,474	928,960,337
Expenses					
Cost of sales		7,399,511,263	5,147,604,837	-	-
Cost of services		387,017	1,417,961	-	-
Selling and distribution expenses		109,364,204	93,909,978	-	-
Administrative expenses		287,714,814	269,439,562	47,703,258	56,977,680
Loss on impairment of investments in subsidiaries		-	-	12,490,007	4,427,688
Loss on impairment of buildings and equipment (reversal)		7,422,621	(4,111,672)	(3,543,874)	-
Total expenses		7,804,399,919	5,508,260,666	56,649,391	61,405,368
Profit (loss) from operating activities		53,230,194	898,579,237	(8,148,917)	867,554,969
Share of profit from investments in joint venture and associate	17, 18	55,633,424	20,344,781	-	-
Finance cost	33	(34,552,184)	(33,120,170)	(217,382)	(1,373,296)
Profit (loss) before income tax expense		74,311,434	885,803,848	(8,366,299)	866,181,673
Income tax expense	35	(10,318,919)	(166,376,527)	-	(164,143,117)
Profit (loss) for the year from continuing operation		63,992,515	719,427,321	(8,366,299)	702,038,556
Discontinued operation					
Profit for the year from discontinued operation	37	-	4,862,984	-	4,862,984
Profit (loss) for the year		63,992,515	724,290,305	(8,366,299)	706,901,540
Basic earnings per share					
Profit (loss) attributable to equity holders of the Company	38				
Continuing operation		0.0490	0.5514	(0.0064)	0.5381
Discontinued operation		-	0.0037	-	0.0037
		0.0490	0.5551	(0.0064)	0.5418
Weighted average number of ordinary shares (shares)		1,304,664,125	1,304,664,125	1,304,664,125	1,304,664,125

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

RPCG Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
			(Restated)		
Profit (loss) for the year		63,992,515	724,290,305	(8,366,299)	706,901,540
Other comprehensive income:					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods					
Changes in revaluation of assets					
- net of income tax	31, 35	-	17,680,000	-	13,600,000
Share of other comprehensive income of associate	18	(2,184,360)	7,050,933	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(2,184,360)	24,730,933	-	13,600,000
Other comprehensive income for the year		(2,184,360)	24,730,933	-	13,600,000
Total comprehensive income for the year		61,808,155	749,021,238	(8,366,299)	720,501,540

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

RPCG Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements						
	Retained earnings			Other components of shareholders' equity			
	Issued and paid-up share capital	Appropriated - statutory reserve	Unappropriated	Other comprehensive income		Total other components of shareholders' equity	Total shareholders' equity
				Revaluation surplus on assets	Share of other comprehensive income of associate		
Balance as at 31 December 2020 - As previously reported	1,304,664,125	-	249,729,953	206,315,728	(12,203,540)	194,112,188	1,748,506,266
Cumulative effect of the adjustments of consolidated financial statements (Note 4)	-	-	24,785,923	-	-	-	24,785,923
Balance as at 31 December 2020 - As restated	1,304,664,125	-	274,515,876	206,315,728	(12,203,540)	194,112,188	1,773,292,189
Profit for the year - restated	-	-	724,290,305	-	-	-	724,290,305
Other comprehensive income for the year	-	-	-	17,680,000	7,050,933	24,730,933	24,730,933
Total comprehensive income for the year - restated	-	-	724,290,305	17,680,000	7,050,933	24,730,933	749,021,238
Balance as at 31 December 2021 - As restated	1,304,664,125	-	998,806,181	223,995,728	(5,152,607)	218,843,121	2,522,313,427
Balance as at 31 December 2021 - As previously reported	1,304,664,125	-	945,683,512	223,995,728	(5,152,607)	218,843,121	2,469,190,758
Cumulative effect of the adjustments of consolidated financial statements (Note 4)	-	-	53,122,669	-	-	-	53,122,669
Balance as at 31 December 2021 - As restated	1,304,664,125	-	998,806,181	223,995,728	(5,152,607)	218,843,121	2,522,313,427
Unappropriated retained earnings transferred to statutory reserve (Note 30)	-	35,345,077	(35,345,077)	-	-	-	-
Dividend paid (Note 41)	-	-	(130,463,392)	-	-	-	(130,463,392)
Profit for the year	-	-	63,992,515	-	-	-	63,992,515
Other comprehensive income for the year	-	-	-	-	(2,184,360)	(2,184,360)	(2,184,360)
Total comprehensive income for the year	-	-	63,992,515	-	(2,184,360)	(2,184,360)	61,808,155
Balance as at 31 December 2022	1,304,664,125	35,345,077	896,990,227	223,995,728	(7,336,967)	216,658,761	2,453,658,190

The accompanying notes are an integral part of the financial statements

RPCG Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Separate financial statements					
	Retained earnings			Other components of shareholders' equity		
	Issued and paid-up share capital	Appropriated - statutory reserve	Unappropriated (deficit)	Other comprehensive income	Total other shareholders' equity	Total shareholders' equity
				Revaluation surplus on assets		
<b>Balance as at 31 December 2020</b>	1,304,664,125	-	(43,258,750)	155,273,179	155,273,179	1,416,678,554
Profit for the year	-	-	706,901,540	-	-	706,901,540
Other comprehensive income for the year	-	-	-	13,600,000	13,600,000	13,600,000
Total comprehensive income for the year	-	-	706,901,540	13,600,000	13,600,000	720,501,540
<b>Balance as at 31 December 2021</b>	1,304,664,125	-	663,642,790	168,873,179	168,873,179	2,137,180,094
<b>Balance as at 31 December 2021</b>	1,304,664,125	-	663,642,790	168,873,179	168,873,179	2,137,180,094
Unappropriated retained earnings transferred to statutory reserve (Note 30)	-	35,345,077	(35,345,077)	-	-	-
Dividend paid (Note 41)	-	-	(130,463,392)	-	-	(130,463,392)
Loss for the year	-	-	(8,366,299)	-	-	(8,366,299)
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	(8,366,299)	-	-	(8,366,299)
<b>Balance as at 31 December 2022</b>	1,304,664,125	35,345,077	489,468,022	168,873,179	168,873,179	1,998,350,403

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

RPCG Public Company Limited and its subsidiaries

Statement of cash flows

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
		(Restated)		
<b>Cash flows from operating activities</b>				
Profit (loss) before tax from continuing operation	74,311,434	885,803,848	(8,366,299)	866,181,673
Profit before tax from discontinued operation	-	4,862,984	-	4,862,984
Profit (loss) before tax	74,311,434	890,666,832	(8,366,299)	871,044,657
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	121,103,973	119,535,880	2,309,005	3,608,534
Amortisation of advances received for renovation of gasoline stations	(52,285,843)	(48,293,503)	-	-
Increase in allowance for expected credit losses	266,709	2,303,856	-	2,450,000
Reduction of cost of inventories to net realisable value (reversal)	68,505	(6,390,786)	-	-
Gain on sales of investment unit in mutual funds	(1,355,152)	(1,881,317)	(1,355,152)	(2,532,647)
Loss (gain) on the change in value of investment unit in mutual funds	(18,223)	1,083,874	(18,223)	1,083,874
Loss on sales and write-off of buildings and equipment	5,295,446	3,505,907	6,502,390	-
Loss on impairment of buildings and equipment (reversal)	7,422,621	(10,361,503)	(3,543,874)	(6,249,831)
Gain on write-off of right-of-use assets	-	(16,425)	-	-
Loss on write-off of intangible assets	16	-	-	-
Increase (decrease) in provisions for long-term employee benefits	(682,399)	2,135,992	297,336	497,648
Increase in provision for decommissioning costs	16,051	15,464	-	-
Loss on impairment of investments in subsidiaries	-	-	12,490,007	4,427,688
Dividend income from associate	-	-	(12,387,948)	(9,290,961)
Dividend income from subsidiaries	-	-	(15,319,959)	-
Income from compensation for damages according to the court judgements	-	(899,874,040)	-	(899,874,040)
Interest income	(4,231,243)	(9,565,659)	(2,361,708)	(12,966,247)
Interest expense	1,061,744	1,060,053	205,137	1,333,508
Interest expense from lease liabilities	33,490,440	32,060,117	12,245	39,788
Loss on lease modification	-	408,618	-	-
Share of profit from investments in joint venture and associate	(55,633,424)	(20,344,781)	-	-
Profit (loss) from operating activities before changes in operating assets and liabilities	128,830,655	56,048,579	(21,537,043)	(46,428,029)
Operating assets (increase) decrease				
Trade and other receivables	(2,983,189)	(7,584,062)	275,939	(5,070,370)
Inventories	(31,082,723)	(2,463,580)	-	-
Other current assets	(4,281,400)	6,813,152	(3,982,255)	7,848,695
Other non-current assets	8,959,345	(10,605,736)	9,365,327	(10,360,656)

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



RPCG Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	(Restated)			
Operating liabilities increase (decrease)				
Trade and other payables	162,999,899	78,851,518	(7,107,207)	(5,263,607)
Cash paid for employee benefits	(41,122)	(20,000)	-	-
Other current liabilities	283,977	1,136,485	(349,488)	448,178
Cash flows from (used in) operating activities	262,685,442	122,176,356	(23,334,727)	(58,825,789)
Cash received from compensation for damages and interest income	-	97,730,463	-	97,730,463
Cash paid for compensation for damages according to the court judgements	-	(618,234,697)	-	(618,234,697)
Cash paid for interest expense	(1,061,744)	(1,060,053)	(205,137)	(1,333,508)
Cash paid for interest expense from lease liabilities	(32,690,514)	(30,138,442)	(26,115)	(26,691)
Cash received from income tax refunded	298,209	20,564,309	298,209	343,801
Cash paid for income tax	(4,251,328)	(175,714,638)	(329,448)	(171,758,905)
<b>Net cash flows from (used in) operating activities</b>	<b>224,980,065</b>	<b>(584,676,702)</b>	<b>(23,597,218)</b>	<b>(752,105,326)</b>
<b>Cash flows from investing activities</b>				
Decrease in pledged deposits at banks	14,900,000	-	-	-
Interest received	4,279,108	9,618,395	2,350,439	12,983,070
Dividend received from associate	12,387,948	9,290,961	12,387,948	9,290,961
Dividend received from subsidiaries	-	-	15,319,959	-
Cash paid for purchases of investment units in mutual funds	(840,000,000)	(1,568,000,000)	(840,000,000)	(1,008,000,000)
Proceeds from sales of investment units in mutual funds	793,355,152	2,460,127,456	793,355,152	1,900,778,786
(Increase) decrease in short-term loans to related parties, net	101,000,000	(140,000,000)	101,000,000	(140,000,000)
Increase in short-term loans to unrelated party	-	(12,100,000)	-	-
Decrease in long-term loans to related party	-	-	80,000,000	-
Decrease in long-term loans to unrelated party	386,759	538,250	-	-
Cash paid for investments in joint venture	(2,000,000)	-	-	-
Cash paid for investments in subsidiaries	-	-	-	(309,999,400)
Cash receipts from return of capital from subsidiaries	-	-	300,374,400	-
Cash paid for investment properties	-	(960,000)	-	-
Acquisitions of buildings and equipment	(101,500,176)	(115,420,523)	(6,650,000)	(12,388,818)
Acquisitions of intangible assets	(13,928,661)	(2,229,395)	(3,435,204)	(1,422,620)
Proceeds from sales of equipment	1,624,755	127,598	378,506	-
Proceeds from sales of intangible assets	-	-	-	3,931,520
Cash paid for right-of-use assets	(8,245,000)	(5,720,000)	-	-
Cash advances received for renovation of gasoline stations	37,246,850	56,432,800	-	-
<b>Net cash flows from (used in) investing activities</b>	<b>(493,265)</b>	<b>691,705,542</b>	<b>455,081,200</b>	<b>455,173,499</b>

