

**V.L. ENTERPRISE PUBLIC COMPANY LIMITED**

---

**REVIEWED REPORT AND INTERIM FINANCIAL STATEMENTS  
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2022**

## INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

To The Shareholders and Board of Directors of  
V.L. Enterprise Public Company Limited

I have reviewed the accompanying statement of financial position of V.L. Enterprise Public Company Limited as at June 30, 2022 and the related statement of comprehensive income for the three-month and six-month periods ended June 30, 2022, changes in shareholders' equity and cash flows for the six-month period ended June 30, 2022 and selected explanatory notes. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

### SCOPE OF REVIEW

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

### CONCLUSION

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting".



(Mr. Peradate Pongsathiansak)

Certified Public Accountant

Registration No. 4752

Dharmniti Auditing Company Limited  
Bangkok, Thailand  
August 10, 2022

V.L. ENTERPRISE PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2022

		Baht	
		As at June 30, 2022	As at December 31, 2021
<u>ASSETS</u>			
	Notes		
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	146,467,627.06	177,260,060.43
Trade and other current receivables	6	130,246,778.48	88,142,612.26
Vessel supplies and spare parts	7	25,856,272.31	21,677,405.57
Other current financial assets	8	100,739,578.22	100,688,656.36
Other current assets		1,756,467.37	241,552.45
Total current assets		405,066,723.44	388,010,287.07
<b>NON-CURRENT ASSETS</b>			
Vessels and equipment	9	1,492,633,667.51	1,542,248,906.12
Right-of-use assets	10	14,502,017.58	17,992,277.08
Intangible assets	11	3,984,381.36	3,624,054.45
Other non-current assets		172,850.00	87,100.00
Total non-current assets		1,511,292,916.45	1,563,952,337.65
<b>TOTAL ASSETS</b>		<b>1,916,359,639.89</b>	<b>1,951,962,624.72</b>

Notes to interim financial statements form an integral part of these statements.

d

V.L. ENTERPRISE PUBLIC COMPANY LIMITED  
STATEMENT OF FINANCIAL POSITION (CONT.)  
AS AT JUNE 30, 2022

LIABILITIES AND SHAREHOLDERS' EQUITY

		Baht	
		As at June	As at December
		30, 2022	31, 2021
	Notes		
<b>CURRENT LIABILITIES</b>			
Trade and other current payables		50,849,975.05	49,325,427.30
Purchase of fixed assets payable		15,482,015.70	1,409,195.22
Current portion of lease liabilities	4 , 10	1,406,120.74	1,644,477.61
Current portion of long-term loans from financial institutions	14	154,426,800.00	146,214,000.00
Corporate income tax payable		385,097.08	2,536,796.68
Financial liabilities	24	5,936,560.00	-
Other current liabilities		6,952,847.14	691,740.56
Total current liabilities		<u>235,439,415.71</u>	<u>201,821,637.37</u>
<b>NON-CURRENT LIABILITIES</b>			
Lease Liabilities	4 , 10	14,347,358.15	15,122,550.35
Long-term loans from financial institution	14	747,647,726.61	824,861,126.61
Deferred tax liabilities	12	11,537,324.88	11,250,057.88
Employee benefit obligations	15	4,391,347.60	4,057,331.23
Total non-current liabilities		<u>777,923,757.24</u>	<u>855,291,066.07</u>
<b>TOTAL LIABILITIES</b>		<u>1,013,363,172.95</u>	<u>1,057,112,703.44</u>

Notes to interim financial statements form an integral part of these statements.

d

V.L. ENTERPRISE PUBLIC COMPANY LIMITED  
STATEMENT OF FINANCIAL POSITION (CONT.)  
AS AT JUNE 30, 2022

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

	Notes	Baht	
		As at June 30, 2022	As at December 31, 2021
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	17		
Registered share capital			
1,200,000,000 ordinary shares of Baht 0.50 each		600,000,000.00	600,000,000.00
Issued and fully paid-up share capital			
1,018,434,202 ordinary shares of Baht 0.50 each	20	509,217,101.00	
966,692,700 ordinary shares of Baht 0.50 each			483,346,350.00
Share premium on ordinary shares		231,587,782.52	231,587,782.52
Surplus on business combination under common control		13,524,246.75	13,524,246.75
Retained earnings			
Appropriated - Legal reserve	18	22,475,000.00	22,475,000.00
Unappropriated		126,192,336.67	143,916,542.01
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>902,996,466.94</b>	<b>894,849,921.28</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>1,916,359,639.89</b>	<b>1,951,962,624.72</b>

**V.L. ENTERPRISE PUBLIC COMPANY LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2022**

		Baht			
		For the three-month periods ended		For the six-month periods ended	
		June 30,		June 30,	
	Notes	2022	2021	2022	2021
<b>REVENUES</b>					
	21				
Freight charges		172,782,617.76	160,183,870.10	338,554,902.51	299,646,159.18
Other income					
Gain on exchange rate		12,523.13	231,662.85	37,923.22	1,871,667.09
Others		381,404.67	429,295.96	1,161,192.84	1,293,428.27
Total revenues		<u>173,176,545.56</u>	<u>160,844,828.91</u>	<u>339,754,018.57</u>	<u>302,811,254.54</u>
<b>EXPENSES</b>					
Cost of freight		151,239,128.25	129,644,404.25	294,292,944.78	244,327,891.64
Administrative expenses	4	13,981,734.43	8,623,722.90	20,132,624.37	15,636,099.57
Management benefit expenses	4	4,642,964.38	5,122,202.89	9,161,950.15	9,972,867.97
Total expenses		<u>169,863,827.06</u>	<u>143,390,330.04</u>	<u>323,587,519.30</u>	<u>269,936,859.18</u>
Income before finance costs and income tax expenses		3,312,718.50	17,454,498.87	16,166,499.27	32,874,395.36
Finance costs	4	8,989,446.06	9,275,939.22	18,226,879.06	17,504,452.38
Income (loss) before income tax expenses		(5,676,727.56)	8,178,559.65	(2,060,379.79)	15,369,942.98
Income tax expenses	16	379,972.40	1,715,433.20	1,163,435.05	3,298,798.11
Income (loss) for the period		(6,056,699.96)	6,463,126.45	(3,223,814.84)	12,071,144.87
Other comprehensive income (loss) for the period		-	-	-	-
Total comprehensive income (loss) for the period		<u>(6,056,699.96)</u>	<u>6,463,126.45</u>	<u>(3,223,814.84)</u>	<u>12,071,144.87</u>
<b>Earnings (loss) per share</b>					
	22				
Basic earnings (loss) per share (Baht per share)		(0.0060)	0.0081	(0.0033)	0.0151
Diluted earnings (loss) per share (Baht per share)		(0.0054)	0.0063	(0.0029)	0.0132

**V.L. ENTERPRISE PUBLIC COMPANY LIMITED**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2022**

	Notes	Baht					Total
		Share capital	Share premium	Surplus on business	Retained earnings		
		issued and paid-up	on ordinary shares	combination under common control	Appropriated - Legal reserves	Unappropriated	
Beginning balance as at January 1, 2022		483,346,350.00	231,587,782.52	13,524,246.75	22,475,000.00	143,916,542.01	894,849,921.28
Ordinary shares issuance from							
exercised warrants	20	25,870,751.00	-	-	-	-	25,870,751.00
Dividend payment	19	-	-	-	-	(14,500,390.50)	(14,500,390.50)
Total comprehensive loss for the period		-	-	-	-	(3,223,814.84)	(3,223,814.84)
Ending balance as at June 30, 2022		<u>509,217,101.00</u>	<u>231,587,782.52</u>	<u>13,524,246.75</u>	<u>22,475,000.00</u>	<u>126,192,336.67</u>	<u>902,996,466.94</u>
Beginning balance as at January 1, 2021		400,000,000.00	231,587,782.52	13,524,246.75	21,319,000.00	170,167,317.94	836,598,347.21
Dividend payment	19	-	-	-	-	(40,000,000.00)	(40,000,000.00)
Total comprehensive income for the period		-	-	-	-	12,071,144.87	12,071,144.87
Ending balance as at June 30, 2021		<u>400,000,000.00</u>	<u>231,587,782.52</u>	<u>13,524,246.75</u>	<u>21,319,000.00</u>	<u>142,238,462.81</u>	<u>808,669,492.08</u>

**V.L. ENTERPRISE PUBLIC COMPANY LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2022**

	Notes	Baht	
		2022	2021
<u>Cash flows from operating activities :</u>			
Income (loss) for the period		(3,223,814.84)	12,071,144.87
Adjustments to reconcile income for the period to net cash provided by (used in) operating activities :			
Depreciation and amortization		56,301,040.63	54,297,966.84
Allowance for expected credit losses (reversal)		-	35,406.71
Bad debts		-	(202,525.78)
Unrealized (gain) loss from other current financial assets measured at fair value		620,016.94	(375,797.88)
Gain from other current financial assets measured at fair value		(670,938.80)	-
(Gain) loss on disposal and write-off of vessels and equipment		967,931.32	311,660.29
Unrealized loss from purchase of forward foreign exchange contract	24	5,936,560.00	-
Unrealized (gain) loss on exchange rates		(113,402.15)	143,014.93
Gain on change of payment under the lease agreement		-	(248,060.67)
Employee benefit expenses		283,066.24	1,152,821.15
Interest income		(348,987.05)	(56,695.29)
Interest expenses		18,226,879.06	17,504,452.38
Income tax expenses		1,163,435.05	3,298,798.11
Income from operating before changes in operating assets and liabilities		79,141,786.40	87,932,185.66
(Increase) decrease in operating assets			
Trade and other current receivables		(42,068,317.83)	(10,282,315.50)
Vessel supplies and spare parts		(4,178,866.74)	(6,933,094.90)
Other current assets		(1,514,914.92)	(68,070.60)
Other non-current assets		(85,750.00)	-
Increase (decrease) in operating liabilities			
Trade and other current payables		1,592,031.98	6,358,092.27
Other current liabilities		6,773,041.47	(124,724.96)
Cash generated from operations		39,659,010.36	76,882,071.97
Payment for employee benefit obligation		-	(2,082,730.00)
Payment for income tax		(3,027,867.65)	(4,335,742.62)
Net cash provided by operating activities		36,631,142.71	70,463,599.35

Notes to interim financial statements form an integral part of these statements.