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

RPCG Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	(Restated)			
<b>Cash flows from financing activities</b>				
Increase (decrease) in short-term loan from related party	-	-	(299,500,000)	299,500,000
Cash paid for lease liabilities	(24,060,029)	(25,527,100)	(1,019,846)	(1,147,445)
Dividend payment	(130,463,392)	-	(130,463,392)	-
<b>Net cash flows from (used in) financing activities</b>	<b>(154,523,421)</b>	<b>(25,527,100)</b>	<b>(430,983,238)</b>	<b>298,352,555</b>
<b>Net increase in cash and cash equivalents</b>	<b>69,963,379</b>	<b>81,501,740</b>	<b>500,744</b>	<b>1,420,728</b>
Cash and cash equivalents at beginning of year	198,863,697	117,361,957	9,762,083	8,341,355
<b>Cash and cash equivalents at end of year</b>	<b>268,827,076</b>	<b>198,863,697</b>	<b>10,262,827</b>	<b>9,762,083</b>
<b>Supplemental cash flows information:</b>				
Non-cash transactions consist of				
Transfer of right-of-use assets to investment properties	-	35,340,132	-	-
Transfer of investment properties to right-of-use assets	6,212,981	-	-	-
Accrued investment in joint venture	-	1,000,000	-	-
Increase in right-of-use assets and lease liabilities from additional lease agreements	38,127,330	48,813,506	-	3,324,729
Decrease in right-of-use assets and lease liabilities from lease modification	(86,038)	-	(109,241)	-
Increase in investment properties	-	5,436,065	-	-
Surplus on revaluation of assets	-	22,100,000	-	17,000,000
Share of other comprehensive income of associate	(2,184,360)	7,050,933	-	-

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

## **RPCG Public Company Limited and its subsidiaries**

### **Notes to consolidated financial statements**

**For the year ended 31 December 2022**

#### **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 2022 and 2021 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") (collectively as "the Group").

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2022	2021
			%	%
Pure Biodiesel Co., Ltd.*	Manufacture and distribution of biodiesel (B100) and crude glycerin	Thailand	100	100

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2022	2021
			%	%
Pure Thai Energy Co., Ltd.	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	100
<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
<u>Subsidiary directly held by Onward Venture Co., Ltd.</u>				
Onward Move Co., Ltd. **	General service	Thailand	100	-

\* Business suspended.

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

- 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.
- 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 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 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 2023**

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 2023. 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 management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

### **4. Adjustment of prior year's consolidated financial statements**

During the year 2022, the Group found that the depreciation of right-of-use assets of its subsidiaries was overstated since 2020, which was the year when the Group adopted TFRS 16 Lease. The Group therefore made retrospective adjustments to the consolidated financial statements for the year ended 31 December 2021, presented for comparative information, to reflect the effect of adjustments of prior year's consolidated financial statements. The Group also presented the consolidated statement of financial position as at 1 January 2021, presented for comparative information, to reflect the adjustments mentioned. The cumulative effect of such changes has been separately presented in the consolidated statements of changes in shareholders' equity.

The amount of the adjustments affects in the consolidated statements of financial position, income statement, comprehensive income and cash flows as follows.

	(Unit: Thousand Baht)	
	As at	At as
	31 December 2021	1 January 2021
<b>Consolidated statement of financial position</b>		
Increase in investment properties	3,113	-
Increase in right-of-use assets	63,291	30,982
Decrease in deferred tax assets	(13,281)	(6,196)
Increase in unappropriated retained earnings	53,123	24,786
		(Unit: Thousand Baht)
		For the year ended
		31 December 2021

**Consolidated income statement**

Decrease in administrative expenses	(35,421)
Increase in income tax expense	7,084
Increase in profit for the year from continuing operation	28,337

**Basic earnings per share**

Profit attributable to equity holders of the Company from continuing operation (Baht per share)	0.0217
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**Consolidated statement of comprehensive income**

Increase in profit for the year	28,337
Increase in total comprehensive income for the year	28,337

**Consolidated statement of cash flows**

Increase in profit before tax from continuing operation	35,421
Decrease in depreciation and amortisation	(35,421)

**5. Significant accounting policies**

**5.1 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.

## **5.2 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.

## **5.3 Inventories**

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

## **5.4 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.

## **5.5 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.

## **5.6 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 factory equipment	- 5 - 27 years
Gas station equipment	- 5 - 25 years
Power generation equipment	- 15 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.

## **5.7 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.

## **5.8 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.

## **5.9 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.

## **5.10 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.

## **5.11 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.

## **5.12 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.

### **5.13 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.

### **5.14 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.

### **5.15 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.

### **5.16 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.

## **5.17 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.



## **Derecognition of financial instruments**

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.

### **5.18 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.

## **6. 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 21 to the consolidated 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.

## **7. Cash and cash equivalents**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Cash	28,532	17,847	60	60
Bank deposits	240,295	171,315	10,203	-
Cash at banks attributable to discontinued operations	-	9,702	-	9,702
Total	268,827	198,864	10,263	9,762

As at 31 December 2022, bank deposits carried interests between 0.13% and 0.50% per annum (2021: between 0.05% and 0.65%).

## 8. Other current financial assets

	(Unit: Thousand Baht)	
	Consolidated/Separate financial statements	
	2022	2021
<b>Financial assets at FVTPL</b>		
Investment units in mutual funds	300,245	252,227
Total other current financial assets	300,245	252,227

## 9. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b>Trade receivables - related parties</b>				
Aged on the basis of due dates				
Past due				
Not over 3 months	15	17	-	-
Total trade receivables - related parties	15	17	-	-
<b>Trade receivables - unrelated parties</b>				
Aged on the basis of due dates				
Past due				
Not over 3 months	29,002	25,484	-	-
3 - 6 months	1,467	108	-	-
6 - 12 months	36	4	-	-
Over 12 months	3,293	3,353	-	-
Total	33,798	28,949	-	-
Less: Allowance for expected credit losses	(3,056)	(2,544)	-	-
Total trade receivables - unrelated parties, net	30,742	26,405	-	-
Total trade receivables - net	30,757	26,422	-	-
<b>Other receivables</b>				
Accrued income - related parties	86	1,737	6,285	6,503
Accrued income - unrelated parties	475	514	33	21
Others	3,965	5,326	1,465	2,663
Total	4,526	7,577	7,783	9,187
Less: Allowance for expected credit losses	(2,124)	(3,509)	(1,310)	(2,450)
Total other receivables - net	2,402	4,068	6,473	6,737
Total trade and other receivables - net	33,159	30,490	6,473	6,737

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	
	2022	2021	2022	2021
Beginning balance	6,053	11,034	2,450	-
Provision for expected credit losses	714	2,929	-	2,450
Amount written off	(1,316)	(7,285)	(1,140)	-
Amount recovered	(271)	(625)	-	-
Ending balance	5,180	6,053	1,310	2,450

#### 10. Related party transactions

During the years, 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 Company and those related parties.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b>Transactions with subsidiaries</b>				
(Eliminated from the consolidated financial statements)				
Management fee income	-	-	2	-
Dividend income	-	-	15	-
Interest income	-	-	-	6
Other income - other services	-	-	1	5
Interest expense	-	-	-	1
<b>Transactions with associates</b>				
Service income	-	1	-	-
Dividend income	12	9	12	9
Interest income	1	7	1	7
Land rental expense	1	1	-	-
Office rental expense	2	1	-	-
Other expenses	2	1	-	-
<b>Transactions with related party</b>				
Interest income	1	-	1	-
Acquisition of assets	7	12	7	12

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

Transactions	Transfer pricing policy
Service income	Contract price
Dividend income	As declared
Interest income	0.75% - 3.50% 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.

#### **Guarantee obligation with related party**

In 2016, Pure Thai Energy Co., Ltd. entered into an agreement with SCT Sahapan Co., Ltd. (subsidiary held by Pure Thai Energy Co., Ltd.) to guarantee bank credit facility of the subsidiary as described in Note 42.2 b) to the consolidated financial statements.