*d*



**V.L. ENTERPRISE PUBLIC COMPANY LIMITED**  
**STATEMENT OF CASH FLOWS (CONT.)**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2022**

	Notes	Baht	
		2022	2021
<u>Cash flows from investing activities :</u>			
Cash received from other current financial assets		100,670,938.80	-
Cash paid for investment in other current financial assets		(100,670,938.80)	-
Cash paid for purchase of the vessels and equipment		(3,900,092.91)	(251,656,179.42)
Cash paid for purchase of the intangible assets		(401,532.00)	(1,541,420.43)
Cash received from sales of vessels and equipment		13,338,709.75	200.00
Cash received from interest income		92,781.14	56,695.29
Net cash provided by (used in) investing activities		<u>9,129,865.98</u>	<u>(253,140,704.56)</u>
<u>Cash flows from financing activities :</u>			
Cash received from the issuance of ordinary shares and the exercise of warrants	20	25,870,751.00	-
Cash received from long-term loans from financial institution		-	227,162,126.61
Cash payment of long-term loans from financial institution	14	(69,000,600.00)	(58,721,800.00)
Cash payment of lease liabilities		(1,013,549.07)	(1,039,911.16)
Cash paid for dividend		(14,500,390.50)	(40,000,000.00)
Cash paid for interest expenses		(18,337,809.06)	(17,421,043.48)
Net cash provided by (used in) financing activities		<u>(76,981,597.63)</u>	<u>109,979,371.97</u>
Net increase (decrease) in cash and cash equivalents		(31,220,588.94)	(72,697,733.24)
Cash and cash equivalents at the beginning of period		177,260,060.43	171,972,851.20
Adjustments to gain (loss) on translation of foreign currency		428,155.57	(30,972.55)
Cash and cash equivalents at the end of period		<u>146,467,627.06</u>	<u>99,244,145.41</u>

Supplementary disclosure of cash flow statement data :

Non-cash items as follows :

Interest expense recorded as cost of the assets	-	1,067,661.99
Increase (decrease) in purchase of fixed assets payable		
Vessels and equipment	13,378,485.59	9,171,801.90
Intangible assets	182,400.00	-

V.L. ENTERPRISE PUBLIC COMPANY LIMITED  
NOTES TO INTERIM THE FINANCIAL STATEMENTS

JUNE 30, 2022

**1. GENERAL INFORMATION**

(a) Address and legal status

The Company was incorporated as a limited company under Thai law and was registered with the Ministry of Commerce on September 27, 1991 and converted from the Company under the provision of the Civil and Commercial Code to be a Company in accordance with the Public Company Act B.E.2535 on September 7, 2018. The head office is located at 41 Asoke-Dindang Rd., Makkasan, Ratchatevee, Bangkok, 10400.

(b) Nature of the Company's operations

The Company operates a tanker fleet business and provides logistical cargo shipping locally and regionally.

**2. CORONAVIRUS DISEASE 2019 PANDEMIC**

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting businesses and industries as a whole. This situation may affect the results of operations of business. Nevertheless, the management of the Company have continuously monitored ongoing developments and regularly assess the financial impact in respect of the valuation of assets, provisions and contingent liabilities.

**3. SIGNIFICANT ACCOUNTING POLICIES**

3.1 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 “Interim Financial Reporting” and the requirements of the Securities and Exchange Commission (SEC). The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events, and situations and not intended to re-emphasize on the information previously reported. The interim financial statements should, therefore, be read in conjunction with the financial statements for the year ended December 31, 2021.

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

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

3.2 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as being used for the financial statements for the year ended December 31, 2021.

3.3 Financial reporting standards that became effective in the current period

During the period, the Company have adopted the revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 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 practices, accounting guidance and disclosures in the notes to the financial statements and, for some standards, providing temporary reliefs or temporary exemptions to users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the financial statements in the current period.

**4. RELATED PARTIES TRANSACTIONS**

The Company has certain transactions with related parties. The part of assets, liabilities, revenue, cost and expense of the Company occurred from transactions with related parties. These related parties are related through common shareholdings and/or directorships. The effects of these transactions are reflected in the accompanying financial statements on the basis determined by the Company and the parties concerned.

Nature of relationships between the Company and related parties:

Name of persons or related company	Nature of relationships
<u>Related persons</u>	
Mrs.Chutipat Klinsuwan	The Company's shareholders and directors

For the three-month and six-month periods ended June 30, 2022 and 2021, the significant transactions with persons or related parties can be summarized as follows :-

	Pricing policy	Baht			
		For the three-month periods ended		For the six-month periods ended	
		June 30,	June 30,	June 30,	June 30,
		2022	2021	2022	2021
<u>Related person</u>					
Office rental expenses					
Mrs.Chutipat Klinsuwan	Agreed price	466,296.87	466,296.87	932,593.74	932,593.74
Interest expense under the lease					
Mrs.Chutipat Klinsuwan	Effective rate	182,390.94	194,270.79	367,971.09	389,485.34

d

The outstanding balances as at June 30, 2022 and December 31, 2021 are as follows :-

	Baht	
	As at June 30, 2022	As at December 31, 2021
<u>Lease liabilities - related person</u>		
Mrs.Chutipra Klinsuwan	15,697,481.96	16,259,510.87

Management benefit expenses

Management benefit expenses represent the benefits paid to the Company’s management such as salaries and related benefit including the benefit paid by other means. The Company’s management are the persons who are defined under the Securities and Exchange Act.

For the three-month and six-month periods ended June 30, 2022 and 2021, management benefit expenses are as follows:-

	Baht			
	For the three-month periods ended		For the six-month periods ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Management personnel compensation				
Short-term employee benefits	4,602,987.11	4,363,498.51	9,082,434.95	9,187,490.00
Post-employment benefits	39,977.27	758,704.38	79,515.20	785,377.97
Total	4,642,964.38	5,122,202.89	9,161,950.15	9,972,867.97

**5. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consisted of :-

	Baht	
	As at June 30, 2022	As at December 31, 2021
Cash on hand	388,241.45	213,593.76
Cash at bank - current accounts	7,342,603.62	1,799,455.96
Cash at bank - savings accounts	138,736,781.99	175,247,010.71
Total	146,467,627.06	177,260,060.43

Savings accounts carry interest at the floating rates which are set by the banks.

d

**6. TRADE AND OTHER CURRENT RECEIVABLES**

Trade and other current receivables consisted of :-

	Baht	
	As at June 30, 2022	As at December 31, 2021
<u>Trade receivables, classified by age analysis :-</u>		
<u>- Domestic</u>		
Not yet due	113,809,197.70	63,325,406.65
Overdue :		
Not over 3 months	-	2,549,811.23
Over 3 - 6 months	959,887.50	4,799,437.50
Over 6 - 12 months	4,799,437.50	3,839,550.00
Over 12 months	688,849.23	-
Total	<u>120,257,371.93</u>	<u>74,514,205.38</u>
<u>- Foreign</u>		
Not yet due	-	2,353,821.67
Total	<u>-</u>	<u>2,353,821.67</u>
Total trade receivables	120,257,371.93	76,868,027.05
<u>Less Allowance for expected credit losses</u>	<u>(1,943,512.65)</u>	<u>(1,943,512.65)</u>
Total trade receivables - net	<u>118,313,859.28</u>	<u>74,924,514.40</u>
<u>Other current receivables</u>		
- Advance payable	93,430.00	172,352.43
- Prepaid expenses	8,035,323.86	8,580,153.28
- Accrued income	3,250,367.37	4,184,274.65
- Others	553,797.97	281,317.50
Total	<u>11,932,919.20</u>	<u>13,218,097.86</u>
Total trade and other current receivables - net	<u><u>130,246,778.48</u></u>	<u><u>88,142,612.26</u></u>

d

For the six-month period ended June 30, 2022 and for the year ended December 31, 2021 the movements of allowance for expected credit losses were as follow :-

	Baht	
	As at June 30, 2022 (For the six-month)	As at December 31, 2021 (For the year)
Allowance for expected credit losses		
Beginning balance	1,943,512.65	209,885.93
Increase (decrease) during the period	-	1,936,152.50
Bad debts written off during the period	-	(202,525.78)
Ending balance	<u>1,943,512.65</u>	<u>1,943,512.65</u>

#### 7. VESSEL SUPPLIES AND SPARE PARTS

Vessel supplies and spare parts consisted of :-

	Baht	
	As at June 30, 2022	As at December 31, 2021
Fuel	18,095,496.07	14,179,467.35
Supplies and spare parts	7,760,776.24	7,497,938.22
Total	<u>25,856,272.31</u>	<u>21,677,405.57</u>

#### 8. OTHER CURRENT FINANCIAL ASSETS

As at June 30, 2022 and December 31, 2021, details of other current financial assets consisted of :-

	Baht	
	As at June 30, 2022	As at December 31, 2021
<u>Investment in debt securities</u>		
Unit trusts Mutual Fund - at cost	100,670,938.84	100,000,000.00
<u>Add Unrealized gain (loss) on changes in the fair value</u> of financial assets	<u>68,639.38</u>	<u>688,656.36</u>
Investment in debt securities - at fair value	<u>100,739,578.22</u>	<u>100,688,656.36</u>

## 9. VESSELS AND EQUIPMENT

Movements of the vessels and equipment account for the six-month period ended June 30, 2022 are summarized as follows :-

	Baht
<b>At cost</b>	
Balance as at December 31, 2021	2,256,801,973.46
Acquisitions during the period	17,278,578.50
Disposals and write-off during the period	(114,845,186.76)
Transfer from right-of-use assets	3,550,000.00
Balance as at June 30, 2022	<u>2,162,785,365.20</u>
<b>Accumulated depreciation</b>	
Balance as at December 31, 2021	714,553,067.34
Depreciation for the period	54,952,584.26
Accumulated depreciation on disposals and write-off	(100,538,545.69)
Transfer from right-of-use assets	1,184,591.78
Balance as at June 30, 2022	<u>670,151,697.69</u>
<b>Net book value</b>	
Balance as at June 30, 2022	<u>1,492,633,667.51</u>
Balance as at December 31, 2021	<u>1,542,248,906.12</u>

Some vessels with net book value as at June 30, 2022 and December 31, 2021 Baht 1,482.09 million and Baht 1,522.37 million, respectively, were pledged to guarantee against loan from financial institution (see Note 13 and 14).

For the six-month periods ended June 30, 2021, the Company recorded interest as part of the cost vessels of Baht 1.07 million. Borrowing costs are the actual amount of the loan specific purposes for the each vessel by interest at the rate of 3.65% per annum.