As at 31 December 2022 and 2021, the balances of the accounts between the Group and those related parties are as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b>Trade and other receivables - related parties (Note 9)</b>				
<i>Trade receivables - related party</i>				
Associate	15	17	-	-
Total trade receivables - related party	15	17	-	-
<i>Other receivables - related parties</i>				
Subsidiaries	-	-	6,199	5,706
Associate	-	1,566	-	626
Related company	86	171	86	171
Total other receivables - related parties	86	1,737	6,285	6,503

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b>Other payables - related parties (Note 24)</b>				
Joint venture	-	1,000	-	-
Associate	333	387	-	-
Related company	2,755	2,498	2,755	2,498
<b>Total other payables - related parties</b>	<b>3,088</b>	<b>3,885</b>	<b>2,755</b>	<b>2,498</b>

**Lease liabilities - related party (Note 28.1 b)**

Associate	16,004	18,519	-	-
<b>Total lease liabilities - related party</b>	<b>16,004</b>	<b>18,519</b>	<b>-</b>	<b>-</b>
Less: Portion due within one year	(2,783)	(2,594)	-	-
<b>Lease liabilities - related party, net of current portion</b>	<b>13,221</b>	<b>15,925</b>	<b>-</b>	<b>-</b>

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

As at 31 December 2022 and 2021, the balances of loans between the Group and those companies and the movements in loans to and loan from are as follows:

(Unit: Thousand Baht)

		Consolidated financial statements			
		Balance as at	Increase	Decrease	Balance as at
		31 December			31 December
Related by		2021	during the year	during the year	2022
<b>Short-term loans to related parties</b>					
Sammakorn Plc.	Associate	100,000	415,000	(515,000)	-
Petro-Instruments Corp., Ltd.	Related company	40,000	9,000	(10,000)	39,000
<b>Total</b>		<b>140,000</b>	<b>424,000</b>	<b>(525,000)</b>	<b>39,000</b>
<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)
<b>Net</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(Unit: Thousand Baht)

		Separate financial statements			
		Balance as at			Balance as at
	Related by	31 December 2021	Increase during the year	Decrease during the year	31 December 2022
<b>Short-term loans to related parties</b>					
Pure Biodiesel Co., Ltd.	Subsidiary	319,188	-	-	319,188
Sammakorn Plc.	Associate	100,000	415,000	(515,000)	-
Petro-Instruments Corp., Ltd.	Related company	40,000	9,000	(10,000)	39,000
Total		459,188	424,000	(525,000)	358,188
Less: Allowance for expected credit losses					
		(319,188)	-	-	(319,188)
Net		140,000	424,000	(525,000)	39,000
<b>Long-term loans to related parties</b>					
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)	-
<b>Short-term loan from related party</b>					
RPCG-JV 1 Co., Ltd.	Subsidiary	299,500	-	(299,500)	-
Total		299,500	-	(299,500)	-

As at 31 December 2022, loans to subsidiary and related company totaling Baht 358 million (2021: loans to subsidiaries, associate and related company totaling Baht 539 million) are in the form of short-term promissory notes carrying interest at a rate of 3.50 per annum (2021: 2.50% - 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, as at 31 December 2021, the Company reclassified loans of 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. for the whole amount, as the Company expects that the assets of the subsidiary will not be sufficient to repay the loans.

## Management benefit expenses

During the years ended 31 December 2022 and 2021, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Short-term employee benefits	14,123	18,706	9,811	15,466
Post-employment benefits	1,320	1,215	774	746
Total	15,443	19,921	10,585	16,212

## 11. Inventories

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Cost		Reduce cost to net		Inventories - net	
			realisable value			
	2022	2021	2022	2021	2022	2021
Finished goods	112,065	80,981	(8,180)	(8,111)	103,885	72,870
Supplies	2,776	2,776	(2,776)	(2,776)	-	-
Total	114,841	83,757	(10,956)	(10,887)	103,885	72,870

	(Unit: Thousand Baht)					
	Separate financial statements					
	Cost		Reduce cost to net		Inventories - net	
			realisable value			
	2022	2021	2022	2021	2022	2021
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 2022, the Group reduced cost of inventory by Baht 0.1 million, to reflect the net realisable value. This was included in cost of sales. (2021: 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) (separate financial statements: nil)



**12. Short-term loans to unrelated party**

As at 31 December 2022 and 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.

**13. Long-term loans to unrelated parties**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Long-term loans to unrelated parties	5,146	5,533	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	-	-
Less: Current portion	-	(387)	-	-
Non-current portion	-	-	-	-

**14. Other current assets**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Value added tax refundable	6,519	2,853	5,764	1,793
Others	8,952	8,336	795	784
Total	15,471	11,189	6,559	2,577

**15. Pledged deposits at banks**

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

**16. 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 2022 and 2021, fair value of such investment was zero because of continuous operating losses and capital deficit.

During the years 2022 and 2021, the Company had no dividend received from such investment.

## 17. Investment in joint venture

### 17.1 Details of investment in joint venture

Investment in joint venture represents investment in entity which is jointly controlled by SCT Sahapan Co., Ltd. (a subsidiary held by Pure Thai Energy Co., Ltd.) 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		Cost		Carrying amount based on equity method	
			percentage					
			<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
			(%)	(%)				
SCTP Joint Venture	Construction service	Thailand	40	40	3,000	1,000	4,313	1,010
Total					3,000	1,000	4,313	1,010

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.

During the current year, SCTP Joint Venture called for the remaining payment in proportion to the investment in the Joint Venture. SCT Sahapan 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.

## 17.2 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	2022	2021
SCTP Joint Venture	1,303	10
Total	1,303	10

During the year 2022 and 2021, the Group had no dividend received from its joint venture.

## 17.3 Summarised financial information about material joint venture

Summarised information about financial position of SCTP Joint Venture as at 31 December 2022 and 2021.

	(Unit: Million Baht)	
	2022	2021
Current assets	19	3
Current liabilities	(8)	-
<b>Net assets</b>	11	3
Shareholding percentage	40%	40%
<b>Share of net assets</b>	4	1
Eliminations	-	-
<b>Carrying amounts of joint venture based on equity method</b>	4	1

Summarised information about comprehensive income of SCTP Joint Venture.

	(Unit: Million Baht)	
	For the period from	
	For the year ended 31 December 2022	18 November 2021 to 31 December 2021
Revenue	55	1
Profit for the year	3	-
Other comprehensive income	-	-
Total comprehensive income	3	-

## 18. Investment in associate

### 18.1 Details of associate

								(Unit: Thousand Baht)
Company's name	Nature of business	Country of incorporation	Shareholding percentage		Consolidated		Separate	
					financial statements		financial statements	
					Carrying amounts		Carrying amounts	
					based on equity method		based on cost method	
			2022	2021	2022	2021	2022	2021
			(%)	(%)				
Sammakorn Plc.	Real estate							
	development	Thailand	48.25	48.25	1,247,939	1,208,181	785,802	785,802
Total					1,247,939	1,208,181	785,802	785,802

### 18.2 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.

(Unit: Thousand Baht)

Company's name	Consolidated financial statements				Separate financial statements	
	Share of profit from investment in associate		Share of other comprehensive income from investment in associate		Dividend received	
	during the years		associate during the years		during the years	
	2022	2021	2022	2021	2022	2021
Sammakorn Plc.	54,330	20,335	(2,184)	7,051	12,388	9,291
Total	54,330	20,335	(2,184)	7,051	12,388	9,291

### 18.3 Fair value of investment in listed associate

As at 31 December 2022, fair value of investment in Sammakorn Plc., an associate that is listed company on the Stock Exchange of Thailand, was Baht 440 million (2021: Baht 585 million).

#### 18.4 Summarised financial information about material associate

Summarised information about financial position of Sammakorn Plc. as at 31 December 2022 and 2021.

	(Unit: Million Baht)	
	2022	2021
Current assets	2,751	1,906
Non-current assets	2,997	3,826
Current liabilities	(1,667)	(647)
Non-current liabilities	(1,422)	(2,544)
<b>Net assets</b>	<b>2,659</b>	<b>2,541</b>
Shareholding percentage	48.25%	48.25%
<b>Share of net assets</b>	<b>1,283</b>	<b>1,226</b>
Eliminations	(35)	(18)
<b>Carrying amounts of associate based on equity method</b>	<b>1,248</b>	<b>1,208</b>

Summarised information about comprehensive income of Sammakorn Plc. for the year ended 31 December 2022 and 2021.

	(Unit: Million Baht)	
	2022	2021
Revenue	2,404	1,442
Profit for the year	113	35
Other comprehensive income	(5)	15
Total comprehensive income	108	50

## 19. Investments in subsidiaries

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

Company	Paid-up capital		Shareholding percentage		Cost		Dividend received during the years	
	2022	2021	2022	2021	2022	2021	2022	2021
			%	%				
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	14,000	-
RPC Management Co., Ltd. *	125	500	100	100	581	956	-	-
RPCG-JV 1 Co., Ltd.	-	300,000	-	100	-	300,000	1,320	-
Onward Venture Co., Ltd. **	10,000	10,000	100	100	10,000	10,000	-	-
Total investments in subsidiaries					430,580	730,955	15,320	-
Less: Allowance for impairment					(116,679)	(104,189)		
Investments in subsidiaries - net					313,901	626,766		

\* Business suspended.

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

During the year 2022, the Company set up allowance for impairment of investments in subsidiaries amounting to Baht 12.5 million (2021: Baht 4.4 million).

### 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 Co., Ltd.", 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 Co., Ltd. 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 Co., Ltd. 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 Co., Ltd. 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.

On 21 February 2022, the Annual General Meeting of the Shareholders of RPCG-JV 1 Co., Ltd. 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 Co., Ltd. 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.

**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 Co., Ltd.", 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 Co., Ltd. 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 Co., Ltd. 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 Co., Ltd. registered the share capital increase with the Ministry of Commerce on 23 June 2021.

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 Co., Ltd. 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 Co., Ltd. to 2 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%.

**Onward Move Co., Ltd. (held by Onward Venture Co., Ltd.)**

On 11 November 2022, the Board of Directors Meeting of the Company passed a resolution approving the incorporation of a new company named "Onward Move Co., Ltd.". This company is engaged in the general service business and has a registered share capital of Baht 1 million (10,000 ordinary shares at a par value of Baht 100 each). Later, on 8 December 2022, the Board of Directors Meeting of Onward Venture Co., Ltd. passed a resolution to invest 100% of the shares in Onward Move Co., Ltd. (9,997 ordinary shares at a par value of Baht 100 each) and made a payment for such shares on 13 December 2022. Onward Move Co., Ltd. registered its establishment with the Ministry of Commerce on 15 December 2022.

**20. Investment properties**

The net book value of investment properties as at 31 December 2022 and 2021 is presented below.

				(Unit: Thousand Baht)	
	Consolidated financial statements			Separate	
				financial statements	
	Land	Right-of-use		Land	
	for rent	assets for	Total	for rent	Total
<b>As at 31 December 2022:</b>					
Cost	146,936	38,038	184,974	146,936	146,936
Less: Accumulated depreciation	-	(7,609)	(7,609)	-	-
Net book value	146,936	30,429	177,365	146,936	146,936
<b>As at 31 December 2021 (restated):</b>					
Cost	146,936	44,260	191,196	146,936	146,936
Less: Accumulated depreciation	-	(5,152)	(5,152)	-	-
Net book value	146,936	39,108	186,044	146,936	146,936



A reconciliation of the net book value of investment properties for the years 2022 and 2021 is presented below.

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
		(restated)		
Net book value at beginning of year	186,044	146,936	146,936	146,936
Additions	-	6,396	-	-
Transfers	(6,213)	35,340	-	-
Depreciation charged	(2,466)	(2,628)	-	-
Net book value at end of year	177,365	186,044	146,936	146,936

The additional information of the investment properties as at 31 December 2022 and 2021 stated below.

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
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	51,398	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.

## 21. Property, plant and equipment

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Operating assets	654,502	623,391	22,848	17,462
Ceased using assets	979,553	986,434	588,262	595,143
Total property, plant and equipment	1,634,055	1,609,825	611,110	612,605
Less: Allowance for impairment on ceased using assets	(461,065)	(453,642)	(231,204)	(234,748)
Property, plant and equipment - net	1,172,990	1,156,183	379,906	377,857

(Unit: Thousand Baht)

## Consolidated financial statements

	Revaluation basis	Cost basis						Total
	Land	Office buildings and office building improvements	Gas station equipment	Power generation equipment	Office furniture, fixture and equipment	Motor vehicles	Construction in progress	
<b>Operating assets</b>								
<b>Cost/revalued amount</b>								
1 January 2021	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
Additions	-	-	118	-	756	-	100,627	101,501
Disposals/write-off	-	(118)	(247)	-	(887)	(6,548)	-	(7,800)
Transfers	-	47,704	8,366	19,000	10,134	-	(85,204)	-
31 December 2022	7,350	658,688	146,494	19,000	149,842	11,577	45,837	1,038,788
<b>Accumulated depreciation</b>								
1 January 2021	-	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
Depreciation for the year	-	38,733	16,186	317	14,468	646	-	70,350
Depreciation on disposals/write-off	-	(118)	(245)	-	(849)	(6,548)	-	(7,760)
31 December 2022	-	225,854	63,775	317	84,710	9,630	-	384,286
<b>Net book value</b>								
31 December 2021	7,350	423,863	90,423	-	68,748	2,593	30,414	623,391
31 December 2022	7,350	432,834	82,719	18,683	65,132	1,947	45,837	654,502
<b>Depreciation for the years</b>								
2021 (included in administrative expenses)								62,190
2022 (included in administrative expenses)								70,350

(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 2021	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
Write-off	-	-	(34,400)	(34,400)
31 December 2022	413,929	175,768	1,456,821	2,046,518
<b>Accumulated depreciation</b>				
1 January 2021	-	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
Depreciation on write-off	-	-	(27,519)	(27,519)
31 December 2022	-	114,444	952,521	1,066,965
<b>Allowance for impairment loss</b>				
1 January 2021	-	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
Increase during the year	-	952	12,252	13,204
Reversal of impairment due to write-off	-	-	(5,781)	(5,781)
31 December 2022	-	47,217	413,848	461,065
<b>Net book value</b>				
31 December 2021	413,929	15,059	103,804	532,792
31 December 2022	413,929	14,107	90,452	518,488
<b>Depreciation for the years</b>				
2021 (included in administrative expenses)				8,101
2022 (included in administrative expenses)				-

(Unit: Thousand Baht)

	Separate financial statements					
	Cost basis					
	Office buildings and office building improvements	Power generation equipment	Office furniture, fixture and equipment	Motor vehicles	Construction in progress	Total
<b>Operating assets</b>						
<b>Cost</b>						
1 January 2021	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
Additions	-	-	-	-	6,650	6,650
Disposals	-	-	-	(800)	-	(800)
Transfers	-	19,000	-	-	(19,000)	-
31 December 2022	8,679	19,000	17,158	4,446	-	49,283
<b>Accumulated depreciation</b>						
1 January 2021	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
Depreciation for the year	299	317	48	600	-	1,264
Depreciation on disposals	-	-	-	(800)	-	(800)
31 December 2022	5,494	317	17,091	3,533	-	26,435
<b>Net book value</b>						
31 December 2021	3,484	-	115	1,513	12,350	17,462
31 December 2022	3,185	18,683	67	913	-	22,848
<b>Depreciation for the years</b>						
2021 (included in administrative expenses)						972
2022 (included in administrative expenses)						1,264

(Unit: Thousand Baht)

	Separate financial statements			
	Revaluation basis			
	Factory buildings and factory building		Machinery and factory equipment	Total
	Land	improvements		
<b>Ceased using assets</b>				
<b>Revalued amount</b>				
1 January 2021	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
Write-off	-	-	(34,400)	(34,400)
31 December 2022	316,861	108,094	915,691	1,340,646
<b>Accumulated depreciation</b>				
1 January 2021	-	80,140	698,376	778,516
Depreciation for the year	-	361	1,026	1,387
31 December 2021	-	80,501	699,402	779,903
Depreciation on write-off	-	-	(27,519)	(27,519)
31 December 2022	-	80,501	671,883	752,384
<b>Allowance for impairment loss</b>				
1 January 2021	-	18,482	222,516	240,998
Decrease during the year	-	-	(6,250)	(6,250)
31 December 2021	-	18,482	216,266	234,748
Increase during the year	-	-	2,237	2,237
Reversal of impairment due to write-off	-	-	(5,781)	(5,781)
31 December 2022	-	18,482	212,722	231,204
<b>Net book value</b>				
31 December 2021	316,861	9,111	34,423	360,395
31 December 2022	316,861	9,111	31,086	357,058
<b>Depreciation for the years</b>				
2021 (included in administrative expenses)				1,387
2022 (included in administrative expenses)				-

In January 2023, 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 as at 31 December 2022 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 appraised value of land was equal to the net book value per the previous revaluation conducted in 2021.

In addition, the appraised values of the buildings and equipment were Baht 13.2 million (separate financial statements: Baht 2.2 million) lower than their net book value as presented in the consolidated financial statements. The Group therefore recognised the loss on impairment of assets in full amount in the income statement.

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 2022 and 2021 would have been as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Land	141,286	141,286	105,770	105,770
Factory buildings and improvements	14,107	15,059	9,111	9,111
Machinery and factory equipment	90,452	103,804	31,086	34,423

Pure Biodiesel Co., Ltd. has mortgaged land, buildings, machinery and oil depots with a total book value as at 31 December 2022 of Baht 104 million (2021: Baht 105 million), as collateral to secure short-term loans received from the Company, as discussed in Note 10 to the consolidated financial statements.

As at 31 December 2022, 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 172 million (2021: Baht 162 million) in the consolidated financial statements (separate financial statements: Baht 20 million, 2021: Baht 20 million).

## 22. Intangible assets

(Unit: Thousand Baht)

	Consolidated financial statements		
	Computer software under installation	Computer software	Total
<b>Cost</b>			
1 January 2021	2,509	28,791	31,300
Additions	1,423	806	2,229
Transfers	(3,932)	3,932	-
31 December 2021	-	33,529	33,529
Additions	13,447	482	13,929
Write-off	-	(76)	(76)
31 December 2022	13,447	33,935	47,382
<b>Accumulated amortisation</b>			
1 January 2021	-	25,526	25,526
Amortisation for the year	-	624	624
31 December 2021	-	26,150	26,150
Amortisation for the year	-	916	916
Amortisation on write-off	-	(76)	(76)
31 December 2022	-	26,990	26,990
<b>Net book value</b>			
31 December 2021	-	7,379	7,379
31 December 2022	13,447	6,945	20,392
<b>Amortisation for the years</b>			
2021 (included in administrative expenses)			624
2022 (included in administrative expenses)			916

(Unit: Thousand Baht)

	Separate financial statements		
	Computer software	Computer software	Total
	under installation	software	
<b>Cost</b>			
1 January 2021	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
Additions	3,435	-	3,435
31 December 2022	3,435	19,738	23,173
<b>Accumulated amortisation</b>			
1 January 2021	-	19,738	19,738
31 December 2021	-	19,738	19,738
31 December 2022	-	19,738	19,738
<b>Net book value</b>			
31 December 2021	-	-	-
31 December 2022	3,435	-	3,435
<b>Amortisation for the years</b>			
2021 (included in administrative expenses)			-
2022 (included in administrative expenses)			-

As at 31 December 2022 and 2021, 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).

### 23. Other non-current assets

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Value added tax refundable	-	9,365	-	9,365
Withholding tax awaiting refund	9,807	9,005	7,946	7,915
Deposits	4,468	4,061	1,203	1,203
Total	14,275	22,431	9,149	18,483



**24. Trade and other payables**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Trade payables - unrelated parties	506,926	373,004	-	-
Other payables - related parties	3,088	3,885	2,755	2,498
Other payables - unrelated parties	29,294	14,559	1,433	1,506
Accrued expenses	50,250	34,917	1,187	8,479
Retention payables	3,083	3,276	-	-
Total	592,641	429,641	5,375	12,483

**25. Short-term loans from unrelated parties**

As at 31 December 2022, these represented promissory notes which the subsidiary issued to individuals. The loans carried interest at the rate of 0.15% per annum (2021: 0.26% per annum) and are due within one year.

**26. Advances received for renovation of gasoline stations**

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	2022	2021
Advances received for renovation of gasoline stations at beginning of year	475,099	466,960
Increase during the year	37,247	56,433
Less: Amortisation for the year	(52,286)	(48,294)
Advances received for renovation of gasoline stations at end of year	460,060	475,099
Less: Current portion	(52,676)	(49,928)
Advances received for renovation of gasoline stations, net of current portion	407,384	425,171

**27. Other current liabilities**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Advances received from customers	8,681	9,626	-	-
Others	5,716	4,487	297	647
Total	14,397	14,113	297	647

## 28. Leases

### 28.1 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 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Buildings and		Motor vehicles	Total
	Land and land improvement	building improvement		
31 December 2020 - As previously reported	566,040	1,760	1,392	569,192
Cumulative effect of the adjustment of consolidated financial statement (Note 4)	30,982	-	-	30,982
31 December 2020 - As restated	597,022	1,760	1,392	600,174
Additions	40,306	7,873	6,531	54,710
Write-off	-	(587)	-	(587)
Transfer to investment properties - restated	(35,340)	-	-	(35,340)
Adjustment due to lease modification	411	-	-	411
Depreciation for the year - restated	(43,195)	(1,779)	(1,019)	(45,993)
31 December 2021 - As restated	559,204	7,267	6,904	573,375
Additions	44,821	-	-	44,821
Transfer from investment properties	-	6,213	-	6,213
Adjustment due to lease modification	(86)	-	-	(86)
Depreciation for the year	(43,738)	(2,052)	(1,580)	(47,370)
31 December 2022	560,201	11,428	5,324	576,953

	(Unit: Thousand Baht)
	Separate financial statements
	Land and land improvement
1 January 2021	-
Additions	3,325
Depreciation for the year	(1,250)
31 December 2021	2,075
Adjustment due to lease modification	(109)
Depreciation for the year	(1,046)
31 December 2022	920

The movements of right-of-use assets exclude the right-of-use assets which are classified as investment properties which are presented in Note 20 to the consolidated financial statements.