As at June 30, 2022 and December 31, 2021, the Company had the fixed assets that have been fully depreciated but they are still in use, at cost of assets of Baht 368.22 million and Baht 450.01 million, respectively.

d

## 10. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

### 10.1 Right-of-use assets

The carrying amounts of right-of-use assets building and equipment and the movement for the six-month period ended June 30, 2022 are summarized as follows :-

	Baht
<b>At cost</b>	
As at December 31, 2021	23,020,874.54
Increase during the period	-
Transfer to vessels and equipment	<u>(3,550,000.00)</u>
As at June 30, 2022	<u>19,470,874.54</u>
<b>Accumulated depreciation</b>	
As at December 31, 2021	5,028,597.46
Depreciation for the period	1,124,851.28
Transfer to vessels and equipment	<u>(1,184,591.78)</u>
As at June 30, 2022	<u>4,968,856.96</u>
<b>Net book value</b>	
As at June 30, 2022	<u>14,502,017.58</u>
As at December 31, 2021	<u>17,992,277.08</u>

### 10.2 Lease liabilities

The carrying amounts of lease liabilities and the movement for the six-month period ended June 30, 2022 are presented below:

	Baht
As at December 31, 2021	16,767,027.96
Increase during the period	-
Increase of interest	375,509.93
Payments during the period	<u>(1,389,059.00)</u>
As at June 30, 2022	15,753,478.89
<u>Less: current portion</u>	<u>(1,406,120.74)</u>
Lease liabilities - net of current portion	<u>14,347,358.15</u>



The following are the amounts recognized in profit or loss for the six-month period ended June 30, 2022 are presented below:

	Baht
Depreciation of right-of-use assets	1,124,851.28
Interest expense on lease liabilities	375,509.93
Total	<u>1,500,361.21</u>

#### 11. INTANGIBLE ASSETS

Intangible assets consisted of :-

	Baht			
	Book value	Additions	Deductions	Book value
	as at Jan 1, 2022			as at Jun 30, 2022
<u>Cost</u>				
Computer program	5,751,157.61	107,184.00	-	5,858,341.61
Assets in progress	-	476,748.00	-	476,748.00
Total	5,751,157.61	583,932.00	-	6,335,089.61
<u>Less Accumulated amortizations</u>				
Computer program	(2,127,103.16)	(223,605.09)	-	(2,350,708.25)
Intangible assets - net	<u>3,624,054.45</u>			<u>3,984,381.36</u>

#### 12. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

Changes in deferred tax assets and deferred tax liabilities for the six-month period ended June 30, 2022 are summarized as follows :-

	Baht			
	Balance per book	Revenue (expenses) during the period		Balance per book
	as at December	In profit or loss	In other	as at June
	31, 2021		comprehensive	30, 2022
			income	
Deferred tax assets:				
Account receivables	388,702.53	-	-	388,702.53
Employee benefit obligations	417,583.05	(3,362.12)	-	414,220.93
Leases	70,591.06	24,860.16	-	95,451.22
Total	876,876.64	21,498.04	-	898,374.68
Deferred tax liability:				
Depreciation of fixed assets	(12,126,934.52)	(308,765.04)	-	(12,435,699.56)
Total	(12,126,934.52)	(308,765.04)	-	(12,435,699.56)
Deferred tax assets (liabilities) - net	<u>(11,250,057.88)</u>	<u>(287,267.00)</u>	<u>-</u>	<u>(11,537,324.88)</u>

d

**13. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS**

As at June 30, 2022 and December 31, 2021, the Company has bank overdrafts and short-term loans from financial institution totaling credit lines of Baht 30 million were guaranteed by some vessels.

**14. LONG-TERM LOANS FROM FINANCIAL INSTITUTION**

Long-term loans from financial institution consisted of :-

	Baht	
	As at June 30, 2022	As at December 31, 2021
Long-term loans at the beginning of the period	971,075,126.61	856,355,800.00
Received loans during the period	-	227,162,126.61
Repayment of loans during the period	(69,000,600.00)	(112,442,800.00)
Long-term loans at the end of the period	902,074,526.61	971,075,126.61
<u>Less</u> Current portion of long-term loans	(154,426,800.00)	(146,214,000.00)
Long-term loans - net	<u>747,647,726.61</u>	<u>824,861,126.61</u>

The long-term loans above were guaranteed by each vessel.

As at June 30, 2022 and December 31, 2021, the Company had credit lines of 8 long-term loans and 9 long-term loans, respectively. The details of changing in regulation and condition specified in the loan agreements during the years 2021 were as follows:

- In March 2021, the Company had approval from a financial institution to reduce the amount of principal payment and interest rate at the rate 0.50 - 1.00 percent per annum for a period of 12 months of 7 long-term credit lines. The Company was the reduce of principal payment of Baht 3.81 million per monthly installment (6 credit lines) since from March 2021 and reduce the principal amount of Baht 0.56 million per monthly installment (1 credit line) since from April 2021.
- In July 2021, the Company had been approval from the financial institution to reduce the amount of principal repayment for a period of 30 installments monthly. The Company was the reduce of principal payment of Baht 1.20 million per monthly installment since from July 2021.

As at June 30, 2022, the long-term loans due within 1 year had been stated according to the changing amount in regulation and condition as mentioned above.

Other important conditions under the agreement

The Company has to comply with the loan covenants and important terms such as maintain a proper debt-to-equity ratio not more than 2.5 times and grant beneficiary of the asset protection insurance to the lender and not to sell, distribute, transfer, mortgage, pledge, transfer claim entitlement and lay down collateral by any means that will commit an obligation. It does not decrease share capital.

#### 15. EMPLOYEE BENEFIT OBLIGATION

Employee benefit obligations are as follows :-

##### The statements of financial position

	Baht	
	As at June 30, 2022 (For the six-month)	As at December 31, 2021 (For the year)
Defined benefit obligations at the beginning of the period	4,057,331.23	3,205,026.36
Current service cost and interest	334,016.37	2,793,444.87
Less Employee benefit paid by project	-	(2,197,130.00)
Actuarial loss from defined benefit plans	-	255,990.00
Defined benefit obligations at the end of the period	4,391,347.60	4,057,331.23

#### 16. INCOME TAX EXPENSES

##### 16.1 Major components of income tax expenses

For the three-month and six-month periods ended June 30, 2022 and 2021 consisted of :-

	Baht			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2022	2021	2022	2021
Income tax expense (revenues) shown in profit or loss :				
Current tax expense :				
Corporate income tax expense for the period	253,319.95	1,510,444.57	876,168.05	2,971,704.75
Deferred tax expense :				
Changes in temporary differences relating to the original recognition and reversal	126,652.45	204,988.63	287,267.00	327,093.36
Total	379,972.40	1,715,433.20	1,163,435.05	3,298,798.11

d

16.2 A numerical reconciliation between income tax expense and the product of accounting profit multiplied by the applicable tax rate

For the six-month periods ended June 30, 2022 and 2021 are summarized as follows :-

	Baht	
	2022	2021
Accounting profit (loss) for the period	(2,060,379.79)	15,369,942.98
The applicable tax rate (%)	20%	20%
Income tax expenses (revenues) at the applicable tax rate	(412,075.96)	3,073,988.60
Reconciliation items:		
Tax effect of expenses that are not deductible in determining tax profit:		
- Expenses not allowed as expenses in determining taxable profit	1,579,638.65	226,818.12
Tax effect of income or profit that are not required in determining taxable profit :		
- The exemption of profit of the promoted business (BOI)	-	-
- Expenses deducted as expenses added in tax	(4,127.64)	(2,008.61)
Total reconciliation items	1,575,511.01	224,809.51
Total income tax expenses	1,163,435.05	3,298,798.11

16.3 A numerical reconciliation between the average effective tax rate and the applicable tax rate

For the six-month periods ended June 30, 2022 and 2021 are summarized as follows :

	2022		2021	
	Tax amount (Baht)	Tax rate (%)	Tax amount (Baht)	Tax rate (%)
Accounting profit (loss) before income tax expense for the period	(2,060,379.79)		15,369,942.98	
Income tax expenses (revenues) at the applicable tax rate	(412,075.96)	(20.00)	3,073,988.60	20.00
Reconciliation items	1,575,511.01	76.47	224,809.51	1.46
Income tax expenses at the average effective tax rate	1,163,435.05	56.47	3,298,798.11	21.46

**17. SHARE CAPITAL**

At the Annual General shareholders' Meeting for 2021, held on April 22, 2021, the shareholders approved to increase of the Company's registered share capital in the amount of Baht 200 million from the registered capital of Baht 400 million to Baht 600 million by issuing capital increase in the number of shares 400 million at the par value of Baht 0.50 per share to be reserved for the exercise of warrants (see Note 20). The Company had registered the capital increase with the Ministry of Commerce on April 23, 2021.

**18. LEGAL RESERVE**

In compliance with the Public Company Act B.E.2535 (1992), the Company sets aside a legal reserve for at least 5% of its net profits until the reserve equaled 10% of the authorized share capital. This reserve is not available for dividend distribution.

**19. DIVIDEND**

For the year 2022

At the Annual General shareholders' Meeting for 2022, held on April 20, 2022, the shareholders approved to pay the annual dividend of 2021 which was paid from the retained earnings-unappropriated under promotional privileges by the Board of Investment (BOI) in the amount of Baht 22.50 million at the rate of Baht 0.025 per share. After deducting the interim dividend of Baht 0.01 per share in the amount of Baht 8 million (payment in September 2021). The remaining dividend balance of Baht 0.015 per share, totaling Baht 14.50 million (payment in May 2022).

For the year 2021

At the Annual General shareholders' Meeting for 2021, held on April 22, 2021, the shareholders approved to pay the annual dividend of 2020 which was paid from the retained earnings-unappropriated under promotional privileges by the Board of Investment (BOI) in the amount of Baht 56 million at the rate of Baht 0.07 per share. After deducting the interim dividend of Baht 0.02 per share in the amount of Baht 16 million (payment in April 2020). The remaining dividend balance of Baht 0.05 per share, totaling Baht 40 million (payment in May 2021).

At the Board of Directors' Meeting No.4/2021, held on August 11, 2021, the board approved to pay the interim dividend which was paid from the retained earnings-unappropriated under promotional privileges by the Board of Investment (BOI) in the amount of Baht 8 million at the rate of Baht 0.01 per share (payment in September 2021).

Totaling pay dividends in the year 2021 amounting to Baht 48 million.

d

## 20. WARRANTS

At the Annual General shareholders' Meeting for 2021, held on April 22, 2021, the shareholders approved the issuance and offering 400 million units of transferable warrants (VL-W1) with registered holders to the existing shareholders free of charge, at the ratio of 1 warrant for every 2 existing shares. These warrants can be exercised for a period of 2 years from the issue date (April 28, 2021) with an exercise ratio of 1 warrant per 1 ordinary share and an exercise price of Baht 0.50 per share. The exercise schedule is divided into 4 times (every 6 months), with the first exercise date on October 27, 2021 and the last exercise date on April 27, 2023.