**b) Lease liabilities**

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Lease payments	828,457	822,650	1,053	2,203
Less: Deferred interest expenses	(305,708)	(313,131)	(6)	(13)
Total	522,749	509,519	1,047	2,190
Less: Portion due within one year	(27,843)	(25,031)	(1,047)	(1,138)
Lease liabilities - net of current portion	494,906	484,488	-	1,052

Movements of the lease liability account during the years ended 31 December 2022 and 2021 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Balance at beginning of year	509,519	478,482	2,190	-
Additions	36,576	54,426	-	3,325
Accretion of interest	33,490	32,060	12	40
Repayments	(56,750)	(55,666)	(1,046)	(1,175)
Adjustment due to lease modification	(86)	217	(109)	-
Balance at end of year	522,749	509,519	1,047	2,190

A maturity analysis of lease payments is disclosed in Note 44.1 to the consolidated 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	
	2022	2021	2022	2021
		(restated)		
Depreciation expense of				
right-of-use assets	49,836	48,621	1,046	1,250
Interest expense on lease liabilities	33,490	32,060	12	40
Expense relating to short-term or				
low-value assets leases	3,091	2,416	428	447
Expense relating to variable lease				
payments that do not depend on an				
index or a rate	10,715	10,585	-	-

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 2022 of Baht 72.9 million (2021: Baht 68.7 million) (separate financial statements: Baht 1.5 million, 2021: Baht 1.6 million), 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.

**28.2 Group as a lessor**

The Group has entered into operating leases for its investment properties portfolio consisting of land and buildings (see Note 20 to consolidated 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 2022 and 2021 as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Within 1 year	4,755	7,627	646	2,902
Over 1 and up to 5 years	3,589	14,146	1,069	11,555
Total	8,344	21,773	1,715	14,457

During 2022, the Group has rental income and sub-lease income amounting to Baht 15.1 million (2021: Baht 13.0 million) (separate financial statements: Baht 0.6 million, 2021: Baht 3.0 million).

## 29. Provision for long-term employee benefits

Provision for long-term employee benefits as at 31 December 2022 and 2021, which represents compensation payable to employees after they retire from the company, was as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Provisions for long-term employee benefits at beginning of year	20,425	18,309	4,243	3,746
Included in profit or loss:				
Current service cost	1,830	1,856	456	449
Interest cost	310	280	54	48
Reversal of provision for long-term employee benefits	(2,823)	-	(212)	-
Benefits paid during the year	(41)	(20)	-	-
Provisions for long-term employee benefits at end of year	19,701	20,425	4,541	4,243

The Group expects to pay Baht 0.9 million (2021: Baht 0.9 million) (separate financial statements: nil, 2021: nil) of long-term employee benefits during the next year.

As at 31 December 2022, the weighted average duration of the liabilities for long-term employee benefit is approximately 1 - 13 years (2021: 2 - 14 years) (separate financial statements: 6 years, 2021: 7 years).

Key actuarial assumptions used for the valuation are as follows.

(Unit: % per annum)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
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 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

	As at 31 December 2022			
	Consolidated		Separate	
	financial statements		financial statements	
	Rate	Rate	Rate	Rate
	increase	decrease	increase	decrease
Increase or decrease 0.5%				
in discount rate	(944)	1,008	(129)	135
Increase or decrease 1%				
in future salary increase rate	2,318	(2,046)	327	(303)

(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)

### 30. Statutory reserve

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.

During the year 2022, the Company set aside a statutory reserve amounting to Baht 35.3 million (2021: nil).

### 31. Revaluation surplus

This outstanding balance represents surplus arising from revaluation of land. Movements in the revaluation surplus account, net of income tax, during the years ended 31 December 2022 and 2021 are summarised below.

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2022	2021	2022	2021
Balance - beginning of year	223,996	206,316	168,873	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>223,996</u>	<u>168,873</u>	<u>168,873</u>

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

### 32. Other income

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2022	2021	2022	2021
Management fee income	-	-	1,800	-
Rental income	15,266	13,347	582	3,034
Other income	15,571	3,962	16,049	3,795
Total	<u>30,837</u>	<u>17,309</u>	<u>18,431</u>	<u>6,829</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.

### 33. Finance cost

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Interest expenses on borrowings	1,062	1,060	205	1,333
Interest expenses on lease liabilities	33,490	32,060	12	40
Total	34,552	33,120	217	1,373

### 34. Expenses by nature

Significant expenses classified by nature are as follows.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	(restated)			
Salaries, wages and other employee benefits	189,043	168,853	16,223	23,127
Long-term employee benefits (reversal)	(724)	2,116	298	498
Depreciation and amortisation	121,104	119,536	2,309	3,609
Changes in finished goods	(31,083)	(2,464)	-	-
Cost of merchandise inventories and services	7,430,981	5,151,486	-	-
Loss on impairment of buildings and equipment (reversal)	7,423	(10,362)	(3,544)	(6,250)
Loss on impairment of investments in subsidiaries	-	-	12,490	4,428
Bad debts and doubtful debts	443	2,304	-	2,450



### 35. Income tax

Income tax expense for the years ended 31 December 2022 and 2021 are made up as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
	(restated)			
<b>Current income tax:</b>				
Current income tax charge	13,935	167,375	-	164,143
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(3,616)	(998)	-	-
<b>Income tax expense reported in the income statement</b>	<b>10,319</b>	<b>166,377</b>	<b>-</b>	<b>164,143</b>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2022 and 2021 are as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
Deferred tax on gain from revaluation of land	-	4,420	-	3,400
<b>Total</b>	<b>-</b>	<b>4,420</b>	<b>-</b>	<b>3,400</b>

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
	(restated)			
Accounting profit (loss) before tax				
From continuing operation	74,311	885,804	(8,366)	866,182
From discontinued operation	-	4,863	-	4,863
Total accounting profit (loss) before tax	74,311	890,667	(8,366)	871,045
Applicable tax rate	20%	20%	20%	20%
Accounting profit (loss) before tax multiplied by income tax rate	14,862	178,134	(1,673)	174,209
Utilisation of previously unrecognised deferred tax assets on temporary differences	-	(9,841)	-	(9,841)
Deferred tax assets which were not recognised during the year as future taxable profits may not be sufficient	10,670	9,039	926	(403)
Effects of non-deductible expenses				
- Allowance for impairment on investments in subsidiaries	-	-	2,498	886
- Other non-deductible expenses	(3,247)	(6,882)	1,454	(477)
Effects of:				
- Income not subject to tax	(5,875)	(2,955)	(5,503)	(2,518)
- Write-off bad debt	-	(1,457)	-	-
- Others	2,595	1,480	2,298	2,287
Effect of elimination entries on the consolidated financial statements	(8,686)	(1,141)	-	-
Income tax expense reported in the income statement	10,319	166,377	-	164,143

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
	2022	2021	2022	2021
		(restated)		
<b>Deferred tax assets</b>				
Allowance for expected credit losses	686	633	-	-
Allowance for diminution in value of inventories	198	185	-	-
Provision for long-term employee benefits	3,032	3,236	-	-
Unused tax loss	77	195	-	-
Lease	9,224	6,493	-	-
Others	4,217	3,076	-	-
<b>Total</b>	<b>17,434</b>	<b>13,818</b>	<b>-</b>	<b>-</b>
<b>Deferred tax liabilities</b>				
Revaluation surplus on land	55,999	55,999	42,218	42,218
<b>Total</b>	<b>55,999</b>	<b>55,999</b>	<b>42,218</b>	<b>42,218</b>

As at 31 December 2022, the Group has deductible temporary differences and unused tax losses totaling Baht 1,046 million (2021: Baht 913 million) per the consolidated financial statements and Baht 698 million (2021: Baht 685 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 185 million per the consolidated financial statements (separate financial statements: nil) will expire by 2027.

### 36. 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 2022 and 2021, the Company has no income from such business.

### 37. Discontinued operation

Profit (loss) from discontinued operations for the years ended 31 December 2022 and 2021 are presented below.

(Unit: Thousand Baht)		
Consolidated / Separate		
financial statements		
	2022	2021
<b>Revenues</b>	-	-
<b>Expenses</b>		
Administrative expenses	-	1,387
Reversal of loss on impairment of buildings and equipment	-	(6,250)
<b>Total expenses</b>	-	(4,863)
<b>Profit for the year from discontinued operation</b>	-	4,863

The net cash flows incurred by discontinued operation for 2022 and 2021 are as follows.

(Unit: Thousand Baht)		
Consolidated / Separate		
financial statements		
	2022	2021
Operating activities	-	-
Investing activities	-	-
Financing activities	-	-
<b>Net cash flows from discontinued operation</b>	-	-

### 38. 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.

### **39. 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 2022 and 2021, 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 2022 and 2021.

(Unit: Million Baht)

	For the years ended 31 December							
	Energy segment		Real estate segment		Adjustments and eliminations		Consolidated financial statements	
	2022	2021	2022	2021	2022	2021	2022	2021
	(restated)						(restated)	
Revenues								
Sales and service income from external customers	7,822	5,480	-	-	-	-	7,822	5,480
Interest income	4	10	-	-	-	-	4	10
Other income	31	17	-	-	-	-	31	17
Income from compensation for damages according to the court judgements	-	900	-	-	-	-	-	900
Total revenues	7,857	6,407	-	-	-	-	7,857	6,407
Expenses								
Cost of sales and services	7,400	5,149	-	-	-	-	7,400	5,149
Depreciation and amortisation	121	120	-	-	-	-	121	120
Selling and distribution expenses	109	94	-	-	-	-	109	94
Administrative expenses	167	150	-	-	-	-	167	150
Loss on impairment of buildings and equipment (reversal)	7	(4)	-	-	-	-	7	(4)
Total expenses	7,804	5,509	-	-	-	-	7,804	5,509
Profit from operating activities	53	898	-	-	-	-	53	898
Share of profit from investments in joint venture and associate	-	-	56	20	-	-	56	20
Finance cost	(35)	(33)	-	-	-	-	(35)	(33)
Profit before income tax	18	865	56	20	-	-	74	885
Tax income expense	(10)	(166)	-	-	-	-	(10)	(166)
Profit for the year from continuing operation	8	699	56	20	-	-	64	719
Profit for the year from discontinued operation	-	5	-	-	-	-	-	5
Profit for the year	8	704	56	20	-	-	64	724

#### 40. 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 2022 amounting to Baht 3.5 million (2021: Baht 3.3 million) were recognised as expenses (separate financial statements: Baht 0.7 million, 2021: Baht 0.7 million).

#### 41. Dividend

Dividends	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 year 2021, the Company has not declared a dividend payment.

#### 42. Commitments and contingent liabilities

##### 42.1 Capital commitments

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Constructions of gas stations agreements	15	6	-	-
Solar roof power generation system agreement	-	7	-	7
Installation of computer software agreement	-	2	-	2

## 42.2 Guarantees

- a) As at 31 December 2022 and 2021, 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	
	2022	2021	2022	2021
Letter of trade creditor guarantee	180	180	-	-
Letter of electricity use guarantee	2	2	-	-

- b) As at 31 December 2022 and 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.

## 42.3 Long-term purchase and sale commitments

As at 31 December 2022, 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 77 gasoline stations (2021: 74 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.

## 42.4 Litigation

- a) In 2021, the Company filed a lawsuit against an unrelated company due to its refusal to pay rent. Currently, the case is in the process of the examining of witnesses by the Civil Court. 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. Currently, the case is in the process of the examining of witnesses by the Civil Court. The Company's management, based on the opinion of legal counsel, believes that this case will not result in any damage to the Company since plaintiff's allegations in the indictment lack sufficient grounds to prevail in the court. For this reason, the Company has not recorded a provision for the contingent liability in its accounts.



- b) 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 filed 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.

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

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

#### 43. Fair value hierarchy

As at 31 December 2022 and 2021, 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					
	As at 31 December 2022			As at 31 December 2021		
	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	300	-	300	252	-	252
Property, plant and equipment	526	-	526	540	-	540
<b>Assets for which fair value is disclosed</b>						
Investment properties	147	51	198	153	64	217

(Unit: Million Baht)

	Separate financial statements					
	As at 31 December 2022			As at 31 December 2021		
	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	300	-	300	252	-	252
Property, plant and equipment	357	-	357	360	-	360
<b>Assets for which fair value is disclosed</b>						
Investment properties	147	-	147	147	-	147

#### 44. Financial instruments

##### 44.1 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 2022 and 2021, 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 2022							
	Fixed interest rates			Floating		Total	Effective interest rate (% p.a.)
	Within 1 year	1 - 5 years	Over 5 years	interest rate	Non-interest bearing		
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	236	33	269	0.13 - 0.50
Other current financial assets	-	-	-	-	300	300	-
Trade and other receivables	-	-	-	-	33	33	-
Short-term loans to related party	39	-	-	-	-	39	3.50
Short-term loans to unrelated party	12	-	-	-	-	12	15.00
Pledged deposits at banks	127	-	-	-	-	127	0.13 - 0.30
	<u>178</u>	<u>-</u>	<u>-</u>	<u>236</u>	<u>366</u>	<u>780</u>	
<b>Financial liabilities</b>							
Trade and other payables	-	-	-	-	593	593	-
Lease liabilities	28	132	363	-	-	523	1.15 - 6.88
	<u>28</u>	<u>132</u>	<u>363</u>	<u>-</u>	<u>593</u>	<u>1,116</u>	

(Unit: Million Baht)

## Consolidated financial statements as at 31 December 2021

	Fixed interest rates			Floating		Total	Effective interest rate (% p.a.)
	Within 1 year	1 - 5 years	Over 5 years	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>-</u>	<u>180</u>	<u>301</u>	<u>774</u>	
<b>Financial liabilities</b>							
Trade and other payables	-	-	-	-	430	430	-
Lease liabilities	25	122	363	-	-	510	1.20 - 6.88
	<u>25</u>	<u>122</u>	<u>363</u>	<u>-</u>	<u>430</u>	<u>940</u>	

(Unit: Million Baht)

## Separate financial statements as at 31 December 2022

	Fixed interest rates			Floating		Total	Effective interest rate (% p.a.)
	Within 1 year	1 - 5 years	Over 5 years	interest rate	Non-interest bearing		
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	6	4	10	0.20 - 0.35
Other current financial assets	-	-	-	-	300	300	-
Trade and other receivables	-	-	-	-	6	6	-
Short-term loans to related party	39	-	-	-	-	39	3.50
Pledged deposits at banks	49	-	-	-	-	49	0.15 - 0.30
	<u>88</u>	<u>-</u>	<u>-</u>	<u>6</u>	<u>310</u>	<u>404</u>	
<b>Financial liabilities</b>							
Trade and other payables	-	-	-	-	5	5	-
Lease liabilities	1	-	-	-	-	1	1.15
	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5</u>	<u>6</u>	

(Unit: Million Baht)

## Separate financial statements as at 31 December 2021

	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	-	-	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	<u>1</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>2</u>	1.20
	<u>301</u>	<u>1</u>	<u>-</u>	<u>12</u>	<u>314</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 2022 and 2021 based on contractual undiscounted cash flows:

(Unit: thousand Baht)

## Consolidated financial statements as at 31 December 2022

	Less than		Over		Total
	On demand	1 year	1 - 5 years	5 years	
Trade and other payables	-	592,641	-	-	592,641
Lease liabilities	-	60,433	242,480	525,545	828,458
Total	<u>-</u>	<u>653,074</u>	<u>242,480</u>	<u>525,545</u>	<u>1,421,099</u>



(Unit: thousand Baht)

Consolidated financial statements as at 31 December 2021

	Less than			Over	Total
	On demand	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)

Separate financial statements as at 31 December 2022

	Less than			Over	Total
	On demand	1 year	1 - 5 years	5 years	
Trade and other payables	-	5,375	-	-	5,375
Lease liabilities	-	1,053	-	-	1,053
Total	-	6,428	-	-	6,428

(Unit: thousand Baht)

Separate financial statements as at 31 December 2021

	Less than			Over	Total
	On demand	1 year	1 - 5 years	5 years	
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

#### 44.2 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.



- b) 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.

#### **45. 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 2022, the Group's debt-to-equity ratio was 0.68:1 (2021: 0.60:1) and the Company's was 0.03:1 (2021: 0.17:1).

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

- a) On 15 February 2023, the Board of Directors Meeting of Pure Thai Energy Co., Ltd. passed a resolution approving payment of interim dividend to its shareholders of Baht 15 per share, with the Company to receive Baht 21.0 million. The Company expects the interim dividend to be received on 28 February 2023.
- b) On 21 February 2023, the Board of Directors Meeting of Sammakorn Plc. resolved to propose to the Annual General Meeting of the Shareholders, held in April 2023, that a dividend payment to its shareholders of Baht 0.10 per share, with the Company to receive Baht 31.0 million.

#### **47. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 24 February 2023.

## Details of Directors, Executives, Controlling Persons and Company Secretary

Attachment 1

As of December 31, 2022

Name-Surname Position	Education / Training	Shareholding in the Company (%) <sup>(1)</sup>	Relationship	Working Experience		
				During	Position	Company
1) Mr. Satja Janetumnugul Age 68 years ▪ Chairman of the Board (Authorized Signature)	- B.Engineering, King Mongkut's University of Technology Thonburi  Thai Institute of Directors Association (IOD)  - DAP: Directors Accreditation Program 20/2004	22,734,592 shares / 1.74%	-	Listed company :		2 Companies
				1995-Present	Director / Chairman of the Board	RPCG Public Company Limited
				2012-Present	Director	Sammakorn Public Company Limited
				Holding a position of Director in related company		-None-
				Non listed company :		6 Companies
				2022-Present	Director	Onward Move Co., Ltd.
				2021-Present	Director	Onward Venger Co., Ltd.
				2001-Present	Director	Pure Thai Energy Co., Ltd.
				2001-Present	Director	RPC Management Co., Ltd.
				2012-Present	Director	SCT Sahaphan Co, Ltd.
				1998-Present	Chairman of the Board	Petro-Instruments Corp.,Ltd.
				Dec.2020-2021	Director	RPCG -JV1 Co., Ltd.
				2012-2020	Director	Super Pure Gas Co., Ltd.
				2015-2019	Director	Thai Public Port Co., Ltd.
2007-2009,2014	Director	Pure Biodiesel Co., Ltd.				
2006-2010	Director	Pure Sammakorn Development Co., Ltd.				

Name-Surname Position	Education / Training	Shareholding in the Company (%) <sup>(1)</sup>	Relationship	Working Experience		
				During	Position	Company
2) Mr.Supapong Krishnakan Age 66 years ▪ Director ( Authorized Signature)	- M.S.in Chemical Engineering & Process Control Computer University of California, Davis, California, USA - M.S.c. Economics / Advance Engineering & Economics California State Polytechnic University, Pomona, California, USA - B.S. in Chemical Engineering, Chulalongkorn University, Bangkok, Thailand <b>Thai Institute of Directors Association (IOD)</b> - DAP: Directors Accreditation Program 15/2004	1,791,092 shares / 0.14%	-	Listed company :		1 Company
				1995-Present	Director	RPCG Public Company Limited
				Holding a position of Director in related company		-None-
				Non listed company :		8 Companies
				2008-Present	Director	RPC Management Co., Ltd.
				2017-Present	Director	Pure Biodiesel Co., Ltd.
				1988-Present	Director	Honest and Efficient Co. ,Ltd.
				2002-Present	Director	Humankind Co., Ltd.
				2005-Present	Director	ALT Energy Co., Ltd.
				2002-Present	Director	Steel Shield (Thailand) Co., Ltd.
				2000-Present	Director	Jazzy Creation Co., Ltd.
				2003-Present	Director	Logistics Network Co., Ltd.
				Dec.2020-2021	Director	RPCG-JV 1 Co., Ltd.
				2014-2015	Director	Thai Public Port Co., Ltd.
				2006-2014	Director	Pure Sammakorn Development Co., Ltd.
				2012-2014	Director	SCT Sahaphan Co, Ltd.
				2008-2013	Director	Pure Thai Energy Co., Ltd.