In October 2021, the Company received subscriptions for the additional ordinary shares arising from the exercise of 166,692,700 warrants No.1 (VL-W1) at the exercise price of Baht 0.50 per share for a total of Baht 83.35 million. The Company registered the resulting increase share capital of Baht 83.35 million with the Ministry of Commerce on November 4, 2021 and the Stock Exchange of Thailand accepted the capital increase as listed securities on November 9, 2021.

In April 2022, the Company received subscriptions for the additional ordinary shares arising from the exercise of 51,741,502 warrants No.1 (VL-W1) at the exercise price of Baht 0.50 per share for a total of Baht 25.87 million. The Company registered the resulting increase share capital of Baht 25.87 million with the Ministry of Commerce on May 3, 2022 and the Stock Exchange of Thailand accepted the capital increase as listed securities on May 9, 2022.

## 21. PRIVILEGES AND BENEFITS UNDER INVESTMENT PROMOTION

The Company has been granted promotional privileges by the Board of Investment under Investment Promotion Act B.E. 2520 for the business of mass transportation and large goods as follows :-

	Vessel V.L.15	Vessel V.L.17	Vessel V.L.18	Vessel CTP.5	Vessel V.L.19	Vessel V.L.20	Vessel V.L.21	Vessel V.L.22	Vessel V.L.23
Promotion certificate number	2679(2)/2013	59-0313-1-00-1-0	59-0312-1-00-1-0	60-0737-0-00-1-2	60-0721-1-00-1-0	60-0597-1-00-1-0	62-0240-1-00-1-0	62-0576-1-00-1-0	63-0514-1-00-1-0
Dated	Nov 25, 2013	Feb 26, 2016	Feb 26, 2016	Jul 4, 2017	Jul 3, 2017	Aug 14, 2018	Mar 5, 2019	Apr 23, 2019	Apr 14, 2020
Key privileges and benefits under the promotion certificate									
1. Exemption of import duty on machinery (vessel) subject to import within date	May 25, 2016	Aug 26, 2018	Aug 26, 2018	Feb 24, 2016	Jan 3, 2020	Feb 14, 2021	Sep 5, 2021	Dec 7, 2021	Nov 5, 2022
2. Exemption of corporate income tax on net profit derived from of 8 years, starting from the date income is first derived from such operation - dated	Dec 1, 2014	Aug 17, 2016	Dec 1, 2016	May 29, 2017*	Aug 10, 2017	Sep 30, 2018	Apr 4, 2019	Apr 25, 2020	Jul 9, 2021
3. Others	As specified in the promotion certificate	As specified in the promotion certificate	As specified in the promotion certificate	As specified in the promotion certificate	As specified in the promotion certificate	As specified in the promotion certificate	As specified in the promotion certificate	As specified in the promotion certificate	As specified in the promotion certificate

\* For vessel CTP.5 has been granted promotional privileges until February 20, 2024 which the original privileges before the transfer of business under the promotion certificate number 2169(2)/2012 on August 24, 2012.

The Company has to comply with the conditions and restrictions as specified in the promotion certificate.

d

Freight charges for the six-month periods ended June 30, 2022 and 2021 consisted of :-

	Freight charges (Baht)					
	2022			2021		
	BOI	Non BOI	Total	BOI	Non BOI	Total
Freight charges						
- Domestic	197,587,231.22	45,435,552.18	243,022,783.40	145,943,505.89	44,681,406.13	190,624,912.02
- Export	74,448,812.76	21,083,306.35	95,532,119.11	60,796,646.38	48,224,600.78	109,021,247.16
Other income	900,642.47	298,473.59	1,199,116.06	2,189,278.76	975,816.60	3,165,095.36
Total	272,936,686.45	66,817,332.12	339,754,018.57	208,929,431.03	93,881,823.51	302,811,254.54

## 22. EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share is calculated by dividing net profit (loss) for the periods (excluding other comprehensive income) by the weighted average number of ordinary shares which are issued and paid-up during the period.

Diluted earnings (loss) per share is calculated by dividing net profit (loss) for the periods attributable to equity holders (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the periods plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the periods or on the date the potential ordinary shares were issued.

In case the warrant to purchase ordinary shares of the Company has an exercise price higher than the average market price of common shares during the periods. The effect of diluted equivalent ordinary shares will not be shown and not effect on the diluted earnings (loss) per share.

The following table sets for the computation of basic and diluted earnings (loss) per share:

	For the three-month periods ended June 30,					
	Profit (loss) for the period		Weighted average number of ordinary shares		Earnings (loss) per share	
	2022 (Baht)	2021 (Baht)	2022 (shares)	2021 (shares)	2022 (Baht)	2021 (Baht)
<b>Basic earnings (loss) per share</b>						
Profit (loss) attributable to equity holders of the Company	<u>(6,056,699.96)</u>	<u>6,463,126.45</u>	1,003,650,916	800,000,000	<u>(0.0060)</u>	<u>0.0081</u>
<b>Effect of dilutive potential ordinary shares</b>						
Warrants (VL-W1)			115,300,488	224,828,614		
<b>Diluted earnings (loss) per share</b>	<u>(6,056,699.96)</u>	<u>6,463,126.45</u>	<u>1,118,951,404</u>	<u>1,024,828,614</u>	<u>(0.0054)</u>	<u>0.0063</u>