Name-Surname Position	Education / Training	Shareholding in the Company (%) <sup>(1)</sup>	Relationship	Working Experience		
				During	Position	Company
3) Mr.Tawat Ungsuprasert Age 76 years ▪ Director (Authorized Signature)	- B.Sc. (Chemistry), Chulalongkorn University  Thai Institute of Directors Association (IOD) - DAP: Directors Accreditation Program	48,539,238 shares / 3.72%	-	Listed company :		2 Companies
				2020-Present	Director	RPCG Public Company Limited
				2013-Present	Director	Sammakorn Public Company Limited
				Holding a position of Director in related company		-None-
				Non listed company :		1 Company
				2021-Present	Director	Onward Venger Co., Ltd.
				Dec.2020-2021	Director	RPCG-JV1 Co., Ltd.
				1999-2013	Director	RPCG Public Company Limited (formerly:Rayong Purifier PLC.)
4) Mr.Suthud Khancharoensuk Age 64 years ▪ Director ▪ Member of the Nomination and Remuneration Committee (Authorized Signature)	- MBA : Thammasat University - B.Sc., Chulalongkorn University  Thai Institute of Directors Association (IOD) - DAP: Directors Accreditation Program15/2004 - Board Performance Evaluation 2/2007	10,833,356 shares / 0.83%	Mr.Satja Jantumnugul's brother-in- law	Listed company :		2 Companies
				1996-Present	Director / Member of Nomination & Remuneration Committee	RPCG Public Company Limited
				2013-Present	Independent Director / Member of Audit Committee	LEASE IT Public Company Limited
				Holding a position of Director in related company		-None-
				Non listed company :		1 Company
				1991-Present	Director	Petro-Instruments Corp.Ltd.
				Dec.2020-2021	Director	RPCG-JV1 Co., Ltd.
				2007-2014	Director	Pure Thai Energy Co., Ltd.
				2012-2014	Director	Pure Biodiesel Co., Ltd
				2012-2014	Director	RPC Management Co., Ltd.
				2012-2014	Director	SCT Sahaphan Co, Ltd.,

Name-Surname Position	Education / Training	Shareholding in the Company (%) <sup>(1)</sup>	Relationship	Working Experience		
				During	Position	Company
5) Mr.Prasit Dheeraratbongkot Age 67 years <ul style="list-style-type: none"> <li>Independent Director</li> <li>Chairman of the Audit Committee</li> <li>Chairman of the Nomination and Remuneration Committee</li> </ul>	- B.ENG (EE) Chulalongkorn University  <b>Thai Institute of Directors Association (IOD)</b> - DCP: Director Certification Program (DCP62)	-	-	Listed company :		2 Companies
				2015-Present	Independent Director / Chairman of the Audit Committee / Chairman of the Nomination & Remuneration Committee	RPCG Public Company Limited
				2008-Present	Director /Member of Audit Committee	Karmarts Public Company Limited
				Holding a position of Director in related company		-None-
				Non listed company :		2 Companies
				2021-Present	Director/Member of Audit Committee	Equator Solar Capital Co., Ltd.
				1994-Present	Managing Director	Pure Green Company Limited
6) Ms. Panicha Pongsivapai Age 52 years <ul style="list-style-type: none"> <li>Independent Director</li> <li>Member of the Audit Committee</li> <li>Member of the Nomination and Remuneration Committee</li> </ul>	- Master of Science, Finance, University of Colorado at Denver - B.B.A, Management, Faculty of Commerce and Accountancy, Chulalongkorn University  <b>Thai Institute of Directors Association (IOD)</b> - DCP: Director Certification Program 234/2017 - AACP: Advanced Audit Committee Program 26/2017 - Director Diploma Examination 58/2017 - BMD: Boards That Make a Difference 8/2018 - BNCP: Board Nomination & Compensation Program 13/2022	-	-	Listed company :		1 Company
				2016-Present	Independent Director / Member of Audit Committee / Member of Nomination & Remuneration Committee	RPCG Public Company Limited
				Holding a position of Director in related company		-None-
				Non listed company :		2 Companies
				2014-Present	Advisor to President	United Foods Public Co., Ltd.
				2018-Present	Deputy Managing Director	Inside Out Design Co., Ltd.
				Sep.2021-July2022	Independent Director /Member of Audit Committee / Member of Risk Management Committee / Chairman of the Nomination & Remuneration Committee	The Star Company Limited
				2005-2014	Senior Vice President, Investment Banking Group	Bualuang Securities Public Company Limited

Name-Surname Position	Education / Training	Shareholding in the Company (%) <sup>(1)</sup>	Relationship	Working Experience		
				During	Position	Company
7) Ms. Pordee Khanistanan Age 52 years <ul style="list-style-type: none"> <li>Independent Director</li> <li>Member of the Audit Committee</li> <li>Member of the Nomination and Remuneration Committee</li> </ul>	<ul style="list-style-type: none"> <li>Master of Engineering Management, University of technology Sydney</li> <li>Bachelor of Engineering (Chemical Engineering), Chulalongkorn University</li> </ul> <b>Thai Institute of Directors Association (IOD)</b> - DCP: Director Certification Program 315/2022	-	-	<b>Listed company :</b>		<b>1 Company</b>
				2021-Present	Independent Director / Member of Audit Committee / Member of Nomination & Remuneration Committee	RPCG Public Company Limited
				<b>Holding a position of Director in related company</b>		<b>-None-</b>
				<b>Non listed company :</b>		<b>2 Companies</b>
				2022-Present	Director	U.Charoen Estates Co., Ltd.
				2012-Present	Consultant	Royal Porcelain Plc
8) Mrs.Supanee Tanchaisrinakom Age 56 years <ul style="list-style-type: none"> <li>General Manager – Finance &amp; Administration Function</li> <li>The Company Secretary</li> </ul>	<ul style="list-style-type: none"> <li>MBA, Finance, Ramkhamhaeng University</li> <li>Bachelor of Accounting, Ramkhamhaeng University</li> </ul> <b>Thai Listed Companies Associated</b> - Fundamental Practice for Corporate Secretary (FPCS) 18/2008 - Strategic Financial Leadership Program (SFLP) : 2017 <b>Thai Institute of Directors Association (IOD)</b> - Effective Minutes Taking (EMT) 39/2017 <b>Other training in 2022 by Dharmniti</b> - PDPA for Accounting - Employee Benefits	-	-	<b>Listed company :</b>		<b>2 Companies</b>
				2012-Present	GM-Finance & Administration Function	RPCG Public Company Limited
				2014-Present	GM-Finance & Administration Function	Sammakorn Public Company Limited
				<b>Holding a position of Director in related company</b>		<b>-None-</b>
				<b>Non listed company :</b>		<b>8 Companies</b>
				2022-Present	Director	Onward Move Co., Ltd.
				2022-Present	Director	Sammakorn JV-1 Co., Ltd.
				2021-Present	Director	Onward Venger Co., Ltd.
				2021-Present	Director	Sammakorn F&B Co., Ltd.
				2018-Present	Director	Sammakorn Plus Co.,Ltd.
				2015-Present	Director	Pure Sammakorn Development Co.,Ltd.
				2014-Present	Director	RPC Management Co., Ltd.
				2016-Present	Director	Pro Cube Ventures Co., Ltd.
				2014-2020	Director	Super Pure Gas Co., Ltd..
				2015-2019	Director	Thai Public Port Co., Ltd.

Name-Surname Position	Education / Training	Shareholding in the Company (%) <sup>(1)</sup>	Relationship	Working Experience		
				During	Position	Company
9) Ms.Kallaya Klaithong Age 54 years • General Manager – Business Development Function	- Master of Engineering, Chulalongkorn University - Bachelor of Science (Chemical Engineering) Chulalongkorn University	-	-	Listed company :		1 Company
				2017-Present	GM-Business Development Function	RPCG Public Company Limited
				2016-2017	GM-Asset Management Office	
				Holding a position of Director in related company		-None-
				Non listed company :		5 Companies
				Jun.2022-Present	Director	Fondooz Services Technology Co., Ltd.
				Aug.2022-Present	Director	Global Star Technologies Co.,Ltd.
				Jun.2021-Present	Director	Petro-Instruments Corp.Ltd.
				Dec.2018-Present	Director	Pure Thai Energy Co., Ltd.
				2017-Present	Director	Pure Biodisel Co., Ltd.
				2015-2019	Director	Thai Public Port Co., Ltd.
				2008-2012	Director	RPC Management Co., Ltd.

Note:

<sup>(1)</sup> Including shareholding portion of spouse and minor child.

Details regarding Directors of Core Company Subsidiaries and Associated Companies

Name of Director	RPCG	Core Company	Subsidiaries						Associate
		1	2	3	4	5	6	7	
Mr.Satja Janetunmnugul	x,/	x,/	x,/	-	x,/	x,/	/	/,//	
Mr.Tawat Ungsuprasert	/	-	-	-	-	/	-	-	
Mr.Supapong Krisnakan	/	-	-	/	/	/	-	-	
Mr.Suthud Khancharoensuk	/	-	-	-	-	/	-	-	
Mr.Prasit Dheeraratbongkot	/	-	-	-	-	-	-	-	
Ms.Panicha Pongsivapai	/	-	-	-	-	-	-	-	
Ms.Pordee Khanistanan	/	-	-	-	-	-	-	-	
Mrs.Supannee Tunchaisrinakorn	-	-	-	-	/	/	/	-	
Ms.Kallaya Klaithong	-	/,//	-	/	-	-	-	-	

Remarks: - Meaning of the symbol: X = Chairman / = Director // = Executive Director

- List of Core Company Subsidiaries and Associated Companies:

RPCG : RPCG Public Company Limited

Core Company

1 Pure Thai Energy Co., Ltd.

Subsidiaries

2 SCT Sahaphan Co., Ltd.

3 Pure Biodiesel Co., Ltd.

4 RPC Management Co., Ltd.

5 Onward Venger Co., Ltd.

6 Onward Move Co., Ltd.

Associate

7 Sammakorn Public Company Limited



## Details of Head of Internal Audit

Internal Audit of RPCG Public Company Limited

**The Company**

- KPMG Phoomchai Business Advisory Ltd.
- Mr. Supachate Kunaluckkul
- Partner, Advisory

### Head of Internal Audit

**Name**

- Mr. Supachate Kunaluckkul

**Education, Licenses & Certifications**

- Master Degree of Accounting, Thammasat University, Thailand
- Bachelor Degree of Accounting, Srinakharinwirot University, Thailand
- Certified Internal Auditor (CIA)
- Certified Information Systems Auditor (CISA)
- Certification in Control Self-Assessment (CCSA)
- Certified Public Accountant, Thailand

### Experiences

2019 - current	• Partner - KPMG Phoomchai Business Advisory Ltd.
2015 - 2019	• Director - KPMG Phoomchai Business Advisory Ltd.
2014 - 2015	• Associate Director - KPMG Phoomchai Audit Co., Ltd.
2012 - 2014	• Manager - KPMG China, Guangzhou Office
2010 - 2012	• Manager - KPMG Phoomchai Audit Co., Ltd.
2008 - 2010	• Assistant Manager - KPMG Phoomchai Audit Co., Ltd.
2004 - 2008	• Audit Assistant - KPMG Phoomchai Audit Co., Ltd.