d

	For the six-month periods ended June 30,					
	Profit (loss) for the period		Weighted average number of ordinary shares		Earnings (loss) per share	
	2022 (Baht)	2021 (Baht)	2022 (shares)	2021 (shares)	2022 (Baht)	2021 (Baht)
<b>Basic earnings (loss) per share</b>						
Profit (loss) attributable to equity holders of the Company	<u>(3,223,814.84)</u>	<u>12,071,144.87</u>	985,273,902	800,000,000	<u>(0.0033)</u>	<u>0.0151</u>
<b>Effect of dilutive potential ordinary shares</b>						
Warrants (VL-W1)			122,230,124	113,035,381		
<b>Diluted earnings (loss) per share</b>	<u>(3,223,814.84)</u>	<u>12,071,144.87</u>	<u>1,107,504,026</u>	<u>913,035,381</u>	<u>(0.0029)</u>	<u>0.0132</u>

### 23. SEGMENT INFORMATION

The Company operates the main business operation that reports on a single segment which is the oil tanker fleet transportation service. The operating results were regularly reviewed by the highest operation decision maker that is the chief executive officer who decides on the allocation of resources to the segment and evaluates performance. The Company evaluates the performance results of the operating segment by using the basis for profit or loss of the operating segment which is the same basis used to measure profit or loss from operation in the financial statements. Therefore, all revenues, profits from operation and assets that are presented in the financial statements are already reported by the operating segment.

#### Geographic Information

The Company's freight services provide both domestic and international shipping services in Southeast Asia shown as follows:

Freight charges for the three-month and six-month periods ended June 30, 2022 and 2021, shown as follows:

	Baht			
	For the three-month periods ended		For the six-month periods ended	
	June 30,	June 30,	June 30,	June 30,
	2022	2021	2022	2021
Domestic freight charges	122,825,654.54	104,330,920.30	243,022,783.40	190,624,912.02
Export freight charges	<u>49,956,963.22</u>	<u>55,852,949.80</u>	<u>95,532,119.11</u>	<u>109,021,247.16</u>
Total net income from freight charges	<u>172,782,617.76</u>	<u>160,183,870.10</u>	<u>338,554,902.51</u>	<u>299,646,159.18</u>

#### Information about major customers

For the six-month periods ended June 30, 2022 and 2021, the Company had revenue from 3 major customers, from transportation service revenue exceeding 10% totaling Baht 220.96 million and Baht 204.28 million, respectively.

d



## 24. FINANCIAL INSTRUMENTS

### 24.1 Foreign currency risk

The Company’s exposure to foreign currency risk relates to transactions in foreign currency, which the Company has currently not hedged by derivative financial instruments.

As at June 30, 2022, the Company had foreign currency as follows:

Transaction	Currency	Foreign amount (Unit)	Fair value (Baht)
Cash and cash equivalents	USD	65,667.30	2,306,905.38
Trade and other current payables	USD	150,824.40	5,348,806.36
	JPY	1,622,330.00	425,392.77

### 24.2 Forward foreign exchange contracts

The Company has entered into forward foreign exchange contracts to manage exposure to fluctuations in foreign currencies of trade receivables, other current receivables, trade payables and other current payables denominated in foreign currencies.

As at June 30, 2022, the Company has outstanding forward foreign exchange buying contracts with as follows:

Currency	Foreign currency (Million)	Contract amount (Million Baht)	Fair value (Million Baht)
JPY	800	215.20	209.26

### 24.3 Fair value of financial instruments

The Company uses the market approach to measure the fair value of assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

#### Fair value hierarchy

- Level 1 - Use of quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Use of inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (e.g. prices) or indirectly (e.g. derived from prices)
- Level 3 - Use of unobservable inputs such as estimates of future cash flows.

*d*

As at June 30, 2022, the Company had the following assets that were measured at fair value using different levels of inputs as follows :-

	Baht			Total
	Level 1	Level 2	Level 3	
<b>Financial assets measured at fair value</b>				
Other current financial assets				
- Unit trusts	-	100,739,578.22	-	100,739,578.22

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

As at June 30, 2022, the Company has fair values of forward foreign exchange buying contracts were stated as net liabilities of Baht 5.94 million which was shown under “financial liabilities” in the statement of financial position.

Valuation techniques and inputs of fair value to level 2

The fair value of investments in unit trusts that not listed on the Stock Exchange of Thailand has been determined by using the net assets value per unit as announced by fund manager.

The fair value of forward foreign exchange contracts is determined by the market rate of each contract, which is calculated by financial institutions dealing with the Company at the date of the statement of financial position.

The fair values of derivative financial instruments, which are cross currency swap contracts, are the market prices adjusted by credit risk of the Company which is calculated by the financial institution of the Company as at the statement of financial position date. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates.

**25. COMMITMENTS AND CONTINGENT LIABILITIES**

As at June 30, 2022, the Company had commitment and contingent liabilities as follows :-

- 25.1 The Company had contingent liability in respect of the letters of guarantee issued by the bank to Port Authority of Thailand, Marine Department and guarantee for normal course of business operations in the amount of Baht 17.47 million.
- 25.2 The Company had commitments and obligations to the contract of hiring 6 oil tankers with both local and foreign companies for the period of 1 - 5 years at the specified rates in the contracts.

**26. APPROVAL OF INTERIM FINANCIAL STATEMENTS**

These interim financial statements were authorized for issue by the Company’s directors on August 10, 2022.

*d*