### Responsibility of Head of Internal Audit

- Developing the Company's Internal Audit Plan and present to Audit Committee (AC) for approval
- Conducting the internal audit execution for selected business processes in accordance with the approved Internal Audit Plan or identified by Audit Committee (AC)
- Summarize the control deficiencies and non-compliances to existing controls and procedures, and recommendations together with management responses in the report and meeting with Audit Committee (AC) on the quarterly basis.

## • Assets under Management and Asset Appraisal

### 1. Assets of the Company and its subsidiaries that used in their business operations

As of 31 December 2022, main fixed assets which the Company and its subsidiaries use to operate the business re as follows:

(Unit : Baht)

Type of assets	Ownership	Book Value	Obligation
- Areas 8:2:84 Rai, Hankha District, Chainat Province	Owner	2,997,222	None
0:2:34 Rai, Mae Ai District, Chiang Mai Province	Owner	1,752,577	None
1:4:44 Rai, Wiang Chai District, Chiang Rai	Owner	2,600,000	None
- Commercial building 3 Floors. No.19/42-43 (Hua-Hin)	Owner	3,187,417	None
- Gasoline service stations equipment	Owner	82,718,762	None
- 3 Gasoline service stations	Owner	10,306,181	None
- 69 Gasoline service stations	Rent	419,340,487	None
<b>Total</b>		<b>522,902,646</b>	

As of 31 December 2022, fixed assets which the Company and its subsidiaries have not use to operate the business are as follows:

Type of assets	Ownership	Book Value (Baht)	Obligation
<b>Land</b>			
- Areas 42 Rai, No.7/3 Pakorn Songkrohrad Road Maptaput Sub-district,Muang Rayong District, Rayong Province	Owner	411,067,569	None
- 2 Plots of land, Areas 55 5/10 Sq. Wah Hua Hin Subdistrict	Owner	2,861,074	None
<b>Building and Equipment</b>			
- 2 Building 2 Floors, 1 Building 1 Floor Office supplies	Owner	14,107,707	None
- Machinery, Refinery Equipment , oil depots	Owner	90,017,739	None
- Equipment	Owner	434,281	None
<b>Total</b>		<b>518,488,370</b>	

- **Policy on Investing in Subsidiaries and Associates**

The Company has a policy to invest in and manage subsidiaries and associates that are related, or beneficial and in support of the Company's business operations to strengthen its security and operating results. Additionally, in overseeing the operations of subsidiaries and associates, the Company will send out its representatives with qualifications and experience that are suitable for the businesses in which the Company will invest to hold director positions in subsidiaries and associates to oversee their operations in the direction that is proper and beneficial to the Company as a whole.

The Company, subsidiaries and/or associates may consider investing in other businesses that have potential business growth or are beneficial to RPCG group's business, which can generate good returns on investment. The Company will consider investment proportion, expected profits, potential risks, and the Company's financial position as well as conduct probability analysis for investment and consider potential before investing in projects. The consideration of investments of the Company, subsidiaries and/or associates must be approved and/or endorsed by the Board of Directors meeting and/or the shareholders' meeting (as the case may be).

## **2. Operating Assets and Details of Assets Assessment**

- None -

## Corporate Governance Policy and Practice, and Code of Conduct

Corporate Governance Policy and Practice, and Code of Conduct of the Company in full version disclosed on the Company website ([www.rpcpthai.com](http://www.rpcpthai.com)) in Investor Relations section.

## Audit Committee Report

The Audit Committee (the “Committee”) performed its duties in accordance with the scope of duties and responsibilities set forth in the Audit Committee Charter, which complies with the regulations of The Stock Exchange of Thailand and authorized by the Board of Directors (the “Board”).

For the accounting period of 2022, the Committee has performed its duties independently. The Audit Committee convened 6 meetings, including one meeting between the Committee and the auditors without the presence of the Managements representative to consider the system of internal controls and the 2022 external audit plan of the Company and its subsidiaries as appropriate to discuss the following issues:

**1. Financial Statements:** The Audit Committee has reviewed the quarterly and annual financial statements 2022 of the Company and its subsidiaries collaborate with management and auditors by inquiring and listening to the clarification in regard to accuracy complete details of financial statements and sufficiency in disclosing information. The Audit Committee agreed with the auditor that the said financial statements were correct as they should be emphasized in material matters according to accounting standards. And the disclosure of important information adequately in the notes to the financial statements and the auditor reviews the financial statements unconditionally. In 2022, which can be summarized as follows:

(1) Onward Venture Company Limited, a subsidiary company, which the Company owns 100% of its shares and has received additional license to operate retail loans (Pico Plus) on 1 September 2022.

(2) RPCG-JV1 Co., Ltd., (“RPCG-JV1”) a subsidiary company, has successfully completed its liquidation process as well as registration with Department of Business Development, Ministry of Commerce on 25 May 2022.

(3) SCTP Joint Venture is a joint venture of SCT Sahaphan Company Limited (SCT), a subsidiary held by Pure Thai Energy Co., Ltd. in the joint venture of 40 percent of the working capital, by operating a construction business and operates general service business. Currently, the investment has been called in the amount of 7.5 million Baht, in the proportion of 40 percent, in the amount of 3 million Baht.

(4) Black Case No. 3162/2553 in which the Company filed a lawsuit against PTT for breach of the raw material purchase agreement. The Board of Directors resolved to withdraw the lawsuit. Subsequently, the court withdrew the lawsuit and returned the fee to the Company and disposed of the case on November 29, 2022.

**2. Related Transactions:** The Audit Committee considered the disclosure of Related Transactions and other transactions that may cause a conflict of interest, which the external auditor had expressed an opinion that the Company’s transactions with related companies are disclosed in the Financial Statements and recorded in the notes to the Financial Statements. The Committee agreed with the opinion of the external auditor. Furthermore, the Committee expressed that the transactions were of sound business practices and for the best interest of the Company; and the disclosures were accurate, adequate, and in compliance with related laws and the regulations of the Stock Exchange of Thailand.

**3. Internal control and risk management systems:** The Audit Committee considered quarterly internal audit reports and progress, according to the approved plan as well as giving suggestions to KPMG Phoomchai Business Advisory Company Limited, the internal audit department of the Company, directly to the Audit Committee in the operation to be efficient and effective with constant monitoring and corrective action on important issues. For various departments of the Company and subsidiaries have appropriate internal control systems including modification of internal audit procedures in accordance with the situation of the outbreak of COVID-19, reviewing policies, guidelines for risk management in accordance with the current situation of the Company in both the litigation and future business operations. The Audit Committee is of the opinion that the Company's internal

control and risk management is adequate, effective and independent as possible and enforcement of measures to prevent infection and spread of COVID-19 is also strictly.

The Company has a policy and guidelines regarding personal data protection to RPCG Group's Code of Business Ethics as a guideline for executives and employees in operation or take action related to the protection of personal data, effective on March 1, 2021.

**4. Compliance with legal requirement:** The Audit Committee has considered the compliance with the Securities and Exchange Act. Rules and regulations of the Securities and Exchange Commission, and the Stock Exchange of Thailand, and laws related to the Company's business and subsidiaries. The Audit Committee is of the opinion that the Company has complied with relevant laws and did not find any significant issues.

**5. Selection and appointment of auditors:** The Audit Committee considered the performance in the past year, including knowledge, experience, credibility and sufficient resources along with evaluating the independence and quality of the auditors during the past year. For the auditor's remuneration considered the scope of responsibilities of the auditor, compensation of other office auditors deems appropriate by the year 2021 the previous auditor performed the duty of reviewing or auditing and giving opinions on the financial statements of the Company and its subsidiaries for 7 accounting periods. However, the Company can appoint a new auditor who is affiliated with the same auditing office as the previous auditor. The Audit Committee therefore proposing to the Board of Directors for approval at the shareholders' meeting by selecting EY Office Limited as the Company's auditor for the year 2022.

In 2021 the previous auditor performed the duty of reviewing or auditing and giving opinions on the financial statements of the Company for 7 accounting periods. However, in 2022, the Company appointed a new auditor who is affiliated with the same auditing office as the previous auditor from EY Office Limited.

**6. Good Corporate Governance:** The Company recognized the importance of and continued to operate within the Good Corporate Governance principles. The Audit Committee ensured that the Company accurately and adequately disclosed relevant information and promoted good corporate governance, transparency, and ethics; thus creating confidence among of shareholders, investors, employees and other parties. The Committee also reviewed the method of reporting the interest of the Company's directors and management in accordance with the Securities and Exchange Act.

In the year 2022, the Company set policies and guidelines for sustainable development with an emphasis on the economic dimension, environmental dimension and social dimension to support business operations for sustainable growth.

In summary, the Committee has performed duties as described in the Audit Committee Charter which was approved by the Board. Furthermore, the Committee considered that the Company recognized the importance of good corporate governance which resulted in adequate and effective system of internal controls without any defects; appropriate and effective risk management process; and the Company's Financial Statement and information disclosure were accurate, completed, and in accordance with generally accepted accounting principles. The Company accurately and completely disclosed information concerning related transactions that might lead to conflict of interest; and adhered to related laws, rules, regulations, and other related requirements.

Please be informed accordingly.

On behalf of the Audit Committee



(Mr. Prasit Dheeraratbongkot)  
Chairman of the Audit Committee  
RPCG Public Company Limited



